

**INAUGURAL MEETING
OF
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY**

Thursday, October 15, 2026, at 10:30 a.m.
1625 Pelican Lakes Point, Suite 201, Windsor, CO 80550
and via teleconference

*This meeting will be held in person and via teleconferencing and can be joined through the
directions below:*

<https://us06web.zoom.us/j/86797582070?pwd=hrkVl5OempPohslkP1Vanfs9dCfzUn.1>

Meeting ID: 867 9758 2070; Passcode: 430735; Call-in Number: 719-359-4580

Board of Directors, Position

Martin Lind
Austin Lind
Garrett Scallon
Jusin Donahoo
Vacant

NOTICE OF INAUGURAL MEETING AND AGENDA

1. Call to Order/Declaration of Quorum
2. Conflicts of Interest Disclosures
3. Approval of Agenda
4. Consider Appointment of Independent Directors and Consider Election of Officers
5. Public Comment – Members of the public may express their views to the Board on matters that affect the Authority that are not otherwise on the agenda. Comments will be limited to three (3) minutes per person.
6. Administrative Matters
 - a. Consider Adoption of 2026 Resolution Designating Meeting Notice Posting Location (**enclosure**)
 - b. Consider Adoption of 2026 Annual Administrative Resolution (**enclosure**)
 - (i) Discuss Regular Meeting Schedule (Proposed March and October)
 - c. Consider Adoption of Resolution Establishing an Electronic Signature Policy (**enclosure**)
 - d. Consider Adoption of Resolution Providing for the Defense and Indemnification of Directors and Employees of the Authority (**enclosure**)
 - e. Consider Adoption of Public Records Request Policy (**enclosure**)
 - f. Consider Adoption of Colorado Special District Records Retention Schedule (**enclosure**)

7. Liability Management

- a. Authorization, Approval, and Ratification of Proposals for Renewal of General Liability Schedule and Limits, and Approval and Authorization to Bind Coverage, Renewal of Special District Association of Colorado Membership, Payment of Agency Fees; Consider Approval of Exclusion from Workers' Compensation Coverage with Colorado Special Districts Property and Liability Pool; Consider Authorization of Renewal of Special District Association of Colorado Membership for 2026/2027

8. Engagement of Consultants

- a. Consider Approval of Engagement Letter from WBA, PC for Legal Services **(enclosure)**
- b. Consider Approval of Engagement of Advance HOA for Management and Accounting Services
- c. Consider Approval of Engagement of Trollco, Inc. for Management and Financial Services

9. Legal Matters

- a. Consider Adoption of Resolution re Imposition of Fees **(enclosure)**
- b. Consider Adoption of Resolution Adopting Water System Rules and Regulations **(enclosure)**
- c. Consider Adoption of Resolution Adopting Water System Efficiency Plan **(enclosure)**
- d. Consider Adoption of Resolution Adopting Drought Policy **(enclosure)**
- e. Consider Adoption of Resolution Approving Assignment, Assumption, and Transfer Agreement with Raindance Metropolitan District No. 1 and Poudre Tech Metropolitan District **(enclosure)**

10. Financial Matters

- a. Conduct Public Hearing on 2026 Budget and 2027 Budget
 - i. Consider Adoption of Resolution Adopting the 2026 Budget **(enclosure)**
 - ii. Consider Adoption of Resolution Adopting the 2027 Budget **(enclosure)**
- b. Consider Approval of Execution of (1) Form SS-4 Application for Federal Employer Identification Number; (2) Application for Colorado Sales Tax Exemption Number; and (3) Application for Assignment of PDPA Numbers **(enclosures)**
- c. Consider Approval of Resolution Authorizing Bank Account and Designating Authorized Signers **(enclosure)**

11. Other Business

- a. Next Meeting

12. Adjourn

**RESOLUTION
OF THE BOARD OF DIRECTORS OF THE
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY
DESIGNATING 2026 MEETING NOTICE POSTING LOCATIONS**

WHEREAS, the WaterDance Non-Potable Water Activities Authority (the “**Authority**”), operating as a political subdivision and public corporation of the State of Colorado; and

WHEREAS, pursuant to §32-1-903(2) and §24-6-402(2)(c), C.R.S., the Authority shall be considered to have given full and timely notice to the public if notice of the meeting is posted, with specific agenda information if available, on a public website of the Authority no less than twenty-four (24) hours prior to the meeting; and

WHEREAS, pursuant to §24-6-402(2)(c), C.R.S., the Authority shall make the notice posted on the public website accessible at no charge to the public, consider linking the notice to any appropriate social media accounts of the Authority, and, to the extent feasible, make the notices searchable by type of meeting, date of meeting, time of meeting, agenda contents, and any other category deemed appropriate by the Authority; and

WHEREAS, pursuant to §24-6-402(2)(c), C.R.S., the Authority shall designate a place within the boundaries of the local public body at which it may post a notice no less than twenty-four (24) hours in advance of the meeting in the event that the Authority is unable to post the notice online due to exigent or emergency circumstances.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARDS AS FOLLOWS:

1. Pursuant to §24-6-402(2)(c), C.R.S., the Board hereby designates the Authority’s website, once created as the website at which notices of Authority meetings will be posted twenty-four (24) hours in advance.

2. Pursuant to §24-6-402(2)(c), C.R.S., the Board hereby designates the following location for the posting of its meeting notices twenty-four (24) hours in advance in the event that the Authority is unable to post notice on the Authority’s website:

The west corner of Poudre Tech Metropolitan District

ADOPTED OCTOBER 15, 2026.

AUTHORITY:

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY,** political
subdivision and public corporation of the State of
Colorado

By: _____
Officer of the Authority

Attest:

By: _____

[Signature Page to 2026 Resolution Designating the Meeting Notice Posting Location]

WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY
ANNUAL ADMINISTRATIVE RESOLUTION
(2026/2027)

WHEREAS, the WaterDance Non-Potable Water Activities Authority (the “**Authority**”) created by virtue of that certain ESTABLISHMENT AGREEMENT FOR THE WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY by and among Raindance Metropolitan District No. 1 and Poudre Tech Metropolitan District, dated September 29, 2026 (the “**Agreement**”), pursuant to § 29-1-203, C.R.S., and in conformity with § 29-1-203.5; and

WHEREAS, the Board of Directors of the Authority (the “**Board**”) has a duty to perform certain obligations in order to assure the efficient operation of the Authority and, in some cases has voluntarily agreed to perform certain obligations not otherwise required by Colorado law and hereby directs its consultants to take the following actions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. The Board directs the Authority’s Manager to prepare and file with the Division, within thirty (30) days of a written request from the Division, an informational listing of all contracts in effect with other political subdivisions, in accordance with § 29-1-205, C.R.S.

2. The Board directs the Authority’s accountant to cause the preparation of and to file with the Department of Local Affairs the annual public securities report for nonrated public securities issued by the Authority within sixty (60) days of the close of the fiscal year, as required by §§ 11-58-101, *et seq.*, C.R.S.

3. The Board directs the Authority’s accountant to: 1) obtain proposals for auditors to be presented to the Board; 2) to cause an audit of the annual financial statements of the Authority to be prepared and submitted to the Board on or before June 30; and 3) to cause the audit to be filed with the State Auditor by July 31st, or by the filing deadline permitted under any extension thereof, all in accordance with §§ 29-1-603(1) and 29-1-606, C.R.S. Alternatively, if warranted by § 29-1-604, C.R.S., the Board directs the Authority’s accountant to apply for and obtain an audit exemption from the State Auditor on or before March 31st in accordance with § 29-1-604, C.R.S.

4. The Board directs the Authority’s accountant to submit a proposed budget to the Board by October 15th, to prepare the final budget and budget message, including any amendments thereto, if necessary, and directs the Authority’s legal counsel to schedule a public hearing on the proposed budget and/or amendments, and to post or publish notices thereof, and directs the Authority’s legal counsel to prepare all budget resolutions and to file the budget, budget resolution and budget message with the Division on or before January 30th, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

5. The Board directs the Authority’s accountant to monitor expenditures and contracted expenditures and, if necessary, to notify the Authority’s manager, legal counsel and the Board when expenditures or contracted expenditures are expected to exceed appropriated amounts,

and directs legal counsel to prepare all budget amendment resolutions and directs Authority's legal counsel to schedule a public hearing on a proposed budget amendment and to post or publish notices thereof and to file the amended budget with the Division on or before the date of making such expenditure or contracting for such expenditure, all in accordance with §§ 29-1-101, *et seq.*, C.R.S.

6. The Board directs the Authority's legal counsel to cause the preparation of the Unclaimed Property Act report and submission of the same to the State Treasurer by November 1st if there is property presumed abandoned and subject to custody as unclaimed property, in accordance with § 38-13-110, C.R.S.

7. The Board directs that all legal notices shall be published in accordance with § 32-1-103(15), C.R.S.

8. The Board determines that each director shall receive compensation for their services as directors.

9. The Board hereby determines that each member of the Board shall, for any potential or actual conflicts of interest, complete conflicts of interest disclosures and directs legal counsel to file the conflicts of interest disclosures with the Board and with the Colorado Secretary of State at least seventy-two (72) hours prior to every regular and special meeting of the Board, in accordance with § 18-8-308, C.R.S. Written disclosures provided by Board members required to be filed with the governing body in accordance with § 18-8-308, C.R.S. shall be deemed filed with the Board when filed with the Secretary of State. Additionally, at the beginning of each year, each Board member shall submit information to legal counsel regarding any actual or potential conflicts of interest and, throughout the year, each Board member shall provide legal counsel with any revisions, additions, corrections or deletions to said conflicts of interest disclosures.

10. The Board confirms its obligations under § 24-10-110(1), C.R.S., with regards to the defense and indemnification of its public employees, which, by definition, includes elected and appointed officers.

11. The Board hereby appoints the Authority's legal counsel as the official custodian for the maintenance, care and keeping of all public records of the Authority, in accordance with §§ 24-72-202, *et seq.*, C.R.S. The Board hereby directs the Authority's legal counsel, accountant, manager, and all other consultants to adhere to the Colorado Special Authority Records Retention Schedule as adopted by the Authority.

12. The Board directs the Authority's Manager to post notice of all regular and special meetings in accordance with § 32-1-903(2) and § 24-6-402(2)(c), C.R.S. The Board hereby designates <https://www.poudretechmetro.org/> as the Authority's website for the posting of its regular and special meeting notices. The Board also hereby designates, unless otherwise designated by the Board, the east side of Poudre Tech Metropolitan District as the location the Authority will post notices of meetings in the event of exigent or emergency circumstances which prevent the Authority from posting notice of the meeting on the Authority's website. The Board

directs the manager to provide the website address set forth above to the Department of Local Affairs for inclusion in the inventory maintained pursuant to § 24-32-116, C.R.S.

13. The Board determines to hold regular meetings on the third Thursday of March and October, at 1625 Pelican Lakes Point, Suite 201, Windsor, Colorado 80550 and by telephone, electronic, or other means not requiring physical presence. All notices of meetings shall designate whether such meeting will be held by electronic means, at a physical location, or both, and shall designate how members of the public may attend such meeting, including the conference number or link by which members of the public can attend the meeting electronically, if applicable.

14. In the event of an emergency, the Board may conduct a meeting outside of the limitations prescribed in § 24-6-402(2)(c), C.R.S., provided that any actions taken at such emergency meeting are ratified at the next regular meeting of the Board or at a special meeting conducted after proper notice has been given to the public.

15. Pursuant to the authority set forth in § 24-12-103, C.R.S., the Board hereby designates, in addition to any officer of the Authority, Brian S. Bowers of the law firm of WBA, PC, as a person with the power to administer all oaths or affirmations of office and other oaths or affirmations required to be taken by any person upon any lawful occasion.

16. The Board directs the Authority's Manager to obtain proposals and/or renewals for insurance, as applicable, to insure the Authority against all or any part of the Authority's liability, in accordance with §§ 24-10-115, *et seq.*, C.R.S. The Board directs the Authority's accountant to pay the annual agency fees and insurance premiums, as applicable, in a timely manner.

17. The Board hereby opts to exclude elected or appointed officials as employees within the meaning of § 8-40-202(1)(a)(I)(A), C.R.S., and hereby directs the Authority's legal counsel to file a statement with the Division of Workers' Compensation in the Department of Labor and Employment not less than forty-five (45) days before the start of the policy year for which the option is to be exercised, in accordance with § 8-40-202(1)(a)(I)(B), C.R.S.

18. In accordance with § 38-35-109.5(2), C.R.S, the Authority hereby designates the President of the Board as the official who shall record any instrument conveying title of real property to the Authority within 30 days of any such conveyance.

19. The Board directs the Authority's accountant to prepare and submit the documentation required by any continuing disclosure obligation signed in conjunction with the issuance of debt by the Authority.

20. The Board directs legal counsel to monitor, and inform the Board of, any legislative changes that may occur throughout the year.

(Remainder of Page Intentionally Left Blank, Signature Page Follows)

ADOPTED OCTOBER 15, 2026.

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY,** a contractual
authority and political subdivision of the State
of Colorado

By: _____
Officer of the Authority

Attest:

By: _____

[Signature Page to 2026 Annual Administrative Resolution]

**RESOLUTION
OF THE BOARD OF DIRECTORS OF
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY**

ESTABLISHING AN ELECTRONIC SIGNATURE POLICY

WHEREAS, WaterDance Non-Potable Water Activities Authority (the “**Authority**”), is a contractual authority and political subdivision of the State of Colorado; and

WHEREAS, pursuant to § 29-1-203.5(2)(a) and § 32-1-1001(1)(h), C.R.S., the Board of Directors of the Authority (the “**Board**”) is empowered with the management, control, and supervision of all the business and affairs of the Authority; and

WHEREAS, pursuant to § 29-1-203.5(2)(a) and § 32-1-1001(1)(m), C.R.S. the Board is authorized to adopt, amend, and enforce bylaws, and rules and regulations not in conflict with the constitution and laws of Colorado for carrying on the business, objects, and affairs of the Board and the Authority; and

WHEREAS, in 2002, the Colorado legislature enacted the Uniform Electronic Transactions Act, §§ 24-71.3-101, *et seq.*, C.R.S. (the “**Act**”); and

WHEREAS, the purpose of the Act is to facilitate e-Government in Colorado by giving electronic signatures the same force and effect as signatures produced by non-electronic means; and

WHEREAS, pursuant to § 24-71.3-117, C.R.S., the Authority, as a political subdivision of the State of Colorado, has the general power, in relation to the administration of the affairs of the Authority to determine the extent to which it will create and retain electronic signatures; and

WHEREAS, pursuant to § 24-71.3-118(1), C.R.S., the Authority, as a political subdivision of the State of Colorado, has the general power, in relation to the administration of its affairs, to determine the extent to which it will send and accept electronic signatures to and from other persons and otherwise create, generate, communicate, store, process, use, and rely upon electronic signatures; and

WHEREAS, the use of electronic signatures increases efficiency of various internal and external transactions that require signature or authorization; and

WHEREAS, the Board desire to adopt a policy that establishes and governs the process for using and accepting electronic signatures for internal and external Authority business and transactions.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AUTHORITY AS FOLLOWS:

1. Adoption of Electronic Signature Policy. The Authority hereby adopts the Electronic Signature Policy set forth in **Exhibit A**, attached hereto and incorporated herein.

2. Preambles Incorporated. The preambles to this Resolution are hereby incorporated into this Resolution as if set out fully herein.

3. Severability. If any part, section, subsection, sentence, clause or phrase of this Resolution or Electronic Signature Policy is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

4. Effective Date. This Resolution and Electronic Signature Policy shall take effect as of the date of this Resolution (the “**Effective Date**”) until amended, superseded or rescinded.

5. Ratification of Electronic Signatures. To the extent that the Authority has utilized or accepted Electronic Signatures (as defined in the Electronic Signature Policy) prior to the Effective Date, such Electronic Signatures are hereby ratified, approved and accepted by the Board.

(Remainder of Page Intentionally Left Blank, Signature Page Follows)

ADOPTED OCTOBER 15, 2026.

AUTHORITY :

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY**, a contractual
authority and political subdivision and public
corporation of the State of Colorado

By: _____
Officer of the Authority

Attest:

By: _____

[Signature Page to Resolution Establishing an Electronic Signature Policy]

EXHIBIT A

Electronic Signature Policy

1.0 Background and Purpose

Use of electronic signatures increases the efficiency of various internal and external transactions that require signature or authorization. This policy establishes and governs the process for using and accepting electronic signatures used to conduct official Authority business.

2.0 Policy

The Authority permits the use of Electronic Signatures for both internal and external transactions to conduct the official business of the Authority in accordance with the procedures set forth below.

- 2.1 Where Authority policies, or applicable laws, regulations, or rules require a signature, that requirement is met if the document contains an Electronic Signature.
- 2.2 If a law or regulation prohibits a transaction from occurring electronically, the transaction must occur in the manner specified by that law or regulation.
- 2.3 This Policy shall be construed in a manner consistent with the Colorado Uniform Electronic Transactions Act (the “**Act**”). If there is a conflict between the Act and this policy, the Act shall control.
- 2.4 Nothing contained in this Policy shall be construed as requiring a person to use an Electronic Signature for any Authority business or transaction. Scanned copies, photocopies, or facsimiles of documents containing an original handwritten signature are not covered by this Resolution as such are not considered Electronic Signatures under the Act, and are legally acceptable without further action of the Authority.
- 2.5 If an applicable policy, law, regulation or rule prohibits particular Authority business or transactions from utilizing Electronic Signatures, such business or transaction shall be consummated in the manner permitted by applicable law. If an applicable policy, law, regulation or rule requires an Electronic Signature to contain specific elements, notwithstanding the acceptability of the Electronic Signatures as described in this Policy, the Electronic Signature must contain those specific elements to be valid and enforceable.

3.0 Procedures

3.1 External Transactions

- 3.1.1. Each party to an External Transaction must agree to conduct the transaction electronically. Agreement may be implied from the context and circumstances.

3.1.2. Only an Authorized Signatory may execute an External Transaction on behalf of the Authority.

3.1.3. The Authority may require a standard signature block or certification to be used for certain External Transactions.

3.2 Internal Transactions

3.2.1. Only an Authorized Signatory may execute an Internal Transaction on behalf of the Authority.

4.0 DEFINITIONS.

4.1 “Authorized Signatory” means a director, employee, contractor, consultant or other person who has been authorized or delegated by the Board the authority to sign documents on behalf of the Authority.

4.2 “Electronic Signature” means an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record. Electronic Signatures include but are not limited to: (i) a signature image (a computer file that is created from the scanned image of the handwritten signature); and (ii) a signature generated by a computer program such as Adobe, DocuSign, or other similar software that may or may not be time and date stamped.

4.3 “External Transaction” means any legally binding agreement or contract between the Authority and an individual, entity, business, or government agency.

4.4 “Internal Transaction” means any internal workflow or approval process that requires a signature or approval on a Authority form, document, memo, or other similar format.

**RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY**

**PROVIDING FOR THE DEFENSE AND INDEMNIFICATION
OF DIRECTORS AND EMPLOYEES OF THE AUTHORITY**

WHEREAS, the WaterDance Non-Potable Water Activities Authority (the “**Authority**”) created by virtue of that certain Establishment Agreement for WaterDance Non-Potable Water Activities Authority by and among Raindance Metropolitan District No. 1 and Poudre Tech Metropolitan District(the “**Establishment Agreement**”), dated September 29, 2026, pursuant to § 29-1-203, C.R.S., and in conformity with § 29-1-203.5; and

WHEREAS, past and present directors and employees of the Authority may be subject, from time to time, to claims arising from acts or omissions occurring during the performance of their governmental duties; and

WHEREAS, the Authority desires to encourage persons to serve on its Board of Directors and accept employment with the Authority by defending and indemnifying such persons against liability for acts or omissions occurring during the performance of their governmental duties; and

WHEREAS, it is in the best interest of the Authority and its inhabitants to defend and indemnify its directors and employees against liability for acts and omissions which occur within their Scope of Employment, as defined below, and for which such defense and indemnification is not otherwise provided by Colorado law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD THAT:

1. Definitions. For purposes of this resolution, the terms below shall be defined as follows:

 a. Director: “Director” includes former, current, and future directors of the Authority, from the date of organization, who are sued for acts or omissions occurring during their term as a director of the Authority.

 b. Employee: “Employee” includes former, current, and future employees of the Authority, from the date of organization, who are sued for acts or omissions occurring during their employment with the Authority.

 c. Scope of Employment: an act or omission of a Director or Employee of the Authority is within the “Scope of Employment” if it reasonably relates to the business or affairs of the Authority and the act was made in good faith and in a manner a reasonable person would have believed to be in the best interests of the Authority.

2. Tort Actions Governed by the Colorado Governmental Immunity Act.

The Authority shall pay, in accordance with §§ 24-10-110, *et seq.*, C.R.S., as amended from time to time (the “**Act**”), the costs of defense of and settlements and judgments against a Director or Employee of the Authority, including reasonable attorney fees, where the action is brought by a third party and lies or could lie in tort or are otherwise governed by the Act. As a prerequisite to such payment, the Director or Employee must furnish the Authority with an affidavit in the form attached hereto as “**Exhibit A**,” incorporated herein by reference, stating that: (a) to his/her reasonable belief, the act or omission upon which the claim is based occurred within the Scope of Employment, as defined above; and (b) the act or omission was not willful or wanton. The Director or Employee shall also be required to comply with all relevant provisions of the Act, including, but not limited to, provision of timely notice to the Authority of claims in accordance with such Act. The Authority shall not pay such judgments under this paragraph and shall be reimbursed by the Director or Employee for the reasonable costs of his/her defense under this paragraph, including reasonable attorney fees, if it is determined by a court of competent jurisdiction that: (a) the injuries did not arise out of an act or omission of the Director or Employee occurring within the Scope of Employment; or (b) the act or omission was willful and wanton.

3. Other Non-Criminal Acts and Omissions. The Authority hereby agrees to pay the costs of defense and settlements and judgments against its Directors and Employees, including reasonable attorney fees, for all other third party actions, including, but not limited to, actions which lie or could lie in contract, or arise under state or federal laws and are not governed by § 24-10-110, C.R.S., except for criminal actions, and subject to such limitations as exist in law as of the date of the claim against the Director or Employee. As a prerequisite to such payment, the Director or Employee must furnish the Authority with an affidavit in the form attached hereto as **Exhibit A** stating that: (a) to his/her reasonable belief, the act or omission upon which the claim is based occurred within the Scope of Employment; and (b) the act or omission was not willful or wanton. The Authority shall not pay such judgments under this paragraph and shall be reimbursed by the Director or Employee for the reasonable costs of his/her defense under this paragraph, including reasonable attorney fees, where it is determined by a court of competent jurisdiction that: (a) the injuries did not arise out of an act or omission of the Director or Employee occurring within the Scope of Employment; or (b) the act or omission was willful and wanton.

4. Criminal Actions. The Authority hereby agrees to pay the costs of defense, including reasonable attorney fees, and any fines or penalties assessed, where a criminal action is brought against its Directors or Employees for acts or omissions occurring during their term or employment with the Authority and within the Scope of Employment, to the extent allowed by law. As a prerequisite to such payment, the Director or Employee must furnish the Authority with an affidavit in the form attached hereto as **Exhibit A** stating that: (a) to his/her reasonable belief, the act or omission upon which the claim is based occurred within the Scope of Employment; and (b) he/she had no reasonable cause to believe his/her conduct was unlawful. The Authority shall not pay such fines or penalties and shall be reimbursed by the Director or Employee for the reasonable costs of his/her defense, including reasonable attorney fees, where it is determined by a court of competent jurisdiction, arbitrator, mediator, or other third-party binding decision maker that: (a) the injuries did not arise out of an act or omission of the Director or Employee occurring during his/her term or employment with the Authority and within the Scope of Employment; or (b) the Employee or Director had reasonable cause to believe his/her conduct was unlawful.

5. Miscellaneous Provisions. The following provisions shall apply to any of the actions discussed in Sections 2, 3 and 4 above:

a. No Waiver of Notice Requirements. The Authority does not hereby waive the notice requirements of its Directors and Employees as set forth in § 24-10-110(2), C.R.S. Indemnification will not be made and the Authority shall not be liable for defense costs unless written notice of the action is given to the Authority by either the plaintiff, the Director or Employee within fifteen (15) days after commencement of such action. The Authority shall not indemnify or pay the defense costs of a Director or Employee who willfully and knowingly fails to notify the Authority of the act or omission which led to the claim within a reasonable time after such act or omission, if such act or omission could reasonably have been expected to lead to a claim.

b. Consent to Compromise or Settlement. The Authority shall pay no judgment or settlement of claims against its Director or Employee where the Director or Employee has compromised or settled the claim without the Authority's written consent.

c. Legal Representation of the Director or Employee. The Authority's legal counsel shall serve as counsel to the Director or Employee, unless it appears to such counsel that the interests of the Authority and the Director or Employee may be adverse. In the latter event, the Director or Employee may select separate counsel to be approved in writing by the Authority. The Director or Employee shall cooperate with the Authority and its legal counsel in his defense.

d. No Indemnification. In no event will the Authority indemnify or pay defense costs if it is adjudged by the Board of Directors that the Director or Employee has acted primarily for personal benefit or on the basis of other improper benefit, whether or not the Director or Employee is acting in his official capacity.

e. Director's or Employee's Costs. The Authority shall not be responsible for costs to its Directors or Employees associated with time spent in giving depositions, testifying or otherwise cooperating with their defense.

6. No Waiver of Sovereign Immunity. By the adoption of this Resolution, the Authority does not waive its defense of sovereign immunity as to any action.

7. No Waiver of Insurance Coverage. The approval and adoption of this Resolution shall not constitute a waiver by the Authority of insurance coverage with respect to any liability covered by this Resolution. This Resolution shall render the Authority secondarily liable in the event the Authority's insurance does cover such liability and the conditions of this Resolution are met.

8. Liberal Construction. The purpose of this Resolution is to protect Directors and Employees of the Authority against personal liability for their actions taken on behalf of the Authority and reasonably believed to be in the best interest of the Authority. Therefore, it is the intent of the Authority that this Resolution be liberally construed in favor of protection of such Directors and Employees.

9. Liability Limitations. The Authority shall indemnify a Director or Employee up to, but not in excess of, the applicable limitations of the Act. The Authority specifically reserves any defenses which are available to Directors or Employees under the Act or by common law.

10. Effect of Other Insurance, Bond or Indemnification Plans. If the Authority has insurance coverage for any act for which indemnification is provided by this Resolution, its coverage shall be primary. If the Director or Employee against whom a claim is subject to indemnification under this Resolution is asserted had any other valid insurance, bond or indemnification plan available covering the loss or damage alleged against him, and the Authority does not have adequate insurance coverage, and the act for which indemnification is sought is other than as action sounding in tort, such insurance, bond or other plan will be first applied to the payment of any defense costs, attorneys' fees, or claim/judgment before the Authority shall be required to obtain funds for indemnification from sources other than insurance. The obligation of the Authority to indemnify and save harmless the Director or Employee shall, in all events, exist only to the extent permitted by this Resolution.

11. Subrogation Rights of the Authority. In the event of any payments pursuant to this Resolution, the Authority or its assigns shall be subrogated to all of the Director's or Employee's rights of recovery therefor against any person or entity. The Director or Employee shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The Director or Employee shall do nothing to prejudice such rights.

12. Effective Date. This Resolution shall be effective as of the date of the Establishment Agreement, dated September 29, 2026.

13. Severability and Invalidation. If any provision, paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstance of this Resolution is found to be invalid by any court of competent jurisdiction, such finding shall not affect the validity of the remainder of this Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

14. Renewal of Indemnifications. Unless repealed by resolution of the Board of Directors of the Authority on or before January 30 of the then current fiscal year, the indemnification established herein shall be effective from and after the date of adoption, and shall be deemed automatically extended from year to year to the extent permitted by law; provided, however, that nothing shall prevent the Board from separately appropriating funds from time to time for the purposes authorized in this Resolution.

15. Attorneys. In the event there is litigation over the enforceability of this Resolution, the prevailing party in such litigation shall be awarded its reasonable attorneys fees.

(Remainer of page intentionally left blank. Signature page follows)

ADOPTED OCTOBER 15, 2026.

AUTHORITY:

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY**, a contractual
authority and political subdivision and public
corporation of the State of Colorado

By: _____
Officer of the Authority

Attest:

By: _____

*[Signature Page to Resolution Providing for the Defense and Indemnification of Directors and
Employees]*

EXHIBIT A
Form of Indemnification Affidavit

AFFIDAVIT OF ELIGIBILITY FOR INDEMNIFICATION

“I, _____, who resides at _____, Colorado, affirm under oath that I have been subjected to legal action in connection with actions that I have taken or omissions that I have suffered in my capacity as a Director or Employee of WaterDance Non-Potable Water Activities Authority (the “**Authority**”), and that I am eligible for indemnification by the Authority because: (1) these actions or omissions reasonably relate to the business or affairs of the Authority; (2) the actions or omissions were undertaken in good faith, and in a manner a reasonable person would have believed to be in the best interests of the Authority; (3) these actions or omissions were not willful or wanton; and (4) I did not have reasonable cause to believe that these actions or omissions were unlawful. Should a court of competent jurisdiction determine any of the following: (1) these actions or omissions were not reasonably related to the business or affairs of the Authority; (2) I did not take these actions or suffer these omissions in good faith, and in a manner a reasonable person would have believed to be in the best interests of the Authority; (3) these actions or omissions were willful or wanton; or (4) one or more of these actions or omissions was unlawful and I had reasonable cause to believe that said action or omission was unlawful; then I agree that the Authority shall have no further obligations to indemnify or defend me, and I shall reimburse the Authority for its prior costs in indemnifying and defending me, including reasonable attorneys’ fees.”

Date

Signature of Director or Employee

STATE OF COLORADO

)

) ss.

COUNTY OF _____

)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by _____, as the _____ of _____.

Witness my hand and official seal.

My commission expires: _____

Notary Public

WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY
PUBLIC RECORDS REQUEST POLICY
Adopted October 15, 2026

I. Purposes of the Authority’s Public Records Request Policy

This Public Records Request Policy of the WaterDance Non-Potable Water Activities Authority (the “**Authority**”), shall be applied and interpreted with the following purposes in mind:

- A. To adopt a Public Records Request Policy pursuant to § 24-72-203(1), C.R.S.;
- B. To provide access to and the protection and integrity of Public Records in the custody of the Authority;
- C. To prevent unnecessary interference with the regular discharge of the duties of the Authority and its manager in compliance with the Colorado Open Records Act, §§ 24-72-200.1 to 24-72-206, C.R.S. (“**CORA**”);
- D. To establish reasonable and standardized fees for producing copies of and information from records maintained by the Authority as authorized by CORA; and
- E. To set forth a general procedure for providing consistent, prompt and equitable service to those requesting access to Public Records.

II. Public Records Requests

A. Applicability.

This Public Records Request Policy applies to requests submitted to the Authoritys for the inspection of Public Records pursuant to CORA and shall supersede any previously adopted CORA policies of the Authoritys.

B. Definitions.

1. “**Custodian**”: Except as otherwise provided in this policy, the term “**Custodian**” shall mean the Authority’s legal counsel, or any successor that has been designated by the Board of Directors of the Authority to oversee the collection, retention, and retrieval of Public Records of the Authoritys.

2. “**Public Records**”: As defined in § 24-72-202(6), C.R.S.

C. Submission of Requests

1. Requests for inspection of Public Records must be submitted in writing to the Custodian on the official request form attached hereto as **Exhibit A**, as may be modified from time to time by the Authority. Requests must be sufficiently specific to enable the Custodian to locate the requested information with reasonable effort. The Authority has determined that use of an official request form is necessary for the efficient handling of Public Records requests. Requests may be submitted by mail, fax, e-mail, or hand-delivery.

2. A request shall be considered made when the request is actually received by the Custodian:

a. A letter is received when it is opened in the usual course of business by the recipient or a person authorized to open the recipient's mail;

b. A fax is received when it is printed during regular business hours, or, if received after hours, at 8:30 a.m. on the following business day; and

c. An e-mail is considered received when opened during regular business hours or, if received after hours, at 8:30 a.m. on the next business day.

3. If a deposit is required, the request is not considered received until the deposit is paid.

D. Inspection.

1. The Custodian or the Custodian's designee shall make the requested Public Records available for inspection during regular business hours, deemed to be from 8:30 a.m. to 4:30 p.m., Monday through Friday, except for times when the Custodian's office is closed. During the inspection of Public Records, the Custodian may ask that the requestor follow certain procedures to protect the integrity of the Public Records.

2. If a Public Record is not immediately or readily available for inspection, the Custodian or the Custodian's designee shall make an appointment or other arrangements with the applicant concerning the time at which the requested record will be available. The Public Records shall be made available for inspection within a reasonable time, which is presumed to be three (3) working days or less from the date of receipt of the request. Such three (3) day period may be extended by an additional seven (7) working days if extenuating circumstances, as described in § 24-72-203(3)(b), C.R.S., exist. Responding to applications for inspection of Public Records need not take priority over the previously scheduled work activities of the Custodian or the Custodian's designee.

3. All Public Records to which the request applies shall be preserved from the date of the request until such time as set forth in the Authority's records maintenance, retention, or deletion policy or practices utilized by the Custodian.

4. No one shall remove a Public Record from the Custodian's offices without the permission of the Custodian. Public Records may be removed from file folders or places of storage for photocopying by the Custodian or the Custodian's designee. The Custodian may allow a person to use his or her own portable electronic equipment to make copies of Public Records.

5. As a general practice, in response to a Public Records request:

a. Public Records will be made available for inspection in the format in which they are stored. If the Custodian is unable to produce the Public Record in its stored format for any reason set forth in § 24-72-203(3.5)(b) C.R.S., an alternate format may be produced or a denial issued under § 24-72-204, C.R.S.

b. The person making the request shall not be allowed to access the Custodian's computer or any other computer for purposes of inspecting any Public Records;

c. Any portion of a Public Record containing non-public information that is not subject to inspection may be redacted by the Custodian prior to making the record available for inspection. The Custodian is not required to redact information from a writing that is not a Public Record in order to make the writing available for inspection. *Denver Publishing Co. v. Bd. Of County Comm'rs of the County of Arapahoe*, 121 P.3d 190 (Colo. 2005); *Colorado Republican Party v. Benefield, et al.*, Court of Appeals No. 07CA1216, Oct. 23, 2008 (Unpublished).

d. The Custodian, in consultation with the Authority's general counsel, will determine which information is no longer considered "work-in-progress" subject to the deliberative process or work product privilege and therefore eligible for release.

e. Altering an existing Public Record, or excising fields of information that the Custodian is either required or permitted to withhold does not constitute the creation of a new Public Record. Section 24-72-203(3.5)(d), C.R.S.

f. Upon request, the Custodian will produce a public record in a format accessible to individuals with disabilities. Section 24-72-203(3.5)(e), C.R.S.

g. A document will not ordinarily be created in order to respond to a request.

6. Where a request seeks in excess of twenty-five (25) electronically stored Public Records, the following procedure shall apply in responding to such a request:

a. The Custodian shall solicit the comments of the requestor regarding any search terms to be used to locate and extract such records, and, in doing so, will seek to have the request refined so that it does not result in an inordinate number of irrelevant or duplicative documents, it being understood that the Custodian will make the final determination regarding search terms;

b. The Custodian shall designate an employee or another person with experience in performing electronic searches to locate and extract responsive records;

c. The person who is designated to perform the searches shall consult, as appropriate, with legal counsel to identify privileged records that should not be produced; and

d. Where appropriate, legal counsel shall conduct a final review to identify and withhold privileged records.

7. The Custodian or the Custodian's designee shall deny the inspection of the records if such inspection would be contrary to federal or state law or regulation or would violate a court order. In special circumstances, a Custodian shall deny inspection of the Public Records if such inspection would cause substantial injury to the public interest. Such a denial shall be made in writing by the Custodian to the person making the request and shall set forth with specificity the grounds of the denial. It is not necessary to state a ground for denial of access for each document if a specific ground is applicable to a group of documents.

8. If the Public Records requested are not in the custody or control of the Custodian, the Custodian shall notify the requestor of this fact in writing. In such notification, the Custodian shall state in detail to the best of his/her knowledge and belief the reason for the absence of the Public Records, the location of the Public Records, and what person then has custody or control of the Public Records.

9. All Public Records, regardless of storage format, will be administered in accordance with approved retention schedules. The Authority reserves the right to adopt the records retention policy that has been promulgated by the Custodian.

E. Fees for All Record Requests.

1. Fees for Standard Reproductions. The Custodian or the Custodian's designee shall charge a fee not to exceed twenty-five cents (\$.25) per page for any photocopies or printed copies of electronic records that are required to make a Public Record available. Other reproductions of Public Records shall be provided at a cost not to exceed the actual cost of the reproduction. Such fees shall be paid by the applicant prior to receipt of any copies of Public Records. Requests expected to exceed a total charge of ten dollars (\$10.00) or more must be accompanied by a deposit equal to the reasonably-estimated reproduction costs. This deposit will be credited toward the total fee, and the total fee shall be paid prior to release of the requested records. In the event the deposit amount exceeds the actual costs, the balance will be refunded.

2. Transmission Fees. No fees related to transmission shall be charged for transmitting public records via electronic mail. Within the period specified in § 24-72-203, C.R.S., the Custodian shall notify the record requester that a copy of the record is available, but will only be sent to the requester once the custodian receives payment for postage if the copy is transmitted by United States mail, or payment for the cost of delivery if the copy is transmitted other than by United States mail, and payment for any other supplies used in the mailing, delivery, or transmission of the record and for all other costs associated with producing the record. Upon receiving such payment, the custodian shall send the record to the requester as soon as practicable but no more than three business days after receipt of such payment.

3. Fees for Search, Retrieval and Legal Review:

a. In the case of any request requiring more than one (1) hour of time for search, retrieval, supervision of inspection, copying, manipulation, redaction or legal counsel review to identify and withhold privileged records, the Custodian or the Custodian's designee may charge an hourly fee not to exceed the maximum amount allowed under § 24-72-205(6)(a), C.R.S., which can be found at <https://leg.colorado.gov/node/1669596/>. Prior to performing any services necessary to respond to a request, the Custodian or the Custodian's designee shall require the applicant to pay a deposit equal to the reasonably estimated fees that will be charged by the Custodian for such staff time. Before receiving any records, the applicant shall also pay the amount by which the cost of any open records services exceeds the deposit. The Authority shall promptly refund the amount by which the deposit exceeds the cost of any open records services.

b. To the extent possible, the Custodian shall utilize administrative or clerical staff for search and retrieval of Public Records who are ordinarily responsible for such duties to ensure that the fees charged for staff time in connection with the request represent costs

incurred in the ordinary course of business and not extraordinary charges, but in any case, such charges shall be consistent with § 24-72-205(6), C.R.S.

(Remainder of Page Intentionally Left Blank. Signature page follows)

ADOPTED OCTOBER 15, 2026.

AUTHORITY:

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY**, a contractual
authority and political subdivision and public
corporation of the State of Colorado

By: _____
Officer of the Authority

ATTEST:

By: _____

[Signature Page to Public Records Request Policy]

EXHIBIT A
OFFICIAL REQUEST FORM

WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY

Request for Inspection/Copy of Public Records

For Internal Use Only

Date of Request: _____

Time of Request: _____ AM/PM

Applicant Name: _____

Applicant Address: _____

City/State: _____ **Zip:** _____

Daytime Phone #:() _____ **Alt./Cell:** () _____

Email: _____

Detailed description of the records requested: (Please use additional sheets if necessary)

Select a preferred format for the materials: Hard Copies ____ Electronic ____ View Hard Copy Only ____

I request the records described and agree to pay all charges incurred in processing this request at or before the time the records are made available. If over \$10, I understand I must provide a deposit to pay for the cost incurred to obtain the records. I understand that the Estimated Charges are estimates only, and that the actual cost may vary. This request will be considered received when this form is complete and received by the Custodian and any required deposit is paid.

Signature: _____ **Date:** _____

Submit Request Form To:

WBA, PC

2154 E. Commons Ave., Suite 2000

Centennial, CO 80122

If the records are available pursuant to §§ 24-72-201, *et seq.*, C.R.S., the records shall be made available for viewing within three (3) working days. The date of receipt is not included in calculating the response date. If extenuating circumstances exist so that the Custodian cannot reasonably gather the records within the three (3)-day period, the Custodian may extend the period by up to seven (7) working days. The requestor shall be notified of the extension within the three (3)-day period. Public records shall be viewed at the Authority's offices during regular business days at prearranged times.

For Internal Use Only
Estimated Charges

Number of Pages _____ at \$.25/page _____
Postage/Delivery Costs: \$_____

Research & Retrieval _____ Hours at \$41.37/hr
See § 24-72-205(6), C.R.S. for hourly fee

Research & Retrieval Total: \$_____

Deposit Required: \$_____

Total Estimated Costs: \$_____

Note: Non-standard and special requests will be billed at cost and charged in addition to any other fees.

Administrative Matters

Date Request Completed:

Amount Prepaid: \$_____

Approved: _____ Denied: _____

Balance Due Before Release: \$_____

Total Amount Paid: \$_____

If Denied, Provide Reason(s)

**RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY**

**ADOPTING THE COLORADO SPECIAL AUTHORITY RECORDS RETENTION
SCHEDULE**

WHEREAS, the WaterDance Non-Potable Water Activities Authority (the “**Authority**”) is operating as a political subdivision and public corporation of the State of Colorado; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Board of Directors of the Authority (the “**Board**”) shall have the management, control and supervision of all the business and affairs of the Authority; and

WHEREAS, the Authority recognizes a need for a comprehensive records retention schedule for the Authority’s non-permanent records and the retention of those records that have long-term administrative, fiscal and historical value; and

WHEREAS, the Colorado State Archives has developed a state-wide record retention schedule in cooperation with the Colorado Special Districts Association, the Colorado Attorney General’s Office and the State Auditor’s Office for special Authorities to use and follow; and

WHEREAS, the Authority believes it is important to follow the same schedule for the retention of the Authority’s non-permanent records.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

1. ADOPTION OF RECORDS RETENTION SCHEDULE. The Authority hereby adopts the 2008 Colorado Special Authority Records Retention Schedule, and all subsequent revisions thereto, and authorizes the Authority’s legal counsel to submit the request to the Colorado State Archives for the Schedule to be used as legal authority for the destruction and preservation of the Authority’s records.

(Remainder of Page Intentionally Left Blank. Signature Page Follows)

ADOPTED OCTOBER 15, 2026.

AUTHORITY:

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY**, a contractual
authority and political subdivision and public
corporation of the State of Colorado

By: _____
Officer of the Authority

Attest:

By: _____

*[Signature Page to Resolution Adopting the Colorado Special Authority Records Retention
Schedule]*



October 15, 2026

Board of Directors
WaterDance Non-Potable Water Activities
Authority
c/o WBA, PC
2154 East Commons Avenue, Suite 2000
Centennial, Colorado 80122

RE: Engagement of WBA, PC

Dear Directors:

We are pleased to confirm our engagement as general counsel to the WaterDance Non-Potable Water Activities Authority (the "Authority").

This engagement letter provides the terms upon which WBA, PC ("WBA") will provide legal services to the Authority and is intended to formalize our retention as general counsel, as required by the applicable Rules of Professional Conduct. This letter sets forth details of the engagement, including how we propose to staff the matter, billing arrangements and certain conflict of interest understandings, with the terms of this engagement letter superseding the terms of all prior letters. Additional information about WBA can be found at www.wbapc.com.

The total price for legal services to be provided under this engagement letter cannot be precisely determined at this time due to the variable nature of legal work. Time spent by our lawyers, paralegals, and (where applicable) other staff and reimbursement of expenses incurred in your representation will be the basis for the total price. The hourly rates for our lawyers, paralegals, and (where applicable) other staff are set forth below in this engagement letter. The time spent and expenses incurred will be set forth on invoices that will be sent to you on a monthly basis. The total price of our legal services and the amount of our expenses incurred on your behalf will vary and may increase or decrease on a month-to-month basis depending on the needs and progress of your matter.

1. Personnel. Legal services provided under this engagement may be performed by any lawyer at WBA. We will also use paralegals and/or other support staff as we believe to be necessary and effective in providing you with legal services.

2. Fees, Expenses and Retainer. The total cost of WBA's services on the Authority's behalf will vary. Our fees will be based upon time charged using the hourly rates charged by each attorney or paralegal working on the matter. WBA's legal services are billed on an hourly basis, in increments of one-tenth of an hour, and are not contingent. Some of WBA's services are

allocated on an equitable basis to clients who benefit from general legal work by our personnel. Hourly rates for professionals in WBA currently range from \$300.00 to \$600.00 (attorneys), from \$175.00 to \$300.00 (paralegals), and are \$200.00 to \$300.00 for other professionals. Hourly rates are revised periodically to reflect the current cost for delivery of legal services and the fees charged for services under this engagement may change without notice. From time-to-time WBA prepares memoranda, agreements or other documents based upon current legislative, State, and Federal law concerns that are the subject of common interest and benefit to our clients. WBA allocates the fees for this work on an equitable basis to clients who benefit from this legal work by WBA's personnel. If you do not wish to receive this information, please advise us accordingly. WBA contracts with other law firms for the performance of specialized services. If these services are rendered on behalf of the Client, the fees and costs associated with those services will be reflected on WBA's bill.

WBA will not require the payment of a retainer at this time, but we reserve the right to require a retainer if deemed necessary by WBA or if you fail to timely pay invoices.

3. Costs and Administrative Expense Charge. In addition to legal fees, you are responsible for certain costs and expenses associated with WBA's representation of you. Rather than separately tracking and itemizing certain routine expenses and administrative services associated with the representation, you agree that WBA may charge an Administrative Expense Charge equal to 2.5% of the legal fees charged to you.

The Administrative Expense Charge covers domestic long-distance telephone calls, domestic conference calling services, domestic facsimiles, in-office copying and printing (except for individual copying or printing projects exceeding \$250, as described below), United States Postal Service postage (except for bulk mailings exceeding \$250, as described below), deliveries made by WBA personnel, filing and recording fees, computer-assisted legal research charges, notice publication costs, mileage for trips of 100 miles or less round trip, and document-management, practice-management, artificial intelligence, and other technology tools and services used in connection with the representation. The Administrative Expense Charge also covers electronic records storage, preservation, and records-retention compliance, including maintaining records in accordance with the Authority's applicable records-retention schedule approved by the Colorado State Archives. WBA will not separately charge you for items or services included in the Administrative Expense Charge except where this agreement expressly provides otherwise.

Election-Related Costs and Expenses. Notwithstanding any other provision regarding costs and expenses included in the Administrative Expense Charge, costs and expenses incurred in connection with an election are not included in the Administrative Expense Charge and will be billed separately. Election-related costs and expenses may include, without limitation, publication and notice costs, United States Postal Service postage and other mailing costs, copying and printing, filing and recording fees, delivery and courier charges, mileage, and other third-party costs incurred in connection with an election. The \$250 thresholds applicable to bulk mailings and copying or printing projects described below do not apply to election-related costs and expenses.

Postage, Bulk Mailings, and Copying and Printing Projects. Except for election-related costs and expenses described above, United States Postal Service postage is included in the

Administrative Expense Charge except for a bulk mailing for which the aggregate postage and related mailing costs for a single mailing project exceed \$250. For purposes of this provision, a "bulk mailing" means a single mailing project involving multiple pieces mailed as part of the same project, such as notices or other communications distributed to Authority residents, property owners, electors, or other groups. If the aggregate postage and related mailing costs for a bulk mailing exceed \$250, WBA may bill the costs of that mailing separately.

Except for election-related costs and expenses described above, routine in-office copying and printing are included in the Administrative Expense Charge. If the aggregate cost of copying, printing, binding, materials, or related production services for a single copying or printing project exceeds \$250, WBA may bill the costs of that project separately. Charges for Federal Express, UPS, third-party courier or delivery services, and other extraordinary mailing, shipping, copying, printing, or document-production services are not included in the Administrative Expense Charge and may be billed separately.

The Administrative Expense Charge is an agreed method of charging for the covered costs, expenses, administrative services, and technology tools and services in lieu of separately tracking and itemizing them. Because the charge is calculated as a percentage of legal fees rather than by separately tracking each covered item or service, the Administrative Expense Charge for a particular billing period is not intended to equal the actual cost incurred by WBA for those items and services during that period or in connection with a particular matter.

By agreeing to these terms, you acknowledge and agree that WBA may periodically change the percentage used to calculate the Administrative Expense Charge. WBA will provide you with at least 30 days' advance written notice of any change in the percentage. Any changed percentage will apply only to legal fees incurred on or after the effective date specified in the notice.

Other costs and expenses not included in the Administrative Expense Charge will be billed separately. These may include election-related costs and expenses as described above; mileage for individual trips exceeding 100 miles round trip; airfare, lodging, meals, parking, tolls, rental vehicles, and other reasonable travel-related expenses; expert and consultant fees; court reporter and transcript charges; and other material third-party costs incurred specifically in connection with the representation that are not identified above as being included in the Administrative Expense Charge. Third-party costs and expenses that are separately billed will be billed to you at the amount charged to WBA, without markup, unless a different basis for the charge has been agreed to in writing.

WBA may, in its discretion, advance or incur costs and expenses of up to \$1,000 on your behalf, subject to reimbursement on the next invoice. If an anticipated cost or expense exceeds \$1,000, WBA may require you to pay the amount in advance or contract directly with the applicable vendor.

4. Billing. Generally, invoices for fees and expenses will be submitted to you monthly and are due upon receipt. If an invoice remains unpaid after thirty (30) days, we will consider it in default and you agree that we may charge a late fee on all amounts due and owing at the rate of one percent (1%) compounded monthly. By signature below, you agree to pay all fees, costs, and

expenses billed by WBA for the legal services. If payments as described above are not paid on a timely basis, WBA may withdraw from the representation in accordance with the Rules of Professional Conduct. In the event that WBA is compelled to resort to collection of your account, which may or may not include litigation, you agree that your obligations to WBA shall include payment of all costs and expenses of such collection efforts, including court fees and costs, attorneys' fees, and out-of-pocket expenses.

5. Attorney-Client Relationship. In performing our services as general counsel to the Authority, the Authority will be our client. We will represent the interests of the Authority, acting through its duly authorized management and at the Board of Directors' (the "Board" or "Directors") direction. We do not represent the interests of any of the Board, the Directors individually, or the Authority's employees. Nothing in this engagement agreement and nothing in our statements to you will be construed as a guarantee or promise about the outcome of any matter which WBA may handle on your behalf. Our comments about the outcome of your matters or any phase thereof are expressions of opinion only. Further, neither WBA nor any of its attorneys or employees shall be employed, retained, or otherwise categorized as a "municipal advisor" to the Authority as such term is defined in the 15 U.S.C. 78o-4(e)(4)(c), as amended by the Dodd/Frank Act (the "Act"), or any rules promulgated by the Securities and Exchange Commission under the Act. Any comments or advice provided by WBA or its attorneys regarding the issuance of securities by the Authority shall be solely of a "traditional legal nature," as permitted under the Act. Throughout the attorney-client relationship, the Authority consents to the use of the Authority's name and public information relating to the Authority's transactions on WBA's website or in other marketing materials.

6. Conflicts of Interest. We have performed an internal review for potential conflicts of interest based upon information you have provided to us. The Authority was established by an agreement that was entered into by and between the RainDance Metropolitan District No. 1 and the Poudre Tech Metropolitan District (collectively, the "Districts"). The Districts and the Authority were organized to work together to provide the public improvements and services needed for the community. There may be issues on which the Authority and the Districts have conflicting interests relative to administration, financing, construction, or general operations. Also, due to the fact that the Authority and the Districts are governed by elected boards of directors, which instruct us regarding the policies they wish to implement or pursue, policies of the Authority or the Districts may change from board to board and conflicts of interest among the Authority and the Districts can arise accordingly. If a conflict arises, WBA may be required to withdraw from representation of the Authority, and the Authority may need to retain independent counsel regarding the disputed issue.

WBA represents many other local governments and municipal clients that may be viewed as competing with the Authority. Simultaneous representation in unrelated matters of clients whose interests are only economically adverse, such as representation of competing economic enterprises in unrelated transactions, does not ordinarily constitute a conflict of interest that requires consent of the respective clients.

7. Document Retention. WBA maintains its client files electronically and ordinarily does not keep separate paper files. We will scan documents you or others send to us related to

your work to our electronic file and will ordinarily maintain the electronic version throughout the term of our engagement or, in some instances, while a particular matter or project is pending. Unless you instruct us otherwise, with limited exceptions for certain documents such as original real property deeds and promissory notes, once such documents have been scanned to our electronic file, we will destroy all paper documents provided to us. Following the conclusion of our services, we will return the Authority's files to the Authority upon request, unless WBA has not received payment of all outstanding fees and costs, in which case WBA reserves the right to withhold them until payment is made. Otherwise, no sooner than thirty (30) days after the conclusion of our services, we may destroy the files. Please note that if WBA is designated as the public records custodian for the Authority pursuant to §§24-72-202, *et seq.*, C.R.S., WBA will maintain all public records in accordance with any duly approved and adopted retention and destruction policy of the Authority and the Colorado State Archives or similar regulatory body.

8. Termination. You will have the right to terminate our representation at any time. Whether you terminate the representation, or we terminate the representation for reasons set forth in the Rules of Professional Conduct, including nonpayment of legal fees and expenses, all fees incurred for services rendered through the date of termination, as well as all costs and expenses incurred by us on your behalf, must be paid within ten (10) days of receipt of our final statement. We reserve the right to charge for any extraordinary work required in connection with the orderly transition of pending matters to new counsel. Upon conclusion of our services, whether due to termination or completion of the work, we will not thereafter be responsible for legal matters for which our services have not been specifically requested and we have agreed to perform in writing.

9. Arbitration of Disputes. If a dispute arises regarding our services or fees set forth in this engagement letter or any prior engagement letter between you and WBA, any fee dispute will be decided by the Colorado Bar Association Legal Fee Arbitration Committee (the "Committee") in Denver, Colorado, in accordance with the rules and procedures used by the Committee. There is no charge for the dispute resolution services provided by the Committee and each party will pay its own costs and expenses. If, either in addition to a pending fee dispute or in the absence of one, any other dispute or claim of any type or nature arises with respect to services rendered pursuant to this engagement agreement or any prior engagement letter between you and WBA, including, without limitation, a claim for legal malpractice, it will be decided by the Judicial Arbitrator Group ("JAG") in Denver, Colorado, by a single arbitrator to be mutually agreed to by the parties. Each party will be responsible for paying one half of all fees and expenses charged by the arbitrator. Colorado law, including all applicable statutes of limitation and other defenses, will apply to the dispute before JAG just as if it had been brought in a judicial proceeding. In the absence of an agreement to the contrary, the Colorado Rules of Civil Procedure shall apply to the dispute before JAG just as if the dispute had been filed in district court. The parties recognize that by agreeing to arbitration as the method for dispute resolution, they: relinquish the right to bring an action in court and seek remedies available in court proceedings, including the extensive discovery rights typically permitted in judicial proceedings; waive the right to a jury trial; acknowledge the arbitrator's award is not required to include factual findings or legal reasoning; and acknowledge that any party's right to appeal or seek modification of the award is strictly limited and the award is final and binding on the parties.

10. Representative Client Lists. WBA currently maintains a website, firm résumé, and other materials for use with current and potential clients, and for marketing purposes. Execution of this engagement letter provides your consent to WBA's use of the Authority's name as a representative client of WBA on our website, firm résumé, and other materials.

If you are in agreement with the foregoing terms of this engagement and it meets your understanding of the professional relationship we have established, please have an authorized representative of the Authority sign and return a copy of this letter to our office at your earliest convenience. By signing below, you acknowledge that you have been given the opportunity to discuss this engagement letter with another attorney or any other person of your choosing.

We look forward to working with you and will commit the necessary resources of WBA to meet your needs. Our efforts will always be to ensure that our relationship is based on open and honest communication regarding these matters. If at any time you have questions concerning our representation, please feel free to contact us immediately.

Sincerely,

WBA, PC

WBA, PC
Attorneys at Law

ZPW:nsg

APPROVED, ACCEPTED AND AGREED TO BY:

WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY

Signature

Printed Name: _____

Position: _____

Date: _____

**RESOLUTION
OF THE BOARD OF DIRECTORS OF THE
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY**

**CONCERNING THE IMPOSITION OF VARIOUS FEES, RATES, PENALTIES AND
CHARGES FOR WATER SERVICES AND FACILITIES**

WHEREAS, the WaterDance Non-Potable Water Activities Enterprise (the “**Authority**”) created by virtue of that certain WATERDANCE NON-POTABLE WATER ACTIVITIES ENTERPRISE ESTABLISHMENT AGREEMENT by and among Raindance Metropolitan District No. 1 and Poudre Tech Metropolitan District, dated September 29, 2026 (the “**Agreement**”), pursuant to § 29-1-203, C.R.S., and in conformity with § 29-1-203.5; and

WHEREAS, pursuant to § 29-1-203.5 (2)(a), C.R.S., the Authority may exercise any general power of a special Authority specified in part 10 of article 1 of title 31, C.R.S., so long as each of the parties may lawfully exercise the power; and

Pursuant to § 32-1-1001(1)(h), C.R.S., the Board of Directors of the Authority (the “**Board**”) shall have the management, control and supervision of all the business and affairs of the Authority; and

WHEREAS, the Authority has acquired, operates and maintain certain amenities and facilities benefitting property and inhabitants within the service area of the Authority, which amenities and facilities generally include non-potable water improvements, facilities, appurtenances and rights-of-way (collectively, the “**Facilities**”); and

WHEREAS, the Board has determined it to be in the best interests of the Authority, the property owners, and customers of the Authority, to provide certain non-potable water services to property and inhabitants within and without the service area of the Authority (collectively, the “**Services**”); and

WHEREAS, pursuant to § 32-1-1001(1)(j)(I), C.R.S., the Authority is authorized to fix and impose fees, rates, tolls, penalties and charges for services or facilities furnished by the Authority which, until such fees, rates, tolls, penalties and charges are paid, shall constitute a perpetual lien on and against the property served; and

WHEREAS, the Authority incurs certain direct and indirect costs associated with the acquisition, construction, installation, repair, replacement, improvement, reconstruction operation and maintenance of the Facilities, as necessary, inclusive of the costs of utilities and capital replacement costs (collectively, the “**Facility Costs**”) in order that the Facilities may be properly provided and maintained; and

WHEREAS, the Authority incurs certain direct and indirect costs associated with the provision of the Services in order that the Services may be properly provided, the property within

and without the Authority maintained, and that the health, safety and welfare of the Authority, its users and its inhabitants may be safeguarded (collectively, the “**Service Costs**”); and

WHEREAS, the establishment and continuation of fair and equitable fees and charges (collectively, the “**Fees and Charges**”) to provide a source of funding to pay for the Facility Costs and the Service Costs, (collectively, the “**Costs**”), which Costs are generally attributable to the persons and/or properties subject to such Fees and Charges, is necessary to provide for the common good and for the prosperity and general welfare of the Authority and its inhabitants and for the orderly and uniform administration of the Authority’s affairs; and

WHEREAS, pursuant to § 32-1-1006(1)(g), C.R.S., the Authority is empowered to fix and from time to time increase or decrease tap fees; and

WHEREAS, the establishment of a fair and equitable fee (the “**Water Tap Fee**”) to provide a source of funding to pay for the direct and indirect costs associated with installation of water taps (the “**Water Tap Costs**”) is necessary to provide for the common good and for the prosperity and general welfare of the Authority, its users and its inhabitants; and

WHEREAS, the establishment of a fair and equitable fee (the “**Capital Facilities Fee**”) to provide a source of funding to pay for the initial capital direct and indirect costs associated with the construction, installation and acquisition of the Facilities (the “**Capital Facilities Costs**”), which Capital Facilities Costs are generally attributable to each Lot and Commercial Lot (defined below), is necessary to provide for the common good and for the prosperity and general welfare of the Authority, its users and its inhabitants; and

WHEREAS, pursuant to §32-1-1001(2), C.R.S., the Board, as a governing body furnishing domestic water or sanitary sewer services directly to residents and property owners within or outside of the Authority service area, may fix or increase fees, rates, tolls, penalties or charges for domestic water or sanitary sewer services only after consideration of the action at a public meeting held at least thirty (30) days after providing notice stating that the action is being considered and stating the date, time and place of the meeting at which the action is being considered; and

WHEREAS, the fees contemplated under this resolution do not represent new fees, rather, an adoption of existing fees established following property notice by Raindance Metropolitan District No. 1 and Poudre Tech Metropolitan District; and

WHEREAS, the Authority finds that the Fees and Charges, Water Tap Fee, and Capital Facilities Fee (as defined below), as set forth in this Resolution, are reasonably related to the overall cost of providing the Facilities and Services and paying the Costs, Water Tap Costs, and Capital Facilities Costs, and that imposition thereof is necessary and appropriate

NOW, THEREFORE, be it resolved by the Board as follows:

1. DEFINITIONS. Except as otherwise expressly provided or where the context indicates otherwise, the following capitalized terms shall have the respective meanings set forth below:

“Apartment Unit” means a unit within an apartment building which unit is held for lease or rent for residential occupancy and for which a final certificate of occupancy has been issued.

“Commercial Unit” means each office space, unit, building or other structure within the Authority Service Area that is used and/or zoned for general commercial, industrial, office, retail, or other non-residential uses.

“Due Date” means the date by which the Fees and Charges, Water Tap Fee, and Capital Facilities Fee are due, which Due Date is reflected on the Schedule of Fees.

“End User” means any third-party homeowner or tenant of any homeowner occupying or intending to occupy a Residential Unit or a Commercial Unit. End User specifically excludes a tenant occupying an Apartment Unit.

“Fee Schedule” or **“Schedule of Fees and Charges”** means the schedule of fees set forth in **Exhibit A**, attached hereto and incorporated herein by this reference, until and unless otherwise amended and/or repealed.

“Lot” means each parcel of land established by a recorded final subdivision plat and which is located within the Service Area.

“Property Owner” shall include all owners of real property, customers, users, residents, leaseholders and other recipients of Authority services.

“Residential Unit” means each residential dwelling unit (including, without limitation, condominiums, townhomes, and any other attached dwelling unit and detached single family dwelling units) located within the Service Area which has been Transferred to an End User.

“Service Area” means the legal boundaries of the Authority, as well as properties outside of the Authority’s legal boundaries which receive service from the Authority, all as more particularly set forth in the map and legal description attached hereto as **Exhibit B** and incorporated herein by this reference.

“Transfer” or **“Transferred”** shall include a sale, conveyance or transfer by deed, instrument, writing, lease or any other documents or otherwise by which real property is sold, granted, let, assigned, transferred, exchanged or otherwise vested in a tenant, tenants, purchaser or purchasers.

2. THE FEES AND CHARGES.

a. Service Fees and Charges. The Board has determined, and does hereby determine, that it is in the best interests of the Authority and its respective users and customers to impose, and does hereby impose the Fees and Charges set forth in the

Schedule of Fees and Charges to fund the Costs. The Fees and Charges are hereby established and imposed in an amount as set forth by the Authority from time to time pursuant to an annual "Fee Schedule" and shall constitute the rate in effect until such schedule is amended or repealed. The initial Fee Schedule is set forth in **Exhibit A**, attached hereto and incorporated herein by this reference. The Fee Schedule may be amended from time to time by motion without requiring an amendment to this Resolution.

b. The Board has determined, and does hereby determine, that the Fees and Charges are reasonably related to the overall cost of providing the Facilities and Services, and is imposed on those who are reasonably likely to benefit from or use the Facilities and Services.

3. WATER TAP FEE. A one-time Water Tap Fee is hereby established and imposed upon each Residential Unit and each Commercial Unit within the Service Area in the amounts set forth in the Schedule of Fees and Charges, as may be amended from time to time.

4. CAPITAL FACILITIES FEE. A one-time Capital Facilities Fee is hereby established and imposed upon each Residential Unit and each Commercial Unit within the Service Area in the amounts set forth in the Schedule of Fees and Charges.

5. LATE FEES AND INTEREST. Pursuant to § 29-1-1102(3), C.R.S., any Fees and Charges, Water Tap Fee, and Capital Facilities Fee not paid in full within fifteen (15) days after the scheduled due date will be assessed a late fee in the amount of Fifteen Dollars (\$15.00) or up to five percent (5%) per month, or fraction thereof, not to exceed a total of twenty-five percent (25%) of the amount due. Interest will also accrue on any outstanding Fees and Charges, Water Tap Fee, and Capital Facilities Fee, exclusive of assessed late fees, penalties, interest and any other costs of collection, specially including, but not limited, to attorney fees, at the rate of 18% per annum, pursuant to § 29-1-1102(7), C.R.S. The Authority may institute such remedies and collection procedures as authorized under Colorado law, including, but not limited to, foreclosure of its perpetual lien. The defaulting property owner shall pay all fees and costs, specifically including, but not limited to, attorneys' fees and costs and costs associated with the collection of delinquent fees, incurred by the Authority and/or its consultants in connection with the foregoing.

6. PAYMENT. Payment for all fees, rates, tolls, penalties, charges, interest and attorney fees shall be made by check or equivalent form acceptable to the Authority, made payable to "WaterDance Non-Potable Water Activity Authority" and sent to the address indicated on the Fee Schedule. The Authority may change the payment address from time to time and such change shall not require an amendment to this Resolution.

7. LIEN. The fees imposed hereunder, together with any and all late fees, interest, penalties and costs of collection, shall, until paid, constitute a statutory, perpetual lien on and against the property served, and any such lien may be foreclosed in the manner provided by the laws of the State of Colorado for the foreclosure of mechanic's liens, pursuant to § 32-1-1001(1)(j)(I), C.R.S. Said lien may be foreclosed at such time as the Authority, in its sole discretion, may determine. The lien shall be perpetual in nature (as defined by the laws of the State of Colorado) on the property and shall run with the land. This Resolution shall be recorded in the offices of the Clerk and Recorder of Weld County, Colorado.

8. CERTIFICATION OF ACCOUNT TO COUNTY TREASURER. Pursuant to §32-1-1101(1)(e), C.R.S., the Board may elect to coordinate with Raindance Metropolitan District No. 1 and/or Poudre Tech Metropolitan District to certify any delinquent account and late fees satisfying the criteria established therein to the Weld County Treasurer for collection with the *ad valorem* property taxes. The certification process may be in addition to or in lieu of any procedures set forth in this Resolution in the Board's sole discretion. The fees for the certification process shall be in accordance with Colorado law and Weld County policy.

9. SHUT OFF OR DISCONTINUATION OF SERVICE. Pursuant to § 32-1-1006(1)(d), C.R.S., the Board may elect to shut off or discontinue water service for delinquencies. The shut off or discontinuation of service may be in addition to or in lieu of any procedures set forth in this Resolution in the Board's sole discretion. The fees associated with the shut off or discontinuation of service as set forth in the Schedule of Fees and Charges.

10. SEVERABILITY. If any portion of this Resolution is declared by any court of competent jurisdiction to be void or unenforceable, such decision shall not affect the validity of any remaining portion of this Resolution, which shall remain in full force and effect. In addition, in lieu of such void or unenforceable provision, there shall automatically be added as part of this Resolution a provision similar in terms to such illegal, invalid or unenforceable provision so that the resulting reformed provision is legal, valid and enforceable.

11. THE PROPERTY. This Resolution shall apply to all property within the Authority's Service Area, including, but not limited to, the property set forth in **Exhibit B**, attached hereto and incorporated herein by this reference, and any additional property included into the Service Area after the date of this Resolution.

12. EFFECTIVE DATE. This Resolution shall become effective as of ____, 2026.

[Remainder of Page Intentionally Left Blank. Signature Page to Follow].

ADOPTED this 15th day of October, 2026.

WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY

Officer of the Authority

ATTEST:

*Signature page to Resolution Concerning the Imposition of Various Fees and Charges for Water
Services and Facilities*

EXHIBIT A

WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY

Schedule of Fees and Charges

Effective _____, 2026

The water rate structure generally includes an annual capital fee plus a water service fee per 1,000 gallons of water actually used. The fees are set forth below as **“Annual Capital Fee + Water Service Fee/1,000 Gallons.”**

Fee Type	Classifications	2026 Rate	
Water Service Fees* (Annual Capital Fee + Water Charges)	Single-Family Residential Unit	\$277.68 per Single-Family Residential Unit + \$4.53/1,000 Gallons	
	Multi-Family Residential Unit	\$277.68 per Multi-Family Residential Unit + \$4.53/1,000 Gallons	
	High Density Multi-Family Residential	\$221.52 per High Density Multi-Family Residential Unit + \$4.53/1,000 Gallons	
	Commercial Building	\$277.68 per Commercial Building + \$4.53/1,000 Gallons	
	Large & Public Amenity Users	\$3.17/1,000 Gallons	

Tap Fees	Residential Unit	\$2,800.00	
	Multi-Family and Commercial Unit		
	Non-Potable Tap ¾ inch:	\$2,500.00 per Tap	
	Non-Potable Tap 1 inch:	\$12,000.00 per Tap	
	Non-Potable Tap 1 ½ inch:	\$30,500.00 per Tap	
	Non-Potable Tap 2 inch:	\$48,000.00 per Tap	
	Non-Potable Tap 3 inch:	\$108,000.00 per Tap	

Capital Facilities Fees	Single-Family Residential Unit	\$2,500.00 per Single-Family Residential Unit	
	Single-Family Attached or Other Multi-Family Residential Dwelling Unit Not Otherwise Enumerated	\$2,500.00 per Dwelling Unit	
	High Density Multi-Family Residential (Apartments)	\$2,500 per Dwelling Unit	
	Commercial Building	\$2,500.00 per Commercial Building	

For any customer without a meter, or with a non-functioning meter, the District will bill an amount equal to the amount for the prior year's usage, or a default rate based on the square footage of irrigated turf with 26" of irrigation water applied.

PAYMENTS: Payment for each fee shall be made payable to the WaterDance Non-Potable Water Activities Authority and sent to the following address for receipt by the Due Date:

c/o Advance HOA Management, Inc.
PO Box 370390
Denver, CO 80237

EXHIBIT B

WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY

Authority Service Area

**RESOLUTION
OF THE BOARD OF DIRECTORS OF
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY**

ADOPTING WATER SYSTEM RULES AND REGULATIONS

WHEREAS, the WaterDance Non-Potable Water Activities Authority (the “**Authority**”) is a separate governmental entity, political subdivision, and public corporation of the State of Colorado, established pursuant to Section 29-1-204.2, C.R.S., and in conformity with Sections 29-1-201, *et seq.*, C.R.S., by the Establishment Agreement dated as of September 29, 2026 (the “**Establishment Agreement**”), by and between Raindance Metropolitan District No. 1 (“**Raindance**”) and Poudre Tech Metropolitan District (“**PTMD**” and, together with Raindance, the “**Members**”); and

WHEREAS, the Authority was organized for the purpose of owning, acquiring, constructing, operating, maintaining, and repairing, as a single, consolidated non-potable water utility, the non-potable irrigation water systems of the Members (collectively, the “**Non-Potable System**”), and establishing, imposing, and collecting consolidated, system-wide rates, fees, tolls, and charges for non-potable water service within the Authority Service Area (as defined in the Establishment Agreement); and

WHEREAS, pursuant to Section 29-1-204.2, C.R.S., and Sections 2.10 and 3.03(i) of the Establishment Agreement, the Board of Directors of the Authority (the “**Board**”) has the power to adopt, by resolution, bylaws and regulations respecting the exercise of the Authority’s powers, the carrying out of its purposes, and the conduct of its affairs; and

WHEREAS, pursuant to Article IV of the Establishment Agreement, each Member will convey, assign, and transfer its non-potable water system and water resources to the Authority, effective upon the closing of the Authority’s initial Bonds (as defined in the Establishment Agreement) issued to refinance Raindance’s Water Enterprise Revenue Bonds, Series 2020 and PTMD’s 2023 Water Loan (the “**Initial Bonds**”), and the Authority will thereafter own, operate, and maintain the Non-Potable System; and

WHEREAS, Raindance has previously adopted its “Water System Rules and Regulations” related to its non-potable water system, and the Authority now desires to adopt Raindance’s Water System Rules and Regulations, as modified to reflect the Authority’s ownership and operation of the Non-Potable System, as its own in order to provide for the orderly, uniform, and efficient operation of the Non-Potable System throughout the Authority Service Area (the “**Water Rules and Regulations**”); and

WHEREAS, the Board finds the Water Rules and Regulations to be necessary to the orderly and efficient operation of the Non-Potable System; and

WHEREAS, the adoption of the Water Rules and Regulations serves a public interest and is necessary for the protection of the health, safety, prosperity, security, and general welfare of the residents, property owners, and customers within the Authority Service Area.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the WaterDance Non-Potable Water Activities Authority as follows:

1. **Water Rules and Regulations.** The Authority hereby adopts the Water Rules and Regulations, attached hereto as **Exhibit A** and incorporated herein, as may be amended from time to time. To the extent any reference in the Water Rules and Regulations to “RainDance Metropolitan District No. 1,” the “RainDance Districts,” the “Service District,” or the “District” has not been revised, such reference shall refer to the Authority; all references to the “Board” or “Board of Directors” shall refer to the Board of Directors of the Authority; all references to the “District Manager” or “District Engineer” shall refer to the Authority Manager or Authority Engineer, respectively; and all references to the boundaries or service area of the RainDance Districts shall refer to the Authority Service Area.
2. **Uniform Application; Supersession of Member Rules.** The Water Rules and Regulations shall apply uniformly to the Non-Potable System throughout the Authority Service Area and, from and after the Effective Date (defined below), shall supersede the rules and regulations of each Member to the extent such rules and regulations govern the Non-Potable System; provided, however, that nothing herein shall affect any obligation, fee, charge, penalty, or lien incurred or accrued under the rules and regulations of a Member prior to the Effective Date, which the Authority shall be entitled to enforce and collect to the extent the right thereto has been assigned to the Authority.
3. **Interim Rates, Fees, and Charges.** Until the Board enacts a consolidated schedule of rates, fees, tolls, and charges pursuant to Section 4.05 of the Establishment Agreement, the rates, fees, tolls, and charges for non-potable water service established by each Member and in effect as of the Effective Date shall remain in effect within the portion of the Authority Service Area served by such Member’s non-potable water system and shall be imposed, billed, and collected by the Authority, unless the Board contracts with a Member or a third party to perform billing and collection services on the Authority’s behalf.
4. **Effective Date.** This resolution and the Water Rules and Regulations shall take effect upon, and not before, the closing of the Initial Bonds and the effectiveness of the conveyance of the Members’ non-potable water systems to the Authority (the “**Effective Date**”). The Secretary of the Authority is directed to cause notice of the adoption of the Water Rules and Regulations to be provided to the Members and to customers of the Non-Potable System.

APPROVED and ADOPTED this 15th day of October, 2026.

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY**, a political
subdivision and public corporation of the State of
Colorado

Officer of the Authority

ATTEST:

Secretary

EXHIBIT A

WATER SYSTEM RULES AND REGULATIONS

RainDance Metropolitan District No. 1

WATER SYSTEM RULES AND REGULATIONS

March 13, 2025

TABLE OF CONTENTS

ARTICLE I - GENERAL	1
1.1 Authority	1
1.2 Purpose	1
1.3 Policy	1
1.4 Scope	1
1.5 Intent of Rules and Regulations	1
1.6 Amendment	2
1.7 Miscellaneous	2
1.7.1 Usage and Titles	2
1.7.2 Severability	2
1.7.3 Prior Offenses	2
1.7.4 No Damage for Failure to Enforce	3
1.7.5 Availability of Service	3
1.7.6 Control and Operation of Facilities	3
1.7.7 Inspections	3
1.7.8 Ownership	3
ARTICLE II	4
DEFINITIONS	4
ARTICLE III	9
OWNERSHIP AND OPERATION OF FACILITIES	9
3.1 Responsibilities of District	9
3.2 Liability of District	9
3.3 Rights and Authority	9
3.4 Ownership of Facilities	9
3.4.1 Ownership of Irrigation Water Facilities	9
3.4.2 Ownership of Irrigation Water Meters	10
3.5 Inspection Powers and Authority of District Agents	10
3.6 Modification, Waiver and Suspension of Rules	10
ARTICLE IV	11
USE OF IRRIGATION WATER SYSTEMS	11
4.1 Unauthorized Tampering with Systems	Error! Bookmark not defined.
4.1.1 Unauthorized Use	11
4.1.2 Malicious Damage to System	11
4.1.3 Violators Prosecuted	11
4.1.4 Violators Fined	11
4.2 Use of Irrigation Water System	11
4.2.1 Notice of Changes and Repairs of Leaks	11
4.2.2 Stop and Waste Type Valve	12
4.2.3 Safety Devices	12
4.2.4 Irrigation Water Meters Required	12

4.2.5	Required Use of Irrigation Water System	13
4.2.6	Pressure Reducing Valve (“PRV”).....	13
4.3	Inactive Service.....	13
4.3.1	Definition.....	13
4.3.2	Availability	13
4.3.3	Inactive Charges	
4.4	Conservation Shutdown Use	14
ARTICLE V		15
APPLICATION FOR SERVICE		15
5.1	Inclusions	15
5.2	Service Outside the RainDance Districts	15
5.3	Application for Service	15
5.3.1	Sprinkler System.....	15
5.3.2	Winter Taps	16
5.3.3	Additional Tap Information Required	16
5.3.4	Reassessment of Tap Fees	16
5.4	Denial of Application	16
5.5	Cancellation of Application	16
5.6	Moved or Destroyed Buildings.....	16
5.6.1	Abandoned Service Line	17
5.7	Change in Customer’s Equipment, Service or Use of Property	17
5.7.1	Unauthorized Connection Fee	17
5.7.2	Inspection Required	17
5.7.3	Redetermination of Tap Fees.....	17
5.8	Unauthorized Connections and Fees	18
5.9	Revocation of Service	18
5.10	Revocation of Tap Rights	19
5.11	Activation/Deactivation of Service	19
ARTICLE VI.....		20
CONSTRUCTION OF SERVICE LINES		20
6.1	Compliance with Rules and Regulations.....	20
6.2	Inspection and Tapping Charges.....	20
6.3	Separate Service Lines Required.....	20
6.4	Construction and Connection	20
ARTICLE VII		22
MAIN LINE EXTENSIONS.....		22
7.1	Compliance with Rules and Regulations.....	22
7.2	Main Line Extensions by the District	22
7.3	Procedure for Main Line Extension by the District.....	22
7.3.1	Performance Bonds and One Year Warranty	22
7.4	Procedure for Main Line Extension by Developers	22
7.4.1	Application for Approval.....	23

7.4.2	Deposits with the District	23
7.4.3	Performance and Payment Bonds.....	23
7.4.4	Special Structures Designed by District Engineer.....	23
7.4.5	Oversizing of Main Lines	24
7.4.6	Documentation Required.....	24
7.4.7	Contract Required.....	24
7.5	Main Line Sizes.....	24
7.6	Locations of Main Line Extensions.....	24
ARTICLE VIII.....		26
RATES AND CHARGES.....		26
8.1	General	26
8.2	Application of this Article	26
8.3	Classification of Customers.....	26
8.3.1	Single-Family Residential Unit	26
8.3.2	Multi-Family Unit.....	26
8.3.3	Hotel, Lodge, Motel, Accommodation Unit.....	26
8.3.4	Commercial, Industrial Service	27
8.4	Tap Fee.....	Error! Bookmark not defined.
8.4.1	Prepaid Tap Fees	27
8.4.2	Factors and Usage.....	27
8.4.3	Disputed Tap Application.....	27
8.5	Transfer of Tap Fees	27
8.5.1	Common Owner of Property	28
8.5.2	Good Credit	28
8.5.3	No Previous Connection to System	28
8.5.4	Payment of Difference.....	28
8.5.5	Approval in the Discretion of District	28
8.6	Water Charge	28
8.7	Amended Tap Fees	29
8.8	Amended Water Charges	29
8.9	Payment of Water Charges	29
8.10	Penalty for Late Payment.....	29
8.11	Foreclosure Proceedings/Attorney's Fees.....	30
8.12	Certificate of Amounts of County Treasurer	30
8.13	Required Equipment – Radio Frequency Units.....	30
APPENDIX A		1
SERVICE LINE CONSTRUCTION		1
APPENDIX B		1
WATER SERVICE RATES, IRRIGATION WATER SYSTEM.....		1

ARTICLE I - GENERAL

1.1 Authority

The RainDance Metropolitan District No. 1 (the “District”) is the service district for the RainDance Metropolitan District Nos. 1-4 (the “RainDance Districts”) and is a quasi-municipal corporation and political subdivision of the State of Colorado with the powers, whether specifically granted, reasonably implied, or necessary or incidental to those powers specifically granted for carrying out the objectives and purposes of the District.

1.2 Purpose

The purpose of these Rules and Regulations is to ensure an orderly and uniform administration of irrigation water operations within the boundaries of the community commonly known as Raindance, Town of Windsor, Weld County, Colorado. These Rules and Regulations apply only to the Irrigation Water System (as defined herein), and not to the potable water system, which is managed and controlled by the Town of Windsor.

1.3 Policy

The authority of the District to adopt bylaws, rates, rules, and regulations is expressly conferred by Colorado statute. The Board of Directors of the District (the “Board”) expressly finds and determines that the adoption of the following rates, rules, and regulations is necessary for the health, safety, prosperity, security, and general welfare of the inhabitants of the District and those within the District’s service area, which includes the RainDance Districts, and will ensure an orderly and uniform administration of the District affairs.

The Board of the District hereby declares that the Rules and Regulations hereinafter set forth will serve a public use and are necessary to promote the health, safety, prosperity, security, and general welfare of the inhabitants of RainDance.

1.4 Scope

These Rules and Regulations shall be treated and considered as comprehensive regulations governing the operations and functions of the Irrigation Water System.

1.5 Intent of Rules and Regulations

It is intended that these Rules and Regulations shall be liberally construed to affect the general purposes set forth herein, and that each and every part hereof is separate and distinct from all other parts. No omission or additional material set forth in these Rules and Regulations shall be construed as an alteration, waiver, or deviation from any grant of power, duty, or responsibility, or limitation or restriction imposed or conferred upon the

Board by virtue of statutes now existing or subsequently amended, or under any contract or agreement existing between the District and any other governmental entity. Nothing contained herein shall be so construed as to prejudice or affect the right of the District to secure the full benefit and protection of any law which is now enacted or may subsequently be enacted by the Colorado General Assembly, pertaining to the governmental or proprietary affairs of the District. Any ambiguity, conflict, omission, or question of interpretation of these Rules and Regulations shall be determined in the sole discretion of the District's Board.

1.6 Amendment

It is specifically acknowledged that the District shall retain the power to amend these Rules and Regulations, with respect to the District, to reflect those changes determined to be necessary by the Board. Prior notice of these amendments shall not be required to be provided by the District exercising its amendment powers pursuant to this Section. These Rules and Regulations may be altered, amended, or added to from time to time and such alterations, additions, or amendments shall be binding and of full force and effect as of the date of their adoption by the Board.

1.7 Miscellaneous

1.7.1 Usage and Titles

All words and phrases shall be construed and understood according to the common and approved usage of the language, but technical words and phrases and such others as may have acquired a particular and appropriate meaning in the law shall be construed and understood according to such particular and appropriate meaning. The title of any heading in these Rules and Regulations shall not be deemed in any way to restrict, qualify, or limit the effect of the provisions set forth in the section or subsection set forth under each heading.

1.7.2 Severability

Should any section, subsection, sentence, clause, or phrase of these Rules and Regulations be judicially determined to be invalid or unenforceable, such judgment shall not effect, impair, or invalidate the remaining provisions of these Rules and Regulations, the intention being that the various sections and provisions hereof are severable.

1.7.3 Prior Offenses

Nothing in these Rules and Regulations shall affect any offense or act committed or done, or any obligation, penalty, or forfeiture incurred by any Person or under any contract or right established or occurring before the effective date of these Rules and Regulations.

1.7.4 No Damage for Failure to Enforce

Nothing herein contained shall create any right to damages against the District, its directors, officers, agents, or employees for the District's failure to enforce any or all of these Rules and Regulations.

1.7.5 Availability of Service

Water service shall be available only in accordance with these Rules and Regulations, on the basis of the charges established therefor, and subject to all penalties and charges for violation thereof, or any statutes applicable and subject to the availability of facilities and capacity.

1.7.6 Control and Operation of Facilities

All water facilities and property of the District shall be under the management of the District Manager and the control of the Board. No other Person shall have any right to enter upon, inspect, operate, adjust, change, alter, move, or relocate any portion of the District's facilities without prior written consent of the Board or the District Manager.

1.7.7 Inspections

All inspections, observations, testing, and reviews performed by the District, whether of private premises to ensure compliance with these Rules and Regulations, or of the District's property and facilities, are performed for the sole and exclusive benefit of the District. No liability shall attach to the District by reason of any such inspections, observations, testing, or reviews or by reason of any denial or issuance of any approval or Permit for any work subject to the authority or jurisdiction of the District.

1.7.8 Ownership

The District exercises all rights and responsibilities attendant to the full ownership of the water facilities and, in the future, shall accept ownership responsibilities only for additional facilities which have been formally conveyed to and accepted by the District.

ARTICLE II DEFINITIONS

Unless the context specifically indicates otherwise, the meaning of the terms used herein shall be as follows:

2.1 Applicant

“Applicant” means any Person who applies to the District (as defined herein) for a service Connection or service disconnection, Main Line extension, or other such service agreement, or who attempts to have real property included within or excluded from the RainDance Districts, as the case may be.

2.2 Board

“Board” and “Board of Directors” mean the Board of Directors of the District.

2.3 Constructor

“Constructor” means the landowner, developer, subdivider, or agency actually paying for the construction of the lines.

2.4 Contractor

“Contractor” means any Person authorized by the District to perform work and to furnish materials within the District.

2.5 Conservation Shut Down

“Conservation Shut Down” means a shutoff by the District of the Irrigation Water System.

2.6 Curb Stop

“Curb Stop” means a water service Shutoff Valve, located between the Main Line and the Meter Loop.

2.7 Customer

“Customer” means any entity authorized to connect to and use the Irrigation Water System under a Permit issued by the District.

2.8 District

“District” means the RainDance Metropolitan District No. 1.

2.9 District Manager

“District Manager” means the Person retained by the Board to administer and supervise the affairs of the District and its employees.

2.10 District Engineer

“District Engineer” means that Person that has been authorized by the District to perform engineering services for the District.

2.11 Dwelling Unit

“Dwelling Unit” means one or more habitable rooms arranged, occupied, or intended or designed to be occupied by not more than one family with facilities for living, cooking, sleeping, and eating.

2.12 End Point

“End Point” means a transmitter used to read and send various data from the Meter to the Meter-reading software.

2.13 Equivalent Dwelling Unit

“Equivalent Dwelling Unit” or “Single Family Equivalent Dwelling Unit” means a use which is estimated to have an impact upon the Irrigation Water System equal to that of the average usage of a Dwelling Unit.

2.14 Gender

The use of any gender shall be applicable to all genders.

2.15 Inspector

“Inspector” means that Person who, under the direction of the District Manager, shall inspect all water Connections, excavations, installations of and repairs to the Irrigation Water System and facilities of the District, to ensure compliance with the Rules and Regulations.

2.16 Irrigation Water System

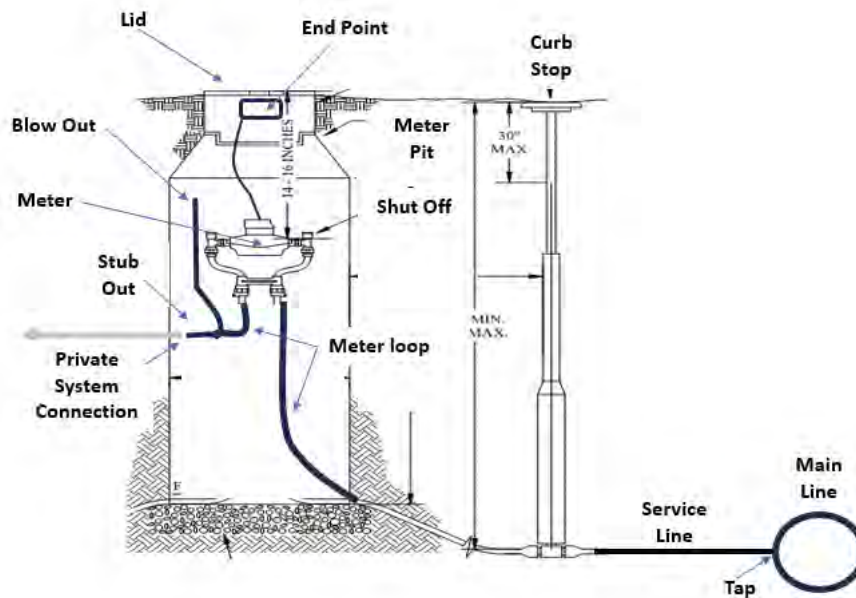
“Irrigation Water System” means any Main Line, appurtenances, accessories, or portion thereof owned and maintained by the District in connection with the management and control of irrigation water within the RainDance Districts’ boundaries.

2.17 Meter

“Meter” means a device used to measure non-potable irrigation water use.

2.18 Meter Diagram

The following diagram is meant to serve as an aid in understanding the design and layout of the Meter:



2.19 Meter Loop

“Meter Loop” means the copper piping from the Curb Stop that connects the Meter to the Stub Out.

2.20 Permit

“Permit” means the written permission to connect to or enlarge the use for the Irrigation Water System of the District pursuant to the Rules and Regulations of the District.

2.21 Person

“Person” means any entity of any nature, whether public or private.

2.22 Privately Owned Irrigation System

“Privately Owned Irrigation System” means any water lines, sprinkler heads, and appurtenances used in the irrigation of an individual lot that is not owned part of the Service Line.

2.23 RainDance Districts

“RainDance Districts” means the District and RainDance Metropolitan District Nos. 2-4 and represents the service area to be provided irrigation water by the District.

2.24 Rules and Regulations

“Rules and Regulations” means the Rules and Regulations of the District, including all amendments and policies as set forth in the District minutes and resolutions.

2.24 Service Line

“Service Line” means any District-owned and -maintained pipe, line, or conduit used or to be used to provide irrigation water service from the Water Main to the Curb Stop, whether or not the pipe, line, or conduit is connected.

2.25 Shall or May

Whenever “shall” is used herein, it shall be construed as a mandatory direction.

Whenever “may” is used herein, it shall be construed as a permissible but not mandatory direction.

2.26 Shutoff Valve

“Shutoff Valve” means a hand valve located on top of the Meter Loop in each lot, for purposes of turning on and off the water supply to a Privately Owned Irrigation System.

2.27 Singular and Plural

As pertains to these Rules and Regulations, the singular includes the plural and the plural the singular wherever applicable.

2.28 Stub-out

“Stub-out” means any Connection from a Privately Owned Irrigation System to the Meter Loop.

2.29 Tap or Connection

“Tap” or “Connection” means the connecting of the Service Line to the Main Line.

2.30 Tap Fee

“Tap Fee” means the payment to the District of a fee for the privilege of connecting a particular use to the Irrigation Water System, also referred to as Capital Facilities Fee.

2.31 Water Main and/or Main Line

“Water Main” and/or “Main Line” mean any pipe, piping, or system of piping used as a conduit for water in the Irrigation Water System and owned by the District.

2.32 Any Other Term

Any other term not herein defined shall be defined as presented in the “Glossary - Water and Sewage Control Engineering”, A.P.H.A., A.W.W.A., A.S.C.E., and F.W.S.A., latest editions.

ARTICLE III
OWNERSHIP AND OPERATION OF FACILITIES

3.1 Responsibilities of District

Except as otherwise provided by these Rules and Regulations, the District is responsible for the operation and maintenance of the Irrigation Water System, which operation and maintenance shall be carried out in a sound and economical manner, in accordance with these Rules and Regulations. The District shall not be liable or responsible for inadequate service or interruption of service brought about by circumstances beyond its control.

3.2 Liability of District

It is expressly stipulated that no claim for damage shall be made against the District by reason of the following: failure by an owner to maintain properly, including winterizing, a Privately Owned Irrigation System and District-owned Meter; breakage of Main Lines; interruption of water service and the conditions resulting therefrom; breaking of any Service Line, pipe, clock, or Meter; failure of the water supply; shutting off or turning on water; making of Connections or extensions; damage caused by water running or escaping from open or defective faucets; burst Service Lines or other facilities not owned by the District; damage to sprinkler systems, appliances, or other apparatuses, devices, or equipment used for irrigation of property, resulting from shutting water off or turning it on, or from inadequate, excessive, or sporadic pressures; or for doing anything to the system of the District deemed necessary by the Board or its agents.

3.3 Rights and Authority

The District shall have no responsibility for notification to Customers of any of the foregoing conditions. All irrigation water users within the RainDance Districts shall be obligated to connect to Irrigation Water System. The District reserves the right to discontinue service to any property, at any time, for any reason deemed necessary or appropriate.

The District shall have the right to revoke service to any property for violations of these Rules and Regulations in accordance with the procedures set forth in these Rules and Regulations.

3.4 Ownership of Facilities

All existing and future Main Lines and other facilities connected with and forming an integral part of the Irrigation Water System are or shall become the property of the District, unless any contract with an owner or Customer provides otherwise. Said ownership will remain valid whether the Main Lines and other facilities are constructed, financed, paid for, or otherwise acquired by the District or any other Person.

3.4.1 Ownership of Irrigation Water Facilities

The District owns and is responsible for the maintenance of the Main Line and Service Line, up to and including the Meter Loop on the Customer's property. The Customer owns the meter and the meter pit and is responsible for the maintenance of the Privately Owned Irrigation System serving his property, beginning at the end of the Meter Loop.

3.4.2 Ownership of Irrigation Water Meters

Notwithstanding the above, all irrigation water Meters and Shutoff Valves are or shall become the property of the Customer and are maintained by the District when the units fail due to normal wear and tear. Refer to Exhibit A.

3.5 Inspection Powers and Authority of District Agents

Authorized employees or agents of the District, bearing proper credentials and identification, shall be permitted to enter upon all properties within the Service Area at all reasonable times for the purpose of inspection, observation, measurement, sampling, and testing, in accordance with the provisions of these Rules and Regulations. Failure to permit such inspection, observation, measurement, sampling, and/or testing upon the written request of the District Manager may result in a finding by the District that permission is being denied to conceal a violation, which may result in fines and/or the disconnection of service to the property of the party failing to permit such activity.

3.6 Modification, Waiver, and Suspension of Rules

The Board or the District Manager, acting on instructions of the Board, shall have the sole authority to waive, suspend, or modify these Rules and Regulations, and any such waiver, suspension, or modification must be in writing and signed by the Board or the District Manager. Such waiver shall not be deemed an amendment of the Rules and Regulations. No waiver will be deemed a continuing waiver.

ARTICLE IV USE OF IRRIGATION WATER SYSTEMS

4.1 Unauthorized Tampering with Systems

4.1.1 Unauthorized Use

No unauthorized Person shall uncover, use, alter, disturb, or make any Connection with or opening onto, or use, alter, or disturb the Irrigation Water System without first obtaining a written Permit from the District. Unauthorized uses of or tampering with the Irrigation Water System include but are not limited to change in Customer's equipment, service, or use of property as defined in Section 5.7; an unauthorized activation or deactivation of irrigation water service; burying valve boxes; and modifying any irrigation water Meter, End Point, or Curb Stop. Any unauthorized use may result in fines and/or termination of service.

4.1.2 Malicious Damage to System

No Person shall maliciously, willfully, or negligently, break, damage, destroy, cover, uncover, deface, or tamper with any portion of the Irrigation Water System.

4.1.3 Violators Prosecuted

Any Person who violates the provisions of this Section 4.1 shall be prosecuted to the full extent of Colorado law.

4.1.4 Violators Fined

Any Person violating any of the provisions of these Rules and Regulations shall become liable to the District for payment of a fine as determined by the Board, plus any expense, loss, or damage occasioned by reason of such violation. Such costs shall constitute a perpetual lien upon the violator's property, as permitted under Section 32-1-1001, C.R.S., as amended, or a perpetual lien upon the property concerning which the violator was receiving services at the time of the violation in question, whichever the District Manager deems appropriate. See Section 5.8 regarding unauthorized Connections.

4.2 Use of Irrigation Water System

4.2.1 Request to Change or Move Meter Pit/Curb Stop and Repairs of Leaks

The Customer shall request in writing approval from the District prior to any expansion, addition, relocation, or modification to the service or use of property served by the Irrigation Water System. Each Customer shall be responsible for all costs associated with the construction, maintenance, and/or relocation of the Meter, Curb Stop, and length of the

Service Line up to the Curb Stop. Service Lines shall be constructed in accordance with these Rules and Regulations. No District-owned facilities shall be relocated by any Person other than District staff or Contractors.

The Customer shall repair any leaks or breaks in her Privately Owned Irrigation System within seventy-two (72) hours of obtaining knowledge of a leak or from the time of notification of such condition by the District. If satisfactory progress toward repairing said leak has not been completed within the same time period, the District Manager shall shut off the service until the leaks or breaks have been repaired. In addition, the District shall have the right to effect the repair, and the costs therefor shall constitute a lien on and against the property of such Customer, as security for payment of such cost, as provided for by Section 32-1-1001, C.R.S.

4.2.2 Stop and Waste Type Valve

The Customer shall not use stop and waste type valves in conjunction with a Privately Owned Irrigation System. It is the responsibility of the Customer to bury the Privately Owned Irrigation Systems with sufficient cover to prevent it from freezing.

4.2.3 Safety Devices

Each Customer having sprinkler systems, appliances, apparatuses, and/or other devices on his premises for irrigation, depending on pressure or water in pipes, or on a continual supply of water, shall provide, at his own expense, suitable safety devices to protect himself and his property against a stoppage of water supply or loss of pressure. The District expressly disclaims any liability or responsibility for any damage resulting from a Customer's failure to provide such appropriate protection.

4.2.4 Meters Required

At such time as the Board deems necessary, the District shall charge for water usage pursuant to Meters installed to serve each unit at rates to be determined by the Board. No future Connection shall be made to the Irrigation Water System without a Meter having been installed to serve the subject unit. All Meters shall have devices for remote reading. The type of Meter and location of the Meter shall be subject to the approval of the District.

The District shall install the initial Meter and shall have the right to test, remove, repair, or replace any and all Meters and End Points. The cost of each Meter and End Point and the cost of installation of each Meter and End Point by the District shall be borne by the District at the rate set forth in Appendix B. It shall be the duty of each Customer to notify the District if his Meter is operating defectively as soon as he becomes aware of such defective operation. If any Meter is suspected to be defective, the District shall diligently pursue repair or replacement of said Meter at the District's expense. The Meters referred to in this

Section and throughout these Rules and Regulations are separate from the water meters measuring the use of potable water from the Town of Windsor.

The Customer shall be given written notice that the District suspects the Meter is defective. The Customer shall be given fifteen (15) days in which to respond, which response shall include scheduling with the District an appointment for a Meter inspection and replacement. If the Customer fails to respond, the Customer will be placed on the unmetered rate set forth in Appendix B, effective with the following billing cycle.

The Customer shall be given a second written notice that the District suspects the Meter is defective. The Customer shall be given fifteen (15) days in which to respond to the second notice, which response shall include scheduling an appointment for a Meter inspection and replacement. If the Customer fails to respond to the second notice, the District may disconnect the water service and charge the Customer the capital fee while the service is disconnected.

4.2.5 Required Use of Irrigation Water System

It is not permitted to permanently irrigate property within the RainDance Districts other than with the District's irrigation water, unless approved by the District, or as otherwise permitted by State law.

4.2.6 Pressure Reducing Valve ("PRV")

A PRV may be installed in Privately Owned Irrigation Systems after the Meter Loop.

4.3 Inactive Service

4.3.1 Definition

Inactive Service means that the Privately Owned Irrigation System for the property is connected to an Irrigation Water System but the Meter is not set and the District's distribution system is not used to deliver water to the property. Inactive Service occurs where the Service Line is constructed initially only to the valve at the property line for the purpose of installing the Service Line prior to the paving of the street or where a regular residential or commercial Tap is converted to inactive status commencing twelve (12) months after the date the application for such status is approved by the District.

4.3.2 Availability

Access to the Irrigation Water System is available to Applicants within the boundaries of the RainDance Districts or any contracting entity.

4.4 Conservation Shut Down

A Conservation Shut Down is a management tool used to save irrigation water after heavy rainfall. Irrigation pumps are shut off for up to two (2) days when the community receives between .5 and .75 inches of rain and shut off for two (2) or three (3) days when rainfall totals exceed .75 inches and the soil is saturated. The pumps are turned on one (1) to two (2) days before additional irrigation is needed, based on the current soil moisture. The reactivation date is determined by the amount of water that is available in the soil.

ARTICLE V

APPLICATION FOR SERVICE

5.1 Inclusions

Service will be furnished, subject to these Rules and Regulations, to property included within the RainDance Districts, pursuant to Section 32-1-401, C.R.S. It shall be incumbent upon the Applicant to furnish satisfactory evidence of inclusion whenever such evidence is requested by the District. Satisfactory evidence shall consist of tax receipt, or certification in lieu thereof, received from and signed by the County Treasurer, or documentation provided by one of the RainDance Districts. A Person owning land within and without the boundaries of one of the RainDance Districts who desires service to land currently located without the boundaries of the District, must include all of his land to be serviced by the Irrigation Water System into the boundaries of the applicable district. A formal petition for inclusion within one of the RainDance Districts shall be made to such district, on its standard form, by the Applicant, accompanied by a non-refundable payment of One Thousand Dollars (\$1,000.00) for costs associated with the inclusion of the property, including but not limited to legal fees and the estimated costs of publication and preparation of documents. Any additional costs or legal fees which may occur shall be assessed and paid by the Applicant prior to approval of inclusion by the Board for the applicable district. Until paid, the RainDance Districts will not process a petition for inclusion of property.

5.2 Service Outside the RainDance Districts

No service shall ever be provided to property outside of the RainDance Districts, except upon the express written consent of the District. Charges for furnishing service outside of the RainDance Districts shall be at the discretion of the Board, but no service shall be furnished to property outside of the RainDance Districts unless the charge therefor equals at least the cost of service, plus the estimated mill levy and Tap Fees for which such property would be responsible if it were within one of the RainDance Districts. In every case where the District furnishes service to property outside the RainDance Districts, the District reserves the right to discontinue the service when, in the judgment of the Board, it is in the best interest of the District to do so.

5.3 Application for Service

Application for service must be filed with the District in writing and accompanied by appropriate fees prior to any action to connect to the Irrigation Water System. Only upon authorized approval of the application and a receipt therefor may a Connection to the Irrigation Water System be made. The location of the Meter and the remote reading device shall be indicated on all applications for service.

5.3.1 Sprinkler System

If a water sprinkler system for lawn irrigation is to be used, it must be metered and meet the requirements of all applicable Town, County, and State codes.

5.3.2 Winter Taps

Taps may be made by appointment during the winter months at the District's sole discretion, provided that the Tap location is heated.

5.3.3 Additional Tap Information Required

All information requested by the District must be completed. In addition, the Meter location and arrangement, and a diagram of the Curb Stop valve box location must be included. A site plan or improvement plan shall accompany the Tap Permit application showing the location of the area to be irrigated relative to property lines.

5.3.4 Reassessment of Tap Fees

Should any information disclosed on the application prove at any time to be false, or should the Applicant omit any information, the District shall have the right to reassess the Tap Fee originally charged at the rate current to the discovery by the District of the false or omitted information, and/or disconnect the service in question, and/or back-charge the property in question for service fees that may be due and owing, and/or charge any other or additional fee or penalty specified in these Rules and Regulations. Any reassessment shall be due and payable, together with any penalties or other additional fees charged, and together with interest at the maximum legal rate on the entire balance, upon and from the date of the original application.

5.4 Denial of Application

The District reserves the exclusive right to deny application for service when, in the opinion of the District Board, the service applied for would create an excessive seasonal, or other, demand on the facilities. Denial may also be based upon an unresolved obligation between any of the RainDance Districts and the Applicant, inadequate documentation of easements for Main Lines serving the property, or any other reason as determined by the Board or District Manager.

5.5 Cancellation of Application

The District reserves the right to revoke any prior approval of an application before service has been provided, and thereafter for any violation of these Rules and Regulations.

5.6 Moved or Destroyed Buildings

When a building is moved or destroyed, the original Tap authorization shall remain, provided that a written request is made to, and approved by, the Board or District Manager, prior to cessation of payment of service charges.

5.6.1 Abandoned Privately Owned Irrigation System

When a Privately Owned Irrigation System is abandoned permanently, the property owner or Customer shall close the Shutoff Valve on top of the Meter Loop.

5.7 Change in Customer's Equipment, Service or Use of Property

No expansion of or addition to the Customer's service or use of property served shall be made without the prior notification of and approval by the District. Any such change which, in the opinion of the District, will increase the burden placed on the Irrigation Water System by the Customer shall require a redetermination of the Tap Fee and service charge, and a payment by the Customer of any additional Tap Fee and service charge resulting from the redetermination. Subject to Section 5.6, above, Tap Fees previously paid with respect to the property in question shall be credited against the redetermined Tap Fee so that only the unpaid portion of any re-determined Tap Fee shall be due; provided, however, that redeterminations resulting in a conclusion that the Tap Fee, if assessed currently, would be in an amount less than that originally paid, shall not result in a refund to the Customer, and provided further that, when an expansion or change in use occurs which results in additional fees due, a credit for the existing use right shall be given.

5.7.1 Unauthorized Connection Fee

Any violation of this Section shall result in the assessment of an unauthorized Connection fee determined by the Board, as provided by Section 5.8 of these Rules and Regulations, and the District shall take those steps authorized by these Rules and Regulations and Colorado law regarding the collection of said fees. (Also, see Section 4.1 Unauthorized Tampering with Systems.)

5.7.2 Inspection Required

Any Customer believed to have changed equipment, service, or use of his property, in violation of this Section, shall be notified of such belief by the District, and shall be afforded fifteen (15) days from the date upon which the notice is mailed in which to respond to the District's notice. Any response by the Customer must include permission to make such inspection of the property in question as the Board or District Manager or his representatives deem necessary to establish clearly the nature of equipment, service, and use of the property in question. Failure to respond may result in the District discontinuing service to the property.

5.7.3 Redetermination of Tap Fees

The District Manager or his representatives shall inspect the property in question. Following inspection, the District Manager shall make a determination as to the change in the Customer's equipment, service, or use of the property in question, and shall re-determine any additional Tap Fees and service charges due. In the event the decision of the Board or District Manager is deemed unsatisfactory to the Customer, the Customer may present a complaint in accordance with the Hearing and Appeal Procedures, Article IX, of these Rules and Regulations.

5.8 Unauthorized Connections and Fees

No Person shall be allowed to connect onto the Irrigation Water System or to enlarge or otherwise change equipment, service, or use of property without prior payment of Tap Fees, approval of application for service, and adequate supervision and inspection of the Tap by District employees or agents. Any such Connection, enlargement, or change without payment, approval, supervision, and inspection shall be deemed an unauthorized Connection. Upon the discovery of any unauthorized Connections, the then-current Tap Fee shall become immediately due and payable, and the property shall automatically be assessed an additional unauthorized Connection fee equal to the then current Tap Fee per Equivalent Dwelling Unit as liquidated damages toward the District's costs associated with such unauthorized Connections.

The District shall send written notice to the owner of the property benefited by such Connections stating that an unauthorized Connection has been made between the subject property and the District's facilities. The owner shall then have fifteen (15) days from the date the notice is mailed to pay the then-current Tap Fee or proceed in accordance with the provisions of Section 5.7.2 of these Rules and Regulations.

5.9 Revocation of Service

The District may revoke service upon non-payment of any valid fees or charges owing to the District. In the event of non-payment, the Customer shall be given not less than fifteen (15) days' advance notice in writing of the revocation, which notice shall set forth:

1. The reason for the revocation;
2. That the Customer has the right to contact the District, and the manner in which the District may be contacted for the purpose of resolving the obligations; and
3. That there exists an opportunity for a hearing in accordance with Article IX of these Rules and Regulations.

If payment of the outstanding obligation or a request for a hearing is not received by the District within fifteen (15) days of the date of mailing of the revocation notice, the District

Manager shall disconnect the service and the Customer shall be assessed the cost of the disconnection. While the service is disconnected, the Customer shall continue to be assessed the base service charges for irrigation water.

5.10 Revocation of Tap Rights

The District may revoke the right to connect the Irrigation Water System and receive services under Section 5.3, above, upon non-payment of any fees owing to the District and remaining unpaid for a period of thirty (30) days, and whether or not the Customer owning the right to connect has actually connected to the Irrigation Water System. Such revocations shall be conducted in accordance with Section 5.9, above. If the right to connect to the Irrigation Water System is revoked, the Customer may reacquire such Tap rights only by reapplying for service in accordance with Section 5.3, above, and after paying all fees due and owing the District and the then-current Tap Fees charged by the District under these Rules and Regulations.

5.11 Activation/Deactivation of Service

All activations and deactivations of water service through a Curb Stop that has been connected to the Irrigation Water System pursuant to a written Permit issued by the District shall be performed only by District personnel regardless of the ownership of the Curb Stop or Service Line and regardless of the circumstances respecting the activation or deactivation. The District shall assess a single activation/deactivation fee in the amount of \$250.00 for any such activation or deactivation performed, except when initial service is provided and when the service is performed for Customers requiring maintenance to their Service Lines, in which case there shall be no charge. The District will provide this service only for a Tap for new construction, one time prior to the occupancy of the building located on the property served.

All other requests for activation or deactivation of the District's service may be granted or denied by the Board or District Manager in the Board's or District Manager's sole discretion. In new construction, at the time the Meter is set, service charges begin unless the District is requested to perform the turn-off. In this event the Customer will be charged \$250.00 when service is turned on.

ARTICLE VI CONSTRUCTION OF SERVICE LINES

6.1 Compliance with Rules and Regulations

The requirements of these Rules and Regulations, and the Appendices attached hereto, are applicable to the construction of all Service Lines.

6.2 Inspection and Tapping Charges

All Taps shall be made by the District or its authorized representative and all Service Lines shall be inspected by a representative of the District. All irrigation water Service Lines are to be tested under normal operating pressure. Constructors of Service Lines shall schedule an open ditch inspection of all Service Lines. If said inspection is not made within twenty-four (24) hours of the request for inspection, excluding weekends and holidays, construction may proceed. There may be a charge for all inspections as determined from time to time by the Board. Further information regarding inspections and the charges for inspections may be obtained from the Board or the District Manager. Charges for each Tap are set forth in Appendix B, attached hereto.

6.3 Separate Service Lines Required

A separate and independent Service Line shall be provided for every lot and shall be installed at the expense of the property owner. There shall be one Meter installed for each separate lot served. A Curb Stop shall be located at the property line on all Service Lines. The Curb Stop and Meter Units cannot be covered or inhibited and shall be accessible by District Staff. The Board or District Manager, in the exercise of his sole discretion, may provide an exemption from the above requirements for outdoor common space areas that are part of a condominium or other multi-family dwelling association. In such a case, the District shall bill the association for service charges assessed by the District for irrigation water usage in the association. In all cases where individual units are not separately metered, billing shall be to one entity for service to all units serviced through the same Meter or Service Line, and payment for less than all units shall be considered non-payment, allowing the District to terminate service.

6.4 Construction and Connection

The Contractor shall notify the District when the Service Line is ready for inspection and Connection to the District's main. One (1) working day's notice is required. The Connection shall be made to the main by District personnel. All Contractors, plumbers, and others doing work on any main, Service Lines, or structures in the RainDance Districts shall comply with County, State, or local regulations on excavation, backfill, compaction, and restoration of surface. All Permits, fees, and licenses, including but not limited to those

fees set forth in Appendix B, shall be paid for by the Contractor, plumber, or others doing work in the RainDance Districts, prior to the start of construction.

All excavations for service installation shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways, and other public or private property disturbed in the course of the work shall be restored in a manner satisfactory to the District. All daily inspection fees on construction required by any governmental agency, including the District, shall be paid by the plumber, Contractor, or others doing work for the District.

ARTICLE VII MAIN LINE EXTENSIONS

7.1 Compliance with Rules and Regulations

Main Line extensions shall comply with the requirements of these Rules and Regulations and the District's standard specifications for Service Line construction.

7.2 Main Line Extensions by the District

The District has the right to construct all Main Lines within the RainDance Districts. Developers who desire to construct such Main Lines prior to the date planned by the District for their construction may do so as provided in Section 7.4 herein.

7.3 Procedure for Main Line Extension by the District

The District may construct a Main Line extension if the Board deems it in the best interest of the District to do so. All Main Line extensions which are so authorized shall be bid, as provided by State law, and contracted for by the Board, with the Constructor installing the Main Lines being responsible to the Board. The District, through the District Engineer, shall supervise construction activity and coordinate all matters pertaining to the completion of the subject project, including periodic and final payments to the Constructor, inspection, and as-built drawings.

7.3.1 Performance Bonds and One Year Warranty

Pursuant to Sections 38-26-105 and 38-26-106, C.R.S., performance and payment bonds equal to the contract price at a minimum shall be furnished to the District by the Constructor on all construction contracted by the District. All Main Lines constructed shall be accepted by the District upon completion of construction, subject to a one (1) year warranty period, during which the Constructor shall promptly, without cost to the District, correct any defective work. All daily inspection fees required by any governmental authority, including the District, shall be paid by the Constructor.

Constructors who have completed construction of Main Line extensions shall, before the Main Lines are accepted by the District, deed the Main Lines and all appurtenances to the District, free and clear of all liens and encumbrances, and furnish to the District a surety bond or other acceptable collateral which shall cover all maintenance for one (1) year from the date of acceptance of the Main Lines by the District. Prior to the acceptance of the Main Lines by the District, the Constructor shall provide to the District reproducible, as-built drawings including Stub-out locations, coordinates of manholes, rim and invert elevations, and easements.

7.4 Procedure for Main Line Extension by Developers

The District has no obligation to extend any Main Line. In the discretion of the Board or District Manager, the District may permit an Applicant to construct, at the sole expense of the Applicant, Main Lines prior to their construction by the District. The Applicant shall enter into a written Main Line extension agreement with the District prior to proceeding with any extension.

7.4.1 Application for Approval

All Applicants desiring to construct a Main Line within the District shall first make formal application to the Board or District Manager for approval. This application shall be in writing and shall contain a legal description of the property to be served by the Main Line, plans for such extension, and any other information required by the District, in its discretion. The staff shall then submit the recommended plans, with appropriate documentation, to the Board or District Manager for final approval. Said plans shall be reviewed for compliance with the District's specifications, and with other specifications and requirements appropriate to the situation. The cost of such study for compliance shall be borne by the Applicant.

7.4.2 Deposits with the District

Prior to the execution of the Main Line extension agreement with the District, the Applicant shall deposit with the District an amount sufficient to compensate the District for engineering fees, legal fees, and other costs, except direct construction costs, anticipated to be incurred by the District as a result of the application and the construction of the Main Line.

7.4.3 Performance and Payment Bonds

All contracts entered into by an Applicant for construction of any part of a Main Line shall be assignable to the District. All such contracts that an Applicant proposes to assign to the District shall include performance and payment bonds to be issued by the Contractor to the District pursuant to Sections 38-26-105 and 38-26-106, C.R.S. Said bonds shall be at a minimum equal to the contract price for the construction contracted for by the Applicant. All Main Lines shall be constructed according to applicable District, County, and State specifications. All Main Line extensions within the RainDance Districts shall be made under the supervision of the District staff at the Applicant's expense. Similarly, all daily inspection fees on mains required by any governmental agency, including the District, shall be paid by Applicant. Such costs may be subject to cost recovery if so designated in the cost recovery contract.

7.4.4 Special Structures Designed by District Engineer

Special structures, such as pumping stations, pressure reducing valves, Meter vaults, etc., required to ensure proper operation of the extensions, shall be constructed from designs of the District Engineer or such other engineer as may be approved by the Board.

7.4.5 Oversizing of Main Lines

The Applicant shall be responsible for oversizing Main Line extensions as required by the District, at the District's expense, subject to future cost recovery by the District from future extenders. Specifically, a future extender may be required to reimburse the District for the cost of oversizing, including reasonable interest, upon connecting a further extension.

7.4.6 Documentation Required

Applicants who have completed construction of Main Lines shall, before the Main Lines are accepted by the District, deed the Main Lines and appurtenances to the District, free and clear of all liens and encumbrances, and furnish to the District bonds, which shall cover all maintenance for one (1) year from the date of acceptance of the Main Lines by the District. Prior to the acceptance of the Main Lines by the District, the Applicant shall provide the District with:

1. All easements necessary accompanying the Main Lines;
2. Four (4) Mylar, as-built drawings; and
3. A statement of the certified costs of the Main Lines.

7.4.7 Contract Required

No reimbursement or recovery of costs shall be permitted for Main Line extensions, except as provided by fully executed contracts with the District. The District shall, in its sole discretion, determine when reimbursement may be made for Main Line extensions.

7.5 Main Line Sizes

The size of the Main Line required to serve any area served by the Irrigation Water System shall be determined by the District.

7.6 Locations of Main Line Extensions

Main Lines shall be installed in roads or street rights-of-way, as well as in easements granted to the District. Where required, facilities must cross land not being subdivided, or where such land is under the Applicant's control for the granting of public rights-of-way, each Applicant who desires service will, in consultation with and with the approval of the District, plat and grant to the District appropriate rights-of-way and easements in which such facilities will be constructed.

The District shall maintain sole discretion over the location of any Main Line extensions, including control over any parallel lines.

ARTICLE VIII RATES AND CHARGES

7.7 General

The information contained in this Article is pertinent to all charges of whatever nature to be levied for the provision of irrigation water service. Said rates and charges are in existence and effect at this time, except as otherwise indicated, and shall remain in effect until modified by the Board pursuant to the applicable statutes of the State of Colorado. Nothing contained herein shall limit the Board from modifying rates and charges, or from modifying any classification.

7.8 Application of this Article

The rates, charges, and other information shown herein shall apply only to Customers inside the RainDance Districts and shall in no way obligate the District with respect to services provided outside the boundaries of the RainDance Districts.

7.9 Classification of Customers

For the purpose of levying fair, reasonable, uniform, and equitable charges, the following classifications and related definitions are provided:

7.9.1 Single-Family Residential Unit

Includes single-family unit; a patio home is included under the definition of single-family residential unit.

7.9.2 Multi-Family Unit

Includes duplex, triplex and quadplexes, condominiums, and townhomes.

7.9.3 High Density Multi Family Unit

Includes stacked or clustered units such as apartments and other large residential multi-level dwellings.

7.9.4 Hotel, Lodge, Motel, Accommodation Unit

Includes accommodation rooms or suites of rooms or apartments designed for short-term commercial rental. All other auxiliary uses, i.e., restaurants, bars, athletic facilities, and public restrooms, are included under Section 8.3.4.

7.9.5 Commercial, Industrial Service

All non-residential uses which are not included under Sections 8.3.1, 8.3.2, or 8.3.3.

7.10 Tap Fee

A Tap Fee shall be charged to all irrigation water service Customers of the District. Such Tap Fee is the Applicant's proportionate share of the Irrigation Water System cost in relation to the Applicant's use and may be used by the District for purposes of paying all or any part of the costs associated with the District's operation and maintenance expenses, including, without limitation, the District's ground maintenance services, such services to include but not be limited to the irrigation and landscaping of the RainDance Districts' open spaces and any other budgeted, general-fund expenditures of the District. Such Tap Fee shall be assessed and paid upon the date of the initial transfer of title of any property to any purchaser in which a Single-Family Residential Unit, Multi-Family Unit and High Density Multi-Family Unit shall be constructed on such property. Tap Fees shall be assessed as provided for in the schedule of fees and charges attached hereto as Appendix B; provided, however, that:

7.10.1 Prepaid Tap Fees

Tap Fees may be prepaid, and Tap Permits issued, at any time in advance of Connection, in which case the commencement of service charges shall be governed by Section 8.6 of these Rules and Regulations. No refund of Tap Fees will be paid.

7.10.2 Factors and Usage

The fees and charges reflected in Appendix B, or as otherwise set forth in any resolution concerning the imposition of fees as may be adopted by the Board, are based upon factors of usage and physical structure, and upon the application by the District Manager of those factors to the facts and circumstances surrounding the application.

7.10.3 Disputed Tap Application

If a dispute arises between the District and the Applicant regarding the calculation of Tap Fees or the nature and use of the structure as it applies to Appendix B, the dispute will be settled in accordance with Article IX of these Rules and Regulations.

7.11 Transfer of Tap Fees

No Tap Fee paid on behalf of one property, or any portion thereof, may be transferred to any other property unless:

7.11.1 Common Owner of Property

The owner requesting the transfer is the common owner of the property for which the Tap Fee has been paid and the property to which the transfer of the Tap Fee, or portion thereof, is being requested.

7.11.2 Good Credit

The owner requesting the transfer has no outstanding unpaid accounts with the District and has previously maintained good credit with the District.

7.11.3 No Previous Connection to System

The property to which the Tap Fee initially applied has never been connected to the Irrigation Water System.

7.11.4 Payment of Difference

The owner requesting the transfer shall pay to the District the difference between the Tap Fee which would otherwise be charged on the date the transfer is requested for the property to which transfer is being sought, and the Tap Fee previously paid, but in no event shall the District make a credit or refund. In the event an owner transfers only a portion of the total sum previously paid as a Tap Fee, the owner shall retain a credit, subject to the provisions of Section 5.10, for any non-transferred portion of the previously paid fee.

7.11.5 Approval in the Discretion of District

Any approval of a request for a transfer of a Tap or fees shall be in the sole discretion of the District.

7.12 Water Charge

Upon installation of a water meter, the District will charge a Capital Fee and will charge for water usage as reflected in the Schedule of Fees and Charges, attached hereto as Appendix B, or as may be adopted by any resolution of the Board concerning the imposition of fees. Multi Family and High Density Multi Family Units are charged a Capital Fee per dwelling unit. The Capital Fee is charged Multi Family and High Density Multi Family Units per dwelling unit. Unless otherwise determined by the District, the Irrigation Season shall be the period of April 15 through October 15.

The Capital Fee may be used by the District for purposes of paying all or any part of the costs associated with the District's operation and maintenance expenses, including but not limited to the operation and maintenance of the District's irrigation system and the District's ground maintenance services, such services to include, but not be limited to, the

irrigation and landscaping of the RainDance Districts' open spaces, and any other budgeted expenditures of the District.

7.13 Amended Tap Fees

In those situations where a prospective user applies for a Permit for service to a property or use not defined in the preceding Article, or where, in the District Manager's opinion, said property represents a classification not contemplated in the establishment of the previously defined Tap Fee, the Board or District Manager shall, in its/his sole discretion, establish a fair, reasonable, and equitable Tap Fee for said property.

7.14 Amended Water Charges

At such time as the District begins to meter actual water usage, the District shall charge for monthly water usage to be determined by the Board in its sole discretion. In addition, in those situations where, in the Board's or District Manager's sole discretion, the water charges imposed herein do not represent a fair, reasonable, and equitable charge for the intended use, the Board or District Manager, in its/his sole discretion, may adjust said rates.

7.15 Payment of Water Charges

It is the policy of the District to bill the Capital Fee and water usage fees in arrears.

The Capital Fee is charged Multi Family and High Density Multi Family Units per dwelling unit. When a condominium or other multi-unit dwelling association exists for a number of units receiving service for irrigation of outdoor common space for such units which do not have individual irrigation water service from the District, said association shall receive an annual invoice for the outdoor common space serviced by the association.

The District shall have the right to issue only one bill for irrigation water supplied to a multi-unit structure or development. Any structure with more than one living unit off the Service Line, which is not separately metered, shall establish one responsible party for irrigation water bills.

Payment of the Capital Fee and water usage fees shall become due, owing, and payable upon the date of written notification by the District that said Capital Fee and water usage fees are due. Where the Customer believes said statement is in error, the Customer must file, in writing, a notice to the District of the presumed error, and request a clarification from the District Manager. Upon review by the District Manager, and resubmittal and/or revision of the statement, payment shall be due no later than ten (10) days from the billing date of the resubmitted statement.

7.16 Penalty for Late Payment

If the Customer is late by fifteen (15) days or more in payment of any charges due the District, the District shall assess a late fee in the amount of \$15.00 and an interest charge at the rate of one percent (18%) per month on the unpaid balance. The District shall further have the right, in its sole discretion, to terminate service to any Customer who becomes thirty (30) days or more delinquent in payment for scheduled services, following the opportunity for a hearing as outlined herein.

The District shall assess to any Customer who is delinquent in payment of his account, all legal, court, disconnection, and other costs necessary to or incidental to the collection of said account.

Until paid, all such fees, rates, penalties, or charges shall constitute a perpetual lien on and against the property served, and any such lien may be foreclosed in the same manner as provided by the laws of this state for the foreclosure of mechanics' liens.

7.17 Foreclosure Proceedings/Attorney's Fees

If it becomes necessary after other efforts (letters, posted notices) to collect delinquent payments of any fee or charge imposed by the District, the District shall attempt to collect such amounts pursuant to any then-adopted Resolution Concerning the Collection of Delinquent Fees and Charges, which measures may include foreclosure as provided for by Section 32-1-1001(1)(j)(I), C.R.S. All of the provisions of these Rules and Regulations to the contrary notwithstanding, all Customers/users of the Irrigation Water System hereby agree to be bound by these Rules and Regulations as a matter of contract and for which there is good and valuable consideration.

7.18 Certificate of Amounts of County Treasurer

In addition to any other means of collecting delinquent fees, rates, tolls, penalties, charges, or assessments made or levied solely for water services (including charges for availability of such service), the District may certify the delinquent amounts to the county treasurer for collection in the same manner as property taxes, in accordance with the provisions of statute, as amended. The District shall charge a fee for the administrative costs of this collection method, which fee shall be added to all delinquent amounts, including other penalties and interest charges, before certification.

7.19 Required Equipment – Radio Frequency Units

All irrigation water Service Lines shall be metered with the following equipment in addition to the local code requirements. The Meter body shall be sized appropriately in accordance with the adjoining pipe size and water delivery requirements and have an activated and functional Endpoint radio unit. . Once installed, the service will be inspected and tested for compatibility with the Irrigation Water System. Upon approval, service will then be activated by the District.

APPENDIX A SERVICE LINE CONSTRUCTION

A.1 Rules and Regulations

The Applicant, Contractor, and property owner are responsible for knowledge of all provisions of the Rules and Regulations. The items below are restated for emphasis:

<u>Tap Fees</u>	Tap Fees must be paid prior to the scheduling of any inspections by the District.
-----------------	---

<u>Service Charges</u>	Service Charges begin as of the date of turn on.
----------------------------	--

<u>Unauthorized Tap</u>	ANY CHANGE IN USE, CONVERSION OF ADDITIONAL UNITS, OR CONNECTION OF NEW STRUCTURE MADE WITHOUT PAYMENT OF A TAP FEE WILL BE CONSIDERED AN “UNAUTHORIZED TAP.”
-----------------------------	---

The occurrence of an unauthorized Tap is subject to a penalty charge, as well as payment of the appropriate Tap Fee.

<u>Property Owner</u>	The property owner shall be held responsible in the event of nonpayment of all fees and charges due the District.
---------------------------	---

A.2 Standards for Service Lines

Prior to Service Line construction, the Constructor shall familiarize himself with the District standards and specifications. The owner or Constructor shall obtain approval for the location of the Service Line and submit appropriate sets of site and mechanical plans and inform the District’s personnel of intended schedule for construction.

Constructors shall apply for all permits. All permits, fees, and licenses shall be paid for by the Constructor plumber, or other doing the work in the District, prior to the start of construction.

A.3 Excavation

All excavation required for the installation of Service Lines shall be open trench work unless otherwise approved by the District Manager.

Pipe laying and backfill shall be performed in accordance with the District's standards and specifications. No excavation shall remain open for more than forty-eight (48) hours and all District mains are required to be covered overnight.

Where a street cut is required, the Contractor shall rebuild the road base in accordance with applicable City, County, or State regulations on excavation, backfill, compaction, and restoration of service. All excavation for all Service Lines shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways, and other public and private property disturbed in the course of the work shall be restored in a manner satisfactory to the District.

All backfill shall be maintained in a satisfactory condition and all places showing signs of settlement shall be filled and maintained during construction for a period of one year following completion of construction. When an Applicant is notified by the District that a backfill is hazardous, he shall correct such hazardous conditions at once.

A.4 Tapping the Main

The District's representative is authorized to make Taps onto the District's irrigation Water Mains. The Applicants of the irrigation water service Permit shall notify the District when the service is ready for inspection and Connection to the main. Appointments for inspection and Connection should be scheduled twenty-four (24) hours in advance. Contractor shall provide two (2) workers to assist the District in making the Taps on to the main.

A.5 Inspections

The Applicant for the irrigation Service Line Permit shall notify the District when the service is ready for inspection. Appointments for inspection and Connection should be scheduled twenty-four (24) hours in advance. The Connection shall be made by qualified personnel. All Service Lines shall be inspected by the District's representative, who shall have the authority to halt construction when, in his opinion, the District's Rules and Regulations for proper construction practices are being violated. Whenever any such violations occur, the District's representative shall, in writing, order further construction to cease until all deficiencies are corrected. No Service Lines shall be covered without the District representative's approval. Anyone making any installation without such approval shall be required to remove all soil or any other covering over the Service Line to allow its inspection.

A.6 Water Service Lines

Water Service Lines	Alignment of the water Service Line shall be located so as to take the shortest, most direct route, preferably perpendicular from the main to the Curb Stop. No water Service Line shall be laid parallel to any
---------------------	--

	bearing wall which might be thereby weakened. The water service shall be laid at a uniform grade in a straight alignment.
Pressure Test Required	Under supervision of the District representative, the water Service Line is to be water pressure tested at normal operating pressure from the Water Main to the building before backfill begins.
Curb Stop	The Service Line shall have a Curb Stop control valve located at the property line, or as otherwise approved by the District, with easy access to the District. Curb Stop valve boxes must be accessible from the surface and located at the property line. The Curb Stop valve boxes must be installed prior to the Meter. The Service Line shall be a continuous line with no joints, if at all possible. Splices are allowed if distance exceeds the length of one hundred (100) feet. There shall be no splices between the Curb Stop and the main.
Stub-Out	When water Service Lines are stubbed-out to property lines, the Stub-out shall be valved off and plugged, with a valve box installed to the ground surface. If no irrigation water Stub-out exists, District personnel will make all Taps up to two (2) inches.
Owner's Responsibility	The District is responsible for the maintenance of the water Service Line, up to and including the Curb Stop valve to the end of the Meter Loop. The Customer is responsible for the maintenance of the remaining portion of the private irrigation system after the Meter Loop, including the blow off cap. Owner is responsible for turning on/off the shut off valve located on the Meter Loop. Owner is responsible for properly winterizing their irrigation system as to avoid damages. serving the property. Refer to Exhibit A.
Water Service Line Specification	Service Lines shall be constructed with type K copper up to two (2) inches; larger than two (2) inches shall be constructed with D.I.P. Service Lines shall be buried at least eight (8) feet with two (2) inch bedding and six (6) inch compacted cover. No lead-soldered fittings shall be allowed. All copper Connections must be compression joints or silver-soldered joints. Dry ice shall be used when making repairs to Curb Stop. All Taps larger than two (2) inches will be made by an approved Contractor and inspected by District personnel. Inspection of water Service Line is required. Inspection will be made with the Service Line under pressure. The District will record the actual location and depth of water Service Lines.

Service Line Separation	A ten (10) foot separation must be maintained between water Service Lines.
Meters And Remotes	All water Service Lines shall have a Meter before irrigation water is turned on. Meters shall be provided and installed by the District. The original cost of the Meter and cost of installation shall be borne by the Customer. Repairs and replacements are funded by the Capital Fee and performed by the District or other authorized Contractor at the discretion of the District. All Meters must be bronze-bodied 5/8" X 3/4" PMM ECR/WP Water Meters with remote-read unit, unless a larger sized meter is required for adequate water delivery. Contractor or owner will be supplied a Meter Loop to be installed in the location of the Meter. The Contractor will remove the spool and install the Meter and a remote read unit upon installation. It shall be the builder's/Contractor's responsibility to protect the Meter from freezing or other physical damage during construction. After completion of the construction and acceptance by the owner, it shall be the owner's responsibility to protect the Meter from freezing, from damage due to high water pressure (e.g., PRV), and other physical damage. All Meter installations must be in freeze-proof, convenient, and easily accessible areas. Meter pit and Curb Stop should be completely exposed and available to District staff and should not be covered or buried. Owner is responsible for exposing the Meter pit or Curb Stop if covered or buried. In the event of an emergency, the District reserves the right to remove landscaping, hardscaping, decking, patios, awnings, etc. within the 10 foot easement, from the mainline to the Meter or Curb Stop. Irrigation water will remain turned off at Curb Stop until the Meter is installed. All irrigation water is to be metered, including that used during construction.
Pressure Reducing Valves	Individual, pressure-reducing valves are permitted on all water Service Lines and shall be located upstream from (ahead of) the Meter.
Shut off Valves	Contractor may install Shutoff Valves ahead of PRV and after the Meter Loop to facilitate future repairs.
Backflow Prevention	Backflow prevention devices are required on all facilities where required by the Colorado Department of Health. All devices will be

	inspected and certified as working properly every year by a certified Inspector.
Construction	CONSTRUCTION SHALL BE IN ACCORDANCE WITH ALL APPLICABLE UNIFORM BUILDING CODES AND LOCAL BUILDING CODES.
Irrigation Water Turn on	Irrigation water activation will be made by District personnel only from the main distribution system. Any service turned on by other than authorized personnel shall be considered illegal system tampering and subject to fees and penalties. All irrigation water shall be metered. All Meters will be installed by the District or authorized Contractor Irrigation water service is turned on and billing begins when the Meter is installed.

Appendix B

WATER SERVICE RATES, IRRIGATION WATER SYSTEM

Capital Fees are assessed each April with subsequent usage billings, for each Single-Family Residential Unit, Commercial Unit, and Multi-Family Units, in the amount set forth in the District's adopted Fee Schedule, as may be amended from time to time. Multi Family and High Density Multi Family Dwellings are charged a Capital Fee per dwelling unit. Irrigation water usage billing in accordance with the water meter reading, unless default billing is necessitated. Unless otherwise determined by the District, the Irrigation Season shall be the period of April 15 through October 15.

WATERING SCHEDULE, IRRIGATION WATER SYSTEM – RESTRICTIONS OF USE

If conditions of supply so limit the water supply of the District's water system, that unrestricted water use may endanger the adequacy of that supply, the Board, exercising its discretion in the protection of the public health, safety, and welfare, may adopt the following emergency water use restrictions and such additional regulations and restrictions as are reasonably calculated under all conditions to conserve and protect that supply and to ensure a regular flow of water through the system. Emergency water use regulations and restrictions shall remain in force and effect until the Board determines that the conditions requiring their imposition no longer exist.

* Special Permits may be issued to allow for special circumstances, including establishing new sod or other circumstances approved by the District.

**RESOLUTION
OF THE BOARD OF DIRECTORS OF
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY**

ADOPTING A WATER EFFICIENCY PLAN

WHEREAS, the WaterDance Non-Potable Water Activities Authority (the “**Authority**”) is a separate governmental entity, political subdivision, and public corporation of the State of Colorado, established pursuant to Section 29-1-204.2, C.R.S., and in conformity with Sections 29-1-201, *et seq.*, C.R.S., by the Establishment Agreement dated as of September 29, 2026 (the “**Establishment Agreement**”), by and between Raindance Metropolitan District No. 1 and Poudre Tech Metropolitan District (together, the “**Members**”); and

WHEREAS, the Authority owns, operates, and maintains, as a single, consolidated non-potable water utility, the non-potable irrigation water systems and associated water rights and water resources serving the Authority Service Area (as defined in the Establishment Agreement) (collectively, the “**Non-Potable System**”); and

WHEREAS, pursuant to Section 29-1-204.2, C.R.S., and Sections 2.10 and 3.03 of the Establishment Agreement, the Board of Directors of the Authority (the “**Board**”) is empowered to manage, control, and supervise the business and affairs of the Authority and to adopt, by resolution, regulations respecting the exercise of the Authority’s powers and the carrying out of its purposes; and

WHEREAS, the efficient use of the Authority’s limited water supplies is essential to the reliable operation of the Non-Potable System, to the protection of the Authority’s water resources, and to deferring or reducing the cost of acquiring additional water supplies and infrastructure; and

WHEREAS, the Water Conservation Act of 2004, Section 37-60-126, C.R.S. (the “**Act**”), requires each covered entity, as defined therein, to develop, adopt, make publicly available, and implement a water efficiency plan, and to submit such plan to the Colorado Water Conservation Board (the “**CWCB**”) for approval; and

WHEREAS, the Authority has caused to be prepared a water efficiency plan for the Non-Potable System, which identifies the Authority’s water supply and demand profile, water efficiency goals, and the water efficiency measures and programs the Authority intends to implement (the “**Water Efficiency Plan**”); and

WHEREAS, the Water Efficiency Plan will be made available for public review and comment for a period of not less than sixty (60) days prior to its final enactment, as required by the Act, and the Board has considered all comments received; and

WHEREAS, the Board finds that the adoption of the Water Efficiency Plan is in the best interest of the Authority, the Members, and the public health, safety, and welfare within the Authority Service Area.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AUTHORITY AS FOLLOWS:

1. Adoption. The Board hereby adopts the Water Efficiency Plan, attached hereto and incorporated herein as **Exhibit A**.
2. Submittal to CWCB. To the extent the Authority is a covered entity under the Act or otherwise elects to seek approval of the Water Efficiency Plan, the Authority Manager, in coordination with the Authority's consultants, is authorized and directed to submit the Water Efficiency Plan to the CWCB for approval, to make such non-material revisions to the Water Efficiency Plan as may be requested by the CWCB, and to make the Water Efficiency Plan publicly available as required by the Act.
3. Authorization. The Board hereby directs the Authority Manager, as may be necessary, to implement, administer, and otherwise oversee compliance with the Water Efficiency Plan, and to take such other actions as are necessary or convenient to carry out the purposes of this Resolution.
4. Enforcement. The Water Efficiency Plan shall be enforced in accordance with the Authority's Water System Rules and Regulations, as amended from time to time (the "**Rules and Regulations**"), including the imposition of fees, surcharges, penalties, and fines, and the suspension or discontinuance of service, as provided therein. In the event of a conflict between the Water Efficiency Plan and the Rules and Regulations, the more restrictive provision shall control.
5. Amendments. The Authority expressly reserves the right to amend, revise, and/or repeal this Resolution and the Water Efficiency Plan, in whole or in part, from time to time, in order to further the purpose of carrying on the business, objects, and affairs of the Authority.
6. Effective Date. This Resolution and the Water Efficiency Plan shall be effective sixty (60) days following adoption of this Resolution, and shall remain in full force and effect until amended or repealed by the Board.
7. Severability. If any term or provision of this Resolution or the Water Efficiency Plan is found to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, such invalid or unenforceable term or provision shall not affect the validity of this Resolution or the Water Efficiency Plan as a whole but shall be severed therefrom, leaving the remaining terms and provisions in full force and effect.

[Remainder of page intentionally left blank. Signature page follows.]

ADOPTED THIS 15TH DAY OF OCTOBER, 2026.

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY**, a political
subdivision and public corporation of the State of
Colorado

President

ATTEST:

Secretary

Signature page to Resolution Adopting a Water Efficiency Plan

EXHIBIT A

WATER EFFICIENCY PLAN

Poudre Tech Metropolitan District & RainDance Metropolitan District No. 1 **2021 Water Efficiency Plan**



Martin and Wood
Water Consultants, Inc.

538 Commons Drive
Golden, CO 80401
Phone: (303) 526-2600
Fax: (303) 526-2624
www.martinandwood.com

Project No. 899.2
August 19, 2021

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
I. INTRODUCTION.....	2
1.1 PROFILE OF EXISTING WATER SUPPLY SYSTEM	2
1.1.1 <i>Water Rights</i>	2
1.1.2 <i>Customers</i>	3
1.2 WATER SUPPLY RELIABILITY	4
1.3 SUPPLY-SIDE LIMITATIONS AND FUTURE NEEDS.....	4
II. PROFILE OF WATER DEMANDS AND HISTORICAL DEMAND MANAGEMENT	5
2.1 DEMOGRAPHICS AND KEY CHARACTERISTICS OF THE SERVICE AREA.....	5
2.2 HISTORICAL WATER DEMANDS.....	5
2.2.1 <i>Irrigation Application</i>	5
2.2.2 <i>Metered Customer Water Use</i>	7
2.2.3 <i>Distribution System Loss, Unmetered Water</i>	12
III. WATER EFFICIENCY BENEFITS AND GOALS	13
3.1 WATER EFFICIENCY AND WATER SUPPLY PLANNING	13
3.2 WATER EFFICIENCY GOALS.....	13
IV. SELECTION OF WATER EFFICIENCY ACTIVITIES	15
4.1 SUMMARY OF SELECTION PROCESS.....	15
4.2 FOUNDATIONAL ACTIVITIES	16
4.2.1 <i>Metering</i>	16
4.2.2 <i>Billing</i>	17
4.2.3 <i>Water Rates and Tap Fees</i>	18
4.2.4 <i>System Water Losses</i>	19
4.3 IRRIGATION EQUIPMENT AND LANDSCAPING UPGRADES	20
4.3.1 <i>Common Areas</i>	20
4.3.2 <i>Golf Courses</i>	21
4.3.3 <i>Residential Customers</i>	21
4.3.4 <i>Commercial Customers</i>	21
4.4 DISTRICT RULES AND POLICIES	22
4.5 EDUCATION AND COMMUNICATION ACTIVITIES	23
V. IMPLEMENTATION AND MONITORING	24
REFERENCES	25

LIST OF TABLES, FIGURES, AND APPENDICES

TABLES

- Table 1-1: Non-Potable Water Customers of the Districts, 2020 (*within report*)
- Table 1-2: Non-Potable Water Customers of the Districts, 2020 (Detailed)
- Table 2-1: Water Valley Residential Irrigation Application
- Table 2-2: Water Valley South, Hilltop Estates, and Pelican Farms Residential Irrigation Application
- Table 2-3: Pelican Lake Golf Course Irrigation Application
- Table 2-4: Pelican Falls Golf Course Irrigation Application
- Table 2-5: Poudre Tech MD Customer 2020 Metered Water Use
- Table 2-6: RainDance MD1 Customer 2020 Metered Water Use
- Table 3-1: Indoor and Outdoor Per-Capita Water Use in Front Range Communities (*within report*)
- Table 3-2: Per-Capita Total Water Use (Indoor and Outdoor) For Districts' 2020 Customer Categories (*within report*)

FIGURES

- Figure 1-1: Districts' Service Areas
- Figure 1-2: Subdivisions Within the Districts
- Figure 2-1: Poudre Tech MD 2015-2020 Average Irrigation (*within report*)
- Figure 2-2: Poudre Tech MD Customer 2020 Water Use and Lot Size (*within report*)
- Figure 2-3: RainDance MD1 Customer 2020 Water Use and Lot Size (*within report*)
- Figure 2-4: Poudre Tech MD 2020 Customer Water Use Histogram (*within report*)
- Figure 2-5: RainDance MD 2020 Customer Water Use Histogram (*within report*)

APPENDIX

- Appendix A: Identification and Screening of Water Efficiency Activities
- Worksheet D: Foundational Water Efficiency Activities*
- Worksheet E: Irrigation Equipment and Landscaping Upgrades*
- Worksheet F: Rules, Ordinances, and Regulations*
- Worksheet G: Water Efficiency Education Activities*

EXECUTIVE SUMMARY

The Poudre Tech Metropolitan District (Poudre Tech MD) and RainDance Metropolitan District No. 1 (RainDance MD1) (collectively referred to as the “Districts”) provide non-potable water supplies for developments on the southern edge of Windsor, Colorado. The Districts intend to efficiently manage their water supplies and to maximize the benefits of their water supply for all District customers. To that end, Martin and Wood has assisted the Districts in preparing this Water Efficiency Plan. Martin and Wood recommends that the Districts pursue the following water efficiency activities:

- **Metering:** Install AMI (Badger) meters for all taps in Water Valley, for at least 62 taps in Water Valley South that still have older-style meters, for all common area taps, and for all multi-family taps. Complete metering will allow for accurate monitoring of water use and system losses. AMI-type meters monitor water use remotely via the cellular network and have already been installed in the newer developments in Water Valley South and RainDance developments.
- **Billing System:** Make sure that all metered taps are included in the billing system, even if water bills are not issued (such as for common area taps). This record-keeping allows the Districts to accurately monitor water use and system losses. Further, the Districts should consider transitioning to the “Beacon” system for water billing, as this software allows closer monitoring of water use.
- **Changing Water Billing Structure:** Monthly billing for water use and billing customers based on the amount of water they use (volumetric billing) can be two powerful incentives for customers to pay attention to their watering systems and to reduce losses. The Districts’ current billing tier around 200,000 gallons per customer per year is too high to incentivize water efficiency for most customers.
- **System Loss Monitoring:** Analyze distribution system losses at least annually by comparing bulk measurements of water pumped out of lakes to metered water measured at customer taps. The Districts should aim to keep the system loss percentage lower than 10%.
- **Customer Water Budgets:** The amount of water required to irrigate a customer lot can be estimated based on landscaping area and plant types. Developing such a “water budget” for each customer could provide both Districts and customers better information for irrigation management, helping to identify inefficient water use.
- **Irrigation Rules:** The Poudre Tech MD Irrigation Water Guide is available on the Poudre Tech MD website. A similar guide should be posted on the RainDance MD1 website. The Districts should consider re-publicizing this guide in multiple ways, ensuring that customers are aware of it. Irrigation rules should be monitored and enforced.
- **Water Efficiency and Drought Management Coordinator:** The Districts should assign a water conservation coordinator to communicate irrigation rules, monitor billing, conduct or delegate enforcement, issue violations, and communicate drought status and drought responses to customers during drought years. The Districts’ current management agency Advance HOA may be well-positioned to perform these tasks in a clear and consistent way.

I. INTRODUCTION

The Poudre Tech Metropolitan District (Poudre Tech MD) and RainDance Metropolitan District No. 1 (RainDance MD1) (collectively referred to as the “Districts”) provide non-potable water supplies for developments on the southern edge of Windsor, Colorado and adjacent to the Cache la Poudre River as shown in Figure 1-1. All properties within the Districts receive potable water supply from the Town of Windsor and receive non-potable supply from the Districts, pursuant to a Consolidated Service Plan that was approved by the Town of Windsor.

Poudre Tech MD currently delivers approximately 1,200 acre-feet per year (AF/yr) to its customers, and RainDance MD1 currently delivers approximately 500 AF/yr to its customers, for a combined delivery of 1,700 AF/yr. Retail water providers that sell 2,000 acre-feet (AF) or more on an annual basis are subject to the Water Conservation Act of 2004 (HB 04-1365) and are required to have a State-approved water efficiency plan¹. Because each of the Districts sell less than 2,000 acre-feet per year to their customers, neither is required to have a Water Efficiency Plan. However, the Districts desire to efficiently manage their existing water supplies to maximize benefits for their customers and to minimize impacts to their amenities and infrastructure during times of drought. This Water Efficiency Plan has been prepared with these goals in mind.

This Water Efficiency Plan outlines the Districts’ existing water supply system, reviews existing customer demands, and provides specific strategies that can be implemented to improve water efficiency throughout the Districts.

1.1 Profile of Existing Water Supply System

The Districts provide non-potable water supplies to the Water Valley, Water Valley South, Hilltop Estates, Pelican Farms, and RainDance developments, as well as to three golf courses, which are located in Windsor, Colorado, adjacent to the Cache la Poudre River as shown in Figure 1-2.

1.1.1 Water Rights

The Districts rely on a range of water rights to meet the non-potable water demands of their customers. Currently, all the Districts’ non-potable water rights are sourced from the Cache la Poudre River; however, there are plans to obtain additional water rights from the Big Thompson River in the future. A portion of the Districts’ water supplies are associated with senior direct flow water rights pursuant to share ownership in the Whitney Ditch and B.H. Eaton Ditch. The Districts also own junior storage rights associated with multiple reservoirs,

¹ For entities covered by the Water Conservation Act, enforcement of the Water Efficiency Plan requirement is currently limited to conditioning Colorado Water Conservation Board (CWCB) funding on Water Efficiency Plan completion and approval by the CWCB.

which allow for the capture of intermittent supplies that can support a percentage of the Districts' non-potable demands and also serve as a reserve during droughts.

1.1.2 Customers

Metered water delivered to the Districts' customers is used primarily for irrigation, with a small percentage of other non-potable water uses. The combined non-potable water demands within the Districts at full build-out are projected to average 2,500 acre-feet per year (AF/yr), 1,300 AF/yr for Poudre Tech and 1,200 AF/yr for RainDance MD1. Table 1-1 below profiles the Districts' non-potable water customers in 2020. Additional information is provided in Table 1-2 attached to this report.

**Table 1-1
Non-Potable Water Customers of the Districts, 2020**

Poudre Tech MD	
Customer Type	No. of Connections
Single-Family Residential	1,675
Multi-Family Residential	64
Commercial	23
Common Areas	26*
Pelican Lake Golf Course (18-hole)	1
Pelican Falls Golf Course (9-hole)	1
RainDance MD1	
Customer Type	No. of Connections
Single-Family Residential	459
Multi-Family Residential	0
Commercial	11
Common Areas	26*
RainDance National Golf Course (19-hole)	1

Notes:

- Information from the Districts' meter records and from Weld County Assessor records.
- * The number of common area connections was estimated, as most common area taps are not metered.
- The number of RainDance MD1 customers is expected to increase significantly as that District continues to grow.

Poudre Tech MD is nearly built-out and its non-potable water system is divided into three pressure zones. Zone 1 is north of the Cache la Poudre River (CLPR) and is supplied by the Whitney Ditch, Pelican Lake, Habitat Lake, and Rockbridge Lake and supplies water to the Water Valley development and Pelican Lakes Golf Course. Zones 2 and 3 are south of the CLPR and are supplied by the B.H. Eaton Ditch, Lake Water Valley, Eagle Lake, and Grandpa's Lake. Zone 2 supplies water to the Water Valley South development and Pelican Falls Golf Course. Zone 3 supplies water to the Hilltop Estates and Pelican Farms developments.

RainDance MD1 is under development and its non-potable water system is located south of the CLPR and is supplied by the B.H. Eaton Ditch, Raindance River Reservoir, and Raindance

Reservoirs No. 1 and No. 2 which are not yet constructed. The RainDance system will supply water to the RainDance development and to the RainDance National Golf Course.

1.2 Water Supply Reliability

The Districts' most reliable sources of water are its senior direct flow water rights in the Whitney Ditch and B.H. Eaton Ditch which have historically provided a consistent supply even during dry years. The Districts' senior direct flow water rights, although reliable, do not provide a sufficient amount of water supplies to meet customer water demands across the Districts. The Districts' junior storage rights help supply remaining water demands that are not satisfied with senior direct flow rights. The Districts' junior storage rights averaged 198 days of diversion per year in the 2015 to 2020 period but are expected to be out of priority and unable to receive diversions during extreme drought years². Additional reservoirs are currently under construction to allow for greater storage reserves to improve the Districts' water supply reliability and resiliency. The Districts' water supply, currently sourced exclusively from the Cache la Poudre River basin, may expand in the future to include supplies in the Big Thompson River basin, an addition that will increase the Districts' water supply reliability.

The Districts have made consistent efforts to make most efficient use of their water supplies and to ensure that they can provide a reliable water supply to their customers. Similar to other Colorado water providers, the Districts may encounter short term droughts and longer term changes in the reliability of their water supplies in the future due to changes in runoff timing, precipitation, temperature patterns, and increased development and water demands within the watershed. This water efficiency planning process will allow the Districts to 1) maintain reliability and resiliency of their water supplies, and 2) pro-actively plan for anticipated uncertainty due to potential decreases in water supply.

1.3 Supply-Side Limitations and Future Needs

The Districts continue to pursue changes of water rights and water leases to supply water to existing and future development. The cost for the Districts to develop additional water supplies and storage reservoirs has increased over the years as municipal water demand in the Cache la Poudre River basin has expanded. Between 2015 and early 2021, the cost of C-BT units more than doubled, from around \$25,000 per unit to between \$55,000 and \$65,000 per unit. Costs to develop additional storage reservoirs have also increased with typical costs of reservoir projects in the Front Range at \$18,000 per acre-foot of storage space, excluding the water rights needed to fill the reservoir [1] [2] [3] [4] [5] [6].

Due to the significant costs associated with developing additional water supplies to meet development demands, this Water Efficiency Plan includes concrete practices which can be

² In 2003 and 2004, the Districts' junior water rights were in priority 1 day per year.

implemented to reduce water demands rather than solely relying on development of additional water supplies.

II. PROFILE OF WATER DEMANDS AND HISTORICAL DEMAND MANAGEMENT

To better target water efficiency activities, it is important to understand how much water the Districts currently use and in what areas water use can be reasonably reduced based on calculated landscaping demands. This section summarizes information on recent non-potable water use within the Districts.

2.1 Demographics and Key Characteristics of the Service Area

The Districts are part of the Town of Windsor. According to Windsor's website, in 2019, Windsor's median household income was \$96,710 with an average of 2.75 people per household. Town-wide, the age-distribution of Windsor's population was 29% 0-19 years, 43% 20-54 years, and 28% 55+ years. The Districts are relatively new developments that include large lot sizes with higher home values compared to the Town of Windsor as a whole [7] [8].

2.2 Historical Water Demands

2.2.1 Irrigation Application

Non-potable water in the Districts is primarily used to irrigate lawns, parks, and golf courses. During the 2000 to 2017 period, the average irrigation water requirement (IWR) for bluegrass turf near Windsor, Colorado was 2.5 feet per year³, with calculated IWR as high as 2.7 feet per year in 2002 and 2.8 feet per year in 2012, both of which are considered dry years. The IWR is the amount of water required to be applied by irrigation to produce a full and healthy crop (in this case, bluegrass turf) after precipitation has satisfied a portion of the turf's water demand. The amount of irrigation water that must be applied to meet the IWR is increased to account for evaporation and sprinkler spray loss to determine water supplies which must be delivered to a lawn via sprinklers. Evaporation and sprinkler spray losses tend to be higher if irrigation is applied in the warmest daytime hours. Assuming a sprinkler spray loss of 10%, a "full supply" of water applied by sprinklers to satisfy bluegrass water demands would average approximately 2.8 feet per, up to 3.1 feet per year (approximately 12% higher) in a dry year similar to 2012.

However, as noted in the 2021 Drought Plan prepared for the Districts, studies and guidance [9] [10] [11] indicate that bluegrass can both survive and maintain visual appeal with as little

³ Estimated by a Soil Conservation Service (SCS) Technical Release 21 (TR-21) monthly Blaney-Criddle analysis using Pochop bluegrass crop coefficients to estimate crop evapotranspiration (ET). Effective precipitation was subtracted from ET to estimate IWR.

as 70% of its full irrigation supply provided, which might be as low as 2.0 feet in an average year and 2.2 feet in a dry year.

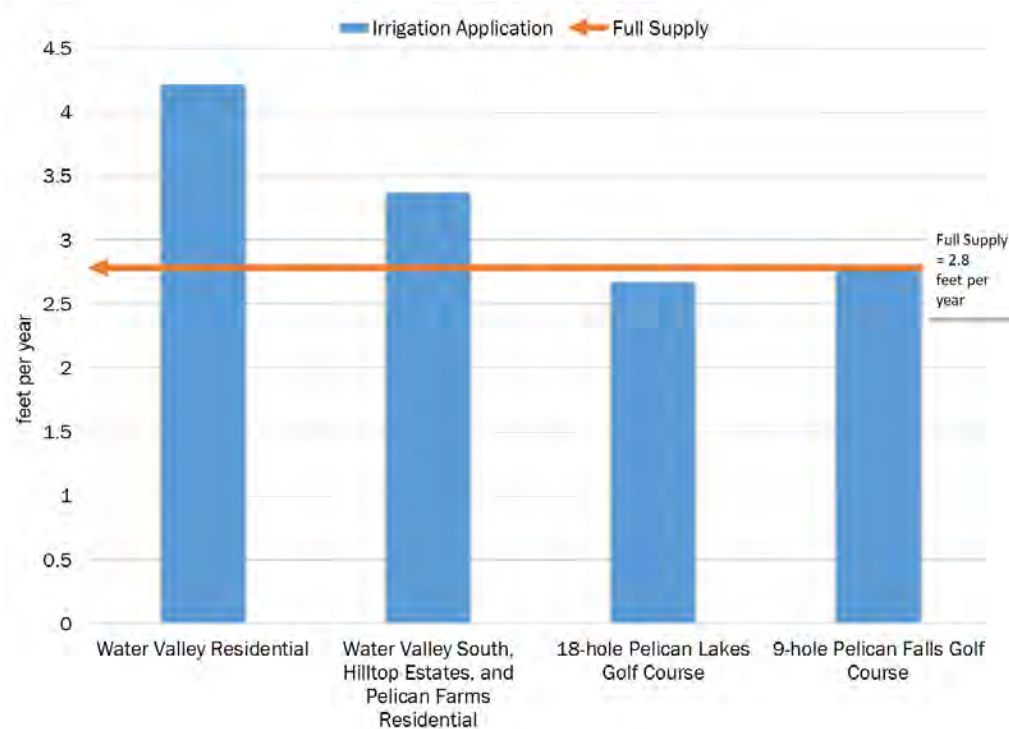
Based on the availability of data, Martin and Wood summarized historical water use information for Poudre Tech MD for the 2015 through 2020 period based upon bulk metering records of water deliveries to Pelican Lake Golf Course, Pelican Falls Golf Course, Water Valley, Water Valley South, Hilltop Estates, and Pelican Farms. Water use in RainDance MD1 started on a limited basis in 2019, changing quickly during that time as additional lots have been developed and including a large percentage of construction water use and turf establishment watering. As such, RainDance MD1 bulk irrigation data was not considered representative of normal conditions to summarize.

Tables 2-1 through 2-4 summarize irrigation application (feet) within Poudre Tech MD based upon bulk metering records and irrigated areas within each development provided by TST Consulting Engineers, Inc. to Martin and Wood in January 2021:

- Table 2-1 (Water Valley development), 90.4 acres irrigated, average annual application of 4.22 feet, 150% of the estimated full irrigation supply for bluegrass (2.8 feet/year).
- Table 2-2 (Water Valley South, Hilltop Estates, and Pelican Farms developments), 154.4 acres irrigated, average annual application of 3.37 feet, 134% of the estimated full irrigation supply for bluegrass.
- Table 2-3 (18-hole Pelican Lakes Golf Course), 100 acres irrigated, average annual application of 2.67 feet, 95% of the full irrigation supply for bluegrass.
- Table 2-4 (9-hole Pelican Falls Golf Course), 47.9 acres irrigated, average annual application of 2.76 feet, 99% of the full irrigation supply for bluegrass.

Figure 2-1 presents irrigation application in these four areas of Poudre Tech MD.

Figure 2-1
Poudre Tech MD 2015-2020 Average Irrigation



As summarized above, average irrigation within the Districts’ residential developments is significantly higher than a full irrigation supply for bluegrass, while irrigation of the golf courses is equal to or slightly less than a full irrigation supply. This suggests that overwatering of bluegrass is occurring in the residential developments, while golf course irrigation is applied efficiently. The extent of the overwatering in residential developments is likely to be somewhat less than indicated by Tables 2-1 and 2-2 and Figure 2-1, since information in these tables and figure is based upon bulk water meters, rather than on individual customer meters. Water use shown in those tables and figure includes distribution system losses and unmetered water, as will be discussed in the “Distribution System Loss, Unmetered Water” section.

2.2.2 Metered Customer Water Use

The Districts’ management agency (Advance HOA) provided Martin and Wood with water use records from the Districts’ water meters from the 2017 through 2020 period. The Districts currently have access to two different systems to record and organize water meter readings. The first system, which will be referred to as “CORE”, documents semi-annual meter reads and is used for billing purposes. Readings from both the older (radio-enabled) AMR-type meters and the newer (cellular-enabled) AMI-type “Badger” meters can be recorded in the CORE system. Additionally, Advance HOA uses the CORE system to input information on new tap accounts and to calculate water use for billing District customers. The second system accessible to the Districts will be referred to as the “Beacon” system. This system can only receive information from the Districts’ AMI-type meters, which constitute approximately 95%

of the Districts' metered customer accounts and approximately 60% of the Districts' total customers (metered and unmetered), as shown in Table 1-2. The Beacon system compiles monthly water use information for each customer account, information that could be useful to identify customers who are overwatering during the irrigation season, allowing the Districts to notify customers about overwatering practices or leaks. If the Districts were to transition to the Beacon system for billing purposes, the system could be programmed to issue an alarm to the Districts for each customer that exceeded a set limit⁴.

Because the number of metered customer connections has been increasing over time due to new home construction, the 2020 records had the greatest number of meter records available, and Martin and Wood focused on the 2020 water year to examine customer water use patterns. Additionally, Martin and Wood used the Beacon water use data when available, rather than the CORE water use data, as the Beacon data was available in monthly increments, allowing more accurate summary of water use amounts by year (sometimes the semi-annual meter readings in the CORE system were performed mid-season, making consistent annual summaries of the CORE data impossible).

The Districts' golf course water users are not included in the Districts' billing system and are therefore not included in the metered records reviewed. Golf course "taps" are equivalent to bulk delivery points from the lakes, so no separate customer taps are applicable to the golf courses.

On page 10, Figures 2-2 and 2-3 summarize 2020 water use measured by customer meters in Poudre Tech MD and RainDance MD1, respectively. Annual water use for each customer is plotted against that customer's lot size. Lot size information was compiled by Martin and Wood from the Weld County Assessor's database. This method of lot size identification determined lot sizes for 90% of the Poudre Tech MD customers in 2020 and for 97% of the RainDance MD1 customers in 2020. Customers with metered 2020 water use but without lot size information are not reflected in Figures 2-2 and 2-3. Additionally, because the Water Valley residential development (a subset of Poudre Tech MD) is not metered, Figures 2-2 and 2-3 do not present any information about Water Valley customer water use.

As mentioned above, RainDance MD1 water use patterns in 2020 may include establishment turf watering, so the 2020 metered water records for RainDance MD1 may be higher than they will be in the future.

Additional information included in Figures 2-2 and 2-3 for reference are:

- High Water Application: Orange highlighting in each figure indicates water application that exceeds a full bluegrass irrigation supply (2.8 feet/year) for 40% of the customer lot. Blue customer water use dots that fall within the highlighting likely represent customers who overwatered their lawns in 2020. Many customer lots have significantly

⁴ Based on March 22, 2021 communication from Badger Meter representative to Advance HOA.

less than 40% of the lot planted in bluegrass, so the orange highlighting underestimates high water application for many lots. The bluegrass percentage of 40% of the lot was chosen to reflect typical conditions and does not represent a recommendation for bluegrass landscaping.

- Annual Billing Threshold: The red line in each figure indicates the annual volumetric billing threshold (202,000 gallons for Poudre Tech MD⁵ and 200,000 gallons for RainDance MD1) above which customers are billed volumetrically for their water use.

A comparison of Figure 2-2 and Figure 2-3 highlights the difference in lot sizes between the Poudre Tech MD and RainDance MD1. A significant portion of Poudre Tech MD customers have lot sizes larger than 1.5 acres, whereas the largest lot size in RainDance MD1 is smaller than 0.5 acres.

⁵ 202,000 gallons/year is the Poudre Tech MD volumetric billing threshold according to Advance HOA staff, but the “Poudre Tech Metropolitan District Schedule of Fees and Charges” (at poudretechmetro.org) indicates a level of 201,000 gallons/year.

Figure 2-2
Poudre Tech MD (excluding Water Valley) Customer 2020 Water Use and Lot Size

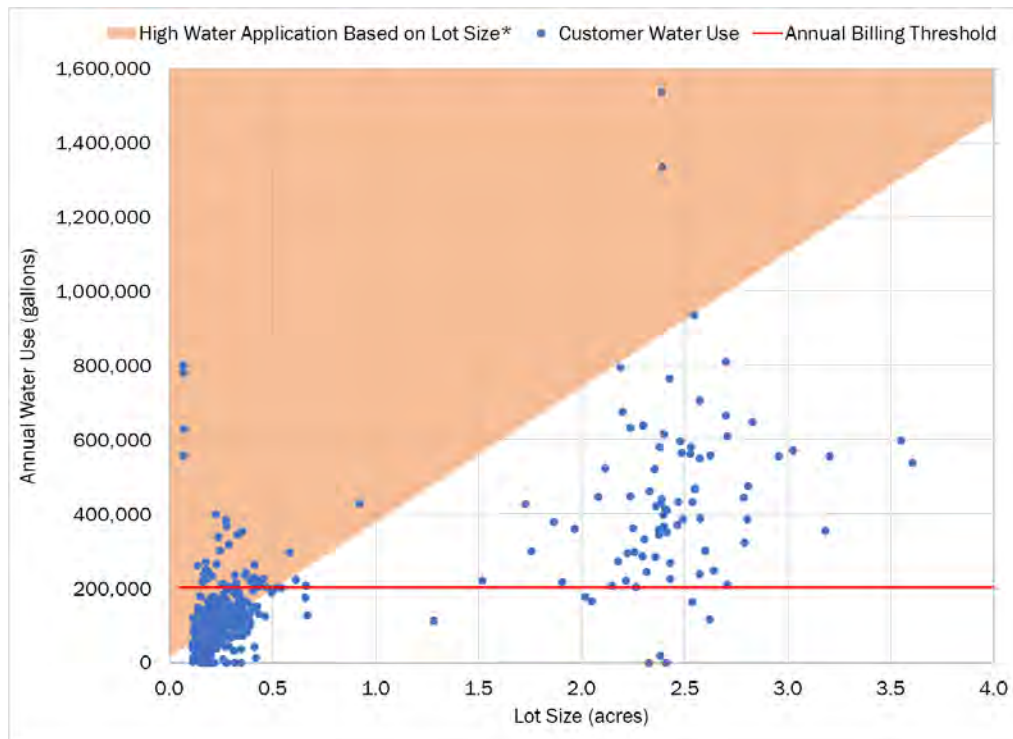
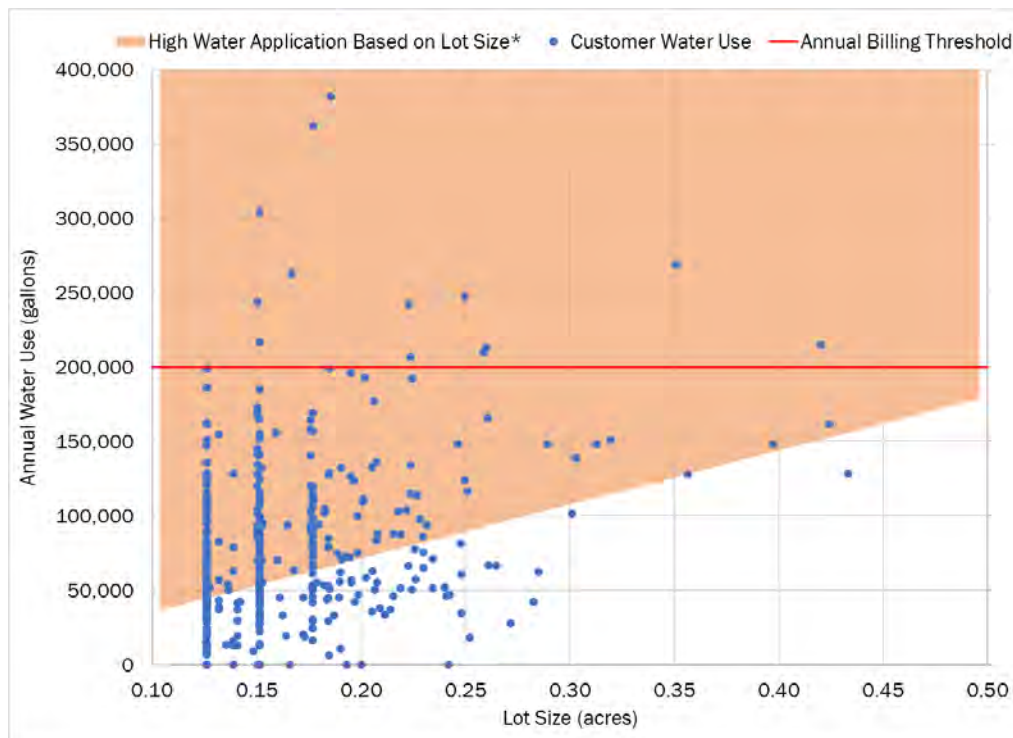


Figure 2-3
RainDance MD1 Customer 2020 Water Use and Lot Size



*High water application is defined as greater than 2.8 feet per year applied to 40% of the lot size.

Histograms of 2020 customer water use in Poudre Tech MD and in RainDance MD1 are shown in Figure 2-4 and Figure 2-5, respectively. The blue bars of these histograms indicate that most customers in both Districts used less than 200,000 gallons in 2020. The orange line on each chart indicates total water use by each customer category in 2020. For example, while approximately 30 Poudre Tech MD customers used more than 550,000 gallons each in 2020, their water use added up to 74 acre-feet of the total water metered at customer taps in that District in 2020. The categories of customer water use shown in Figures 2-4 and 2-5 are further detailed in Table 2-5 and Table 2-6 attached to this report.

Figure 2-4
Poudre Tech MD 2020 Customer Water Use Histogram

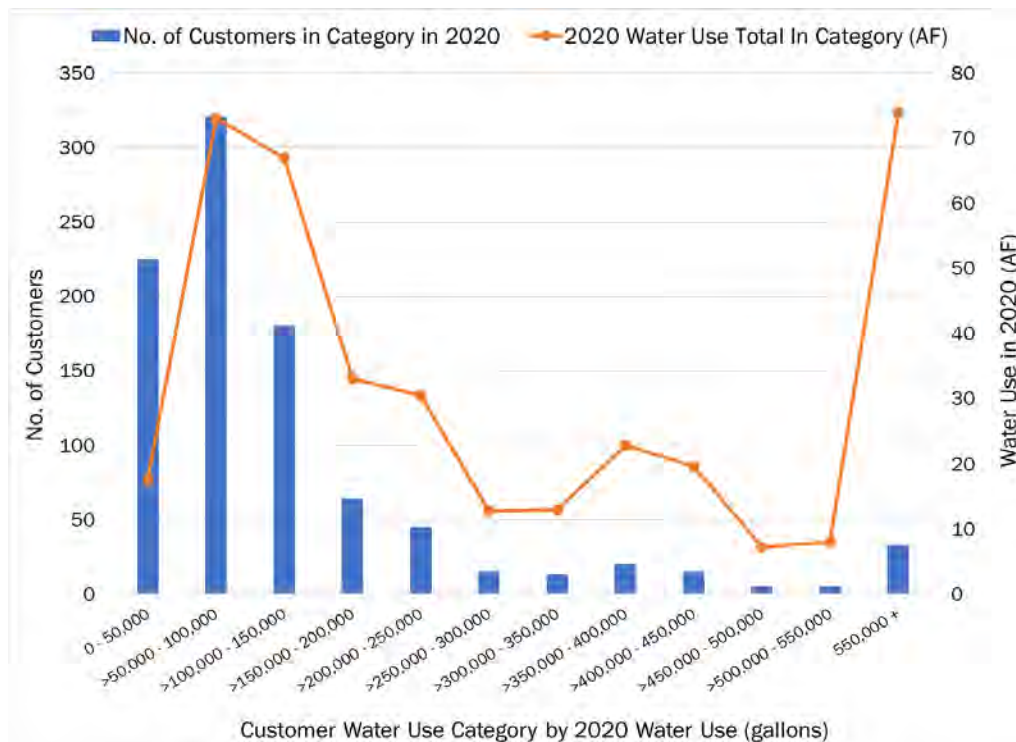
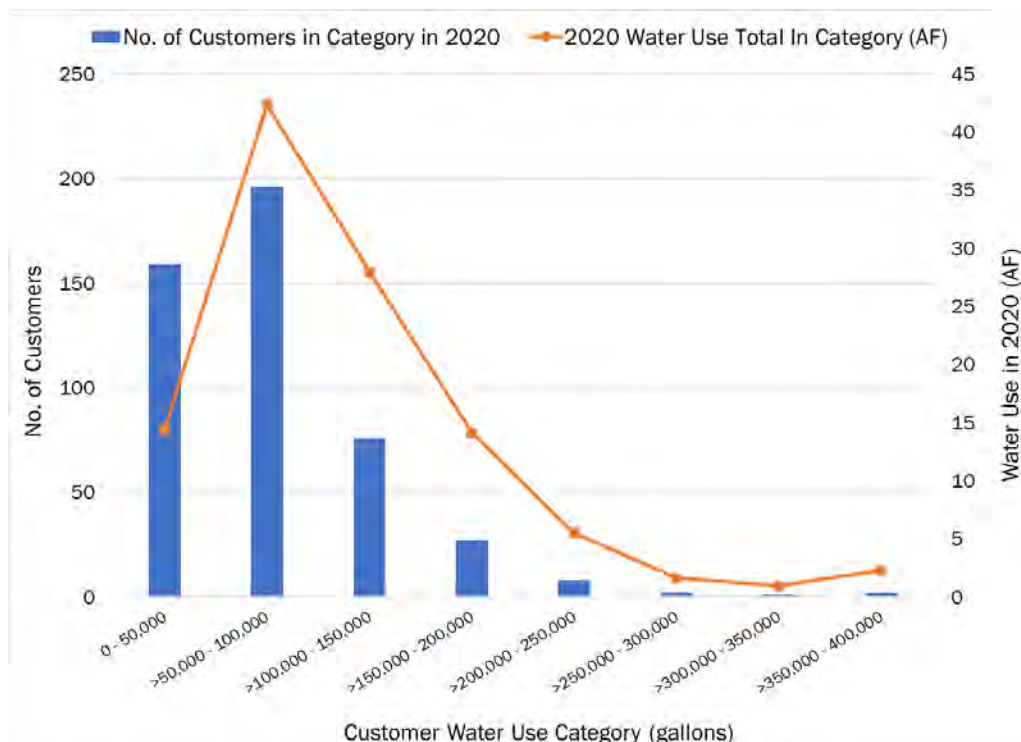


Figure 2-5
RainDance MD 2020 Customer Water Use Histogram



2.2.3 Distribution System Loss, Unmetered Water

The bulk water meters that supply the Districts' residential developments measure water directly out of the Districts' lakes. Downstream of these bulk meters, water is moved in a distribution network that is susceptible to water leaks and losses. Therefore, some of the water pumped out of lakes never makes it to customer taps.

To estimate the amount of water that might be lost in the distribution system, Martin and Wood compared the 2020 bulk metered amount for Water Valley South, Hilltop Estates, and Pelican Farms (484 AF) to the water use measured by customer meters in the same developments. Specifically, 941 customer meters in these developments measured 378 AF of water use in 2020, as shown in Table 2-5. The difference between bulk metered water use (484 AF) and customer-metered water use (378 AF) is 106 AF (21.9% of the bulk metered amount). This amount likely represents a combination of both physical water losses in the distribution system, metered uses that were not reported in either the Beacon or CORE water use record systems in 2020 (estimated by Martin and Wood to include approximately 30 taps), and end uses that are not metered (such as unmetered common areas). Of the approximately 970 tap addresses Martin and Wood reviewed in these developments, very few appear to be associated with medians, parks, and other common areas, despite the presence of irrigated common areas. Therefore, a portion of the estimated 21.9% distribution system

“loss” is likely to instead represent unmetered water use. The true amount of distribution system loss in these developments is unknown.

Distribution system losses for potable water systems in Colorado municipalities typically range from 7% to 15% of the bulk metered amount, with losses in newer or well-maintained distribution systems lower than 10%. Therefore, the 21.9% system loss estimated for the Water Valley South, Hilltop Estates, and Pelican Farms developments is higher than typical loss measured in potable water distribution systems.

III. WATER EFFICIENCY BENEFITS AND GOALS

3.1 Water Efficiency and Water Supply Planning

The Districts have invested considerably in the water rights, reservoirs, and non-potable distribution infrastructure required to provide non-potable water service to their customers. The cost of developing additional water rights and reservoirs has increased over the years, raising the value of water savings generated from water efficiency improvements. Water efficiency measures can help ensure that the Districts’ existing water supplies adequately provide for their water demands and limit the need for new water rights or reservoir development.

Water efficiency improvements implemented by the Districts can have the additional benefit of decreasing the frequency and severity of drought impacts experienced by the Districts (see the Districts’ 2021 Drought Plan). A long-term reduction in the Districts’ water demands can reduce the Districts’ vulnerability to drought and the negative effects from drought. The Districts should continue to monitor actual water use to ensure that projected demands are supported by actual demands and to identify areas where additional water efficiency improvements are possible.

3.2 Water Efficiency Goals

The Districts rely on non-potable water supplies to create a community filled with healthy landscapes and an abundance of recreational opportunities. Water efficiency goals were developed with the inherent culture of the Districts in mind, with a goal of maintaining the Districts’ amenities while making reasonable changes to enable more efficient water use.

Information presented in Section 2 indicates that the water use of a portion of the Districts’ residential customers exceeds the water use required to irrigate their estimated lawn sizes. Additionally, metering in the Districts is not currently adequate to monitor customer water use and consistently measure system losses. Martin and Wood’s recommendations for water efficiency improvements were designed to address these water use issues identified in Section 2 while preserving the health of the Districts’ landscapes.

As shown in Table 3-1, water use of the Districts' customers is significantly higher than the average indoor and outdoor residential-only water use by customers of nearby water providers. Because the Districts' service areas are full of lush, irrigated landscapes and include relatively large lot sizes, a higher per-capita water use rate of the Districts' customers relative to those of nearby water providers can be expected. However, Figure 2-1 suggests that irrigation efficiency improvements in residential areas are possible, and such improvements would lower per-capita use rates toward values more in-line with those in other Front Range communities. Additionally, the Poudre Tech MD estimated 2020 water use rate of 183 gpcd only represents the metered portions of Poudre Tech MD. The rate in the unmetered Water Valley portion of Poudre Tech MD is likely to be significantly higher than 183 gpcd, based on the outdoor irrigation application shown in Figure 2-1.

Table 3-1
Indoor and Outdoor Residential-Only Per-Capita Water Use in Front Range Communities

Water Provider	2012 (gpcd)	2014 (gpcd)	2020 Estimated (gpcd)	System-Wide Outdoor Water Demand Percentage of Total Annual Demand
Brighton	81	65	73	
Broomfield	106	90	98	67%
Lafayette	101	83	92	
Fort Collins	82*	68	75	34%
Windsor	98	79	89	40%
Poudre Tech MD (metered customers)	-	-	183	71%
RainDance MD1	-	-	128	59%

Notes:

- gpcd – gallons per capita per day
- 2012 and 2014 water use rates for Brighton, Broomfield, Lafayette, Fort Collins, and Windsor were gathered from their respective Municipal Water Efficiency Plans [12] [13] [14] [15] [16]. Fort Collins' 2012 water use rate was estimated as 120% of its 2014 rate. 2020 estimates for these municipalities were equal to the average of 2012 and 2014 rates.
- Poudre Tech MD and RainDance MD1 2020 rates were estimated as the indoor component (60%) of the Windsor average 2012 and 2014 residential-only water rates, or 52.9 gpcd, plus the average 2020 per-capita outdoor water use in each District (Tables 2-5 and 2-6), with the assumption that 2.75 people are served by each customer tap.

Table 3-2 presents per capita water use rate of the Districts' customers based on the 2020 water use categories presented previously in Tables 2-5 and 2-6. Table 3-2 provides a translation between the water use categories shown and the per capita water use rate in gpcd, assuming a constant household size of 2.75 people per non-potable tap. The table highlights that, while District-wide averages are 183 gpcd and 128 gpcd in Poudre Tech MD and RainDance MD 1, respectively, certain subcategories of customers have water use rates that exceed those of other Front Range Communities by several fold.

Table 3-2
Per-Capita Total Water Use (Indoor and Outdoor)
For Districts' 2020 Customer Categories
all values in gallons per capita per day (gpcd)

2020 Customer Water Use Category (gallons)	Poudre Tech MD Estimated Per-Capita Water Use By 2020 Categories	RainDance MD1 Estimated Per-Capita Water Use By 2020 Categories
(1)	(2)	(3)
550,000 +	780	-
>500,000 - 550,000	574	-
>450,000 - 500,000	518	-
>400,000 - 450,000	477	-
>350,000 - 400,000	423	424
>300,000 - 350,000	375	356
>250,000 - 300,000	329	318
>200,000 - 250,000	272	276
>150,000 - 200,000	220	222
>100,000 - 150,000	174	172
>50,000 - 100,000	127	123
0 - 50,000	78	82
All*	183	128

Notes:

- Per-capita water use rates in each customer category were estimated as the sum of the estimated indoor water use rate (52.9 gpcd, see explanation in Table 3-1) and the outdoor water use rate, which is equal to the water use total in each category (Column (3) from Tables 2-5 and 2-6), converted to gallons, divided by the number of customers in each category (Column (2) from Tables 2-5 and 2-6), divided by 365 days per year, and divided by the estimate of 2.75 people per tap.
- * The District-wide water use rate of 183 gpcd and 128 gpcd was calculated as the weighted average of the per-capita rates in each category, weighted by the number of customers in each category.

IV. SELECTION OF WATER EFFICIENCY ACTIVITIES

4.1 Summary of Selection Process

To assist the Districts in selecting water efficiency activities to pursue, Martin and Wood reviewed the Colorado Water Conservation Board's (CWCB) Municipal Water Efficiency Plan Guidance Document and its associated worksheets, including Worksheets D through G, which list water efficiency activities to be considered by water providers. These four worksheets were developed by the CWCB in cooperation with Colorado WaterWise⁶, which published a *Guidebook of Best Practices for Municipal Water Conservation in Colorado* in 2010. Martin

⁶ Colorado WaterWise is a non-profit organization that represents the Colorado water conservation community, including municipal entities, irrigation contractors, water efficiency experts, and consultants.

and Wood has used these worksheets to select water efficiency activities applicable to the Districts and has modified and added to the worksheets to fit the Districts' needs (Appendix A). Water efficiency activities selected through this process are described in more detail in this section.

The Water Conservation Act applies to “each municipality, agency, utility, including any privately owned utility, or other publicly owned entity with a legal obligation to supply, distribute, or otherwise provide water at retail to domestic, commercial, industrial, or public facility customers, and that has a total demand for such customers of two thousand acre-feet or more.” Because each of the Districts provide less than 2,000 AF/yr to their customers, neither of the Districts are subject to the Water Conservation Act of 2004 (HB 04-1365). Therefore, water efficiency activities have been selected based upon the needs and preferences of the Districts, rather than upon State statute requirements. For entities covered by the Water Conservation Act, enforcement of the Water Efficiency Plan requirement is tied to Colorado Water Conservation Board (CWCB) funding, with Water Efficiency Plan completion and approval by the CWCB required before CWCB funding can be secured.

4.2 Foundational Activities

Foundational water efficiency activities are the most basic, widely adopted, and effective methods for a water utility to increase its water efficiency. Foundational activities include water use metering, organized billing practices, and system loss monitoring. The CWCB, Colorado WaterWise, and a wide range of water utilities identify foundational activities as prerequisites for higher-level water efficiency efforts. Foundational activities screened for this Efficiency Plan are summarized in Worksheet D, provided in Appendix A.

4.2.1 Metering

Metering All Taps

Taps in Poudre Tech MD's oldest development, Water Valley, do not have any individual metering installed. Based on Weld County Assessor records, Martin and Wood estimates that over 800 residential, commercial, and common area taps in Water Valley have no meters. Poudre Tech MD plans to install meters on these accounts in the future, and Martin and Wood recommends that AMI meters be installed to provide consistency with the rest of the Districts' systems. Adding meters in the Water Valley development will enable the Districts to incentivize efficient water use and to monitor distribution system water losses in that development (see System Water Losses section below).

Additionally, metering of taps for common areas (e.g. parks, medians, etc.) is not consistent across the Districts. Adding meters to common area taps will improve the accuracy of estimated distribution system water losses and make data available to track water use practices in the common areas.

Conversion of AMR Meters to AMI Meters

Approximately 62 taps in Water Valley South do not yet have AMI meters, but rather have radio-enabled automated meter reading (AMR) meters that can be read monthly by a drive-by survey. Poudre Tech MD intends to upgrade these meters to AMI technology. Advanced and consistent metering infrastructure will make system-wide monitoring possible, will improve enforcement of irrigation rules, and might eventually establish a foundation for customers to be billed based upon their actual water use, creating an incentive for water efficiency.

4.2.2 Billing

“CORE” vs. “Beacon” Billing Systems

The Districts’ water billing is handled by subcontractor Advance HOA. As previously described, both the “CORE” system and the “Beacon” system are available for organizing and managing meter records. However, the CORE system is currently used for water billing purposes. The Beacon system, which is compatible only with the Districts’ AMI-type meters (approximately 94% of customer taps currently have AMI-type meters), documents monthly customer meter readings at regular and fixed intervals, whereas the CORE system only documents annual or less frequent meter readings (sometimes with irregular meter read dates).

Because the Beacon system collects monthly meter readings, using it would allow the Districts to better monitor customer water use. Additionally, the Beacon system can be programmed to issue alerts to the Districts’ management if customer water use exceeds set levels, but this feature is only available if the Districts were to transition to use that system for billing.

Martin and Wood recommends that the Districts consider transitioning to the Beacon system for billing, after AMI-type meters have replaced 62 AMR-type meters in the Water Valley Development. A support group composed of water providers who are transitioning to AMI meter technology has formed in the last year, and this group meets regularly to discuss issues they are facing with the transition to the new AMI meters and associated data platforms (like the Beacon system) and methods to fully utilize the new technology. Martin and Wood can provide contact information for this support group if the Districts would like to participate.

For an additional cost, the Beacon system has functionality to allow individual water customers to access their water use information on Badger Meter’s EyeOnWater consumer application. Providing customers with access to the EyeOnWater application at some point in the future could be an additional method to improve customer water efficiency.

Monthly Instead of Annual Billing

Metered Poudre Tech MD customers who use more than 202,000 gallons (202 kgal) in a year are billed volumetrically (currently at a rate of \$1.52 per kilogallon (kgal)) for water use exceeding that threshold. Similarly, RainDance MD1 customers who use more than 200,000 gallons (200 kgal) in a year are billed volumetrically for their water use exceeding that threshold. These annual billing thresholds do not send an immediate price signal to customers

to incentivize irrigation management and water efficiency. In contrast, monthly billing intervals would provide customers with more rapid feedback to identify and correct overwatering issues in their irrigation systems.

Including Common Area Taps in Billing System

Not only should common area taps in the Districts be metered, but the meter records for these taps should be added to the Districts' water billing system to allow for tracking of water use, even if customer bills are not issued for those taps.

4.2.3 Water Rates and Tap Fees

Rate Structure

Water rate structures, if properly designed, can incentivize more efficient customer water use. The Districts' existing rate structure for metered customers does not incentivize water efficiency for two main reasons. First, non-metered customers are billed only an annual water use fee that is unrelated to their individual water use and therefore lacks an incentive for lower water use. Thus, non-metered customers experience no "volumetric billing" for their water use. Second, the Districts' existing rate structure for metered customers (Water Valley South, Hilltop Estates, Pelican Farms, and RainDance) uses a volumetric billing threshold that is too high to incentivize water efficiency for most customers. In Poudre Tech MD, customers who use less than 202 kgal per year are not billed volumetrically, while the median lot size of 0.21 acres would require no more than 77 kgal on average if it were 40% planted in bluegrass. In RainDance MD1, customers who use less than 200 kgal per year are not billed volumetrically, while the median lot size of 0.15 acres would require no more than 55 kgal if it were 40% planted in bluegrass. The first tier of billing should be designed to better fit customer water use requirements. As a minimum, we recommend the Districts decrease the annual volume of its lowest water use tier to the water-efficient irrigation demand for a majority of the Districts' customers. For example, as shown in Tables 2-5 and 2-6, the majority of Poudre Tech MD customers (77%) used 150,000 gallons or less in 2020. The majority of RainDance MD1 customers (75%) used 100,000 gallons or less in 2020. These thresholds (150,000 gallons for Poudre Tech MD and 100,000 gallons for RainDance MD1) might be an appropriate starting place for a shift in the annual billing threshold.

Rate Analysis

In the longer term, we recommend that the Districts perform a water rate analysis to identify required annual revenue, reserves, and the level of revenue the Districts are comfortable acquiring from volumetric billing fees, which is a variable revenue source, rather than from the fixed revenue sources such as base annual water fees. The Districts could evaluate whether a greater portion of the Districts' revenue might be derived from volumetric billing fees, rather than the current base water fee/first tier water fee of \$306 or \$380 per year. Volumetric billing provides customers with an incentive for water efficiency.

Customer Water Budgets

The Districts could consider whether developing customer-specific water budgets, either as an informational resource to customers or as a basis for establishing customer-specific water billing tiers, is a worthwhile measure to pursue. Water budgets could provide both the Districts and the customer with an estimate of that customer's required annual and weekly irrigation amounts. The water budget helps the customer better manage irrigation and helps the Districts accurately identify customers who are greatly over-irrigating. Water budgets can be developed by GIS analysis of landscaping area and types within each lot, by information the developer has on file about landscaping within each lot, by on-the-ground surveys, or by several other methods⁷. Water budgets are typically calculated based on the measured/estimated landscaping types and an assumed irrigation application for each landscaping type (e.g. 2.8 feet per year for bluegrass). The City of Greeley, Centennial Water and Sanitation District, and the City of Castle Rock have all provided water budgets to their customers, and Greeley and Centennial use those budgets to inform customer billing tiers. Centennial experienced a 25% reduction in total water demand (indoor and outdoor) after they transitioned to using customer water budgets and linked those budgets to water rates, as compared to using a declining tier water rate structure⁸.

4.2.4 System Water Losses

System water losses refer to losses that occur within the Districts' distribution system, both in the pipes that carry water from lakes and reservoirs to customer taps as well as losses within the Districts' reservoirs themselves.

System Losses in Residential Developments

Losses within the distribution piping for residential developments can be assessed by subtracting metered customer water use (residential taps) from bulk metered deliveries into

⁷ One potential interim method for water budgets would be to offer a water budget calculator on the Districts' website that would allow customers to input lawn size and other landscaping parameters to calculate the average amount of irrigation (in gallons) required to be applied each month, and converted to irrigation controller parameters.

⁸ Colorado Water Wise Best Practices Guide, page 103 (BP 7).

each development. As described in Section 2.2, system water losses in 2020 for the Water Valley South, Hilltop Estates, Pelican Farms developments were estimated to be 21.9% of the bulk metered water supplied to those developments. While this value might include some unmetered water use instead of just physical system losses, it still represents a relatively high system loss rate as compared to potable water distribution systems of nearby communities.

Improving monitoring of system losses may help the Districts to identify distribution system repairs that might be required. Martin and Wood recommends that the Districts update the tables and figures from Section 2 on at least an annual basis as a practice to monitor water use, including system losses. Additionally, these tables and figures should be amended with RainDance MD1 water use data and Water Valley water use data, once there is reduced construction water use in RainDance MD1 and once customer metering becomes available for Water Valley.

System Losses in Golf Courses

Monitoring of losses within the Districts' golf course distribution networks might be possible if golf courses were equipped with submetering for various irrigation zones. However, because recent golf course water application (based upon bulk metering records summarized in Section 2.2) has been relatively efficient, averaging slightly less than the 2.8 feet/year estimated to constitute a full supply for bluegrass, it is not considered necessary at this time for the Districts to assist golf course staff in monitoring system losses.

System Losses from Lakes and Reservoirs

Losses from the Districts' main lakes and reservoirs consist primarily of evaporative losses. These lakes and reservoirs are lined, limiting seepage losses. The surface area of the Districts' main lakes and reservoirs at full build-out will be approximately 550 acres. At an estimated net evaporation rate of 40 inches (3.3 feet) per year, Martin and Wood estimates that annual evaporation from the Districts' reservoirs totals over 1,800 AF. In this work product, Martin and Wood is not addressing this system water loss due to reservoir evaporation, but we consider it an important item for the Districts to be aware of as they plan future water supplies.

4.3 Irrigation Equipment and Landscaping Upgrades

The Districts may seek to reduce District-wide and customer water use by investing in improved irrigation infrastructure and equipment or by incentivizing customers to change their landscaping. Irrigation controllers, rain sensors, sprinkler repairs, and landscaping changes screened for this Efficiency Plan are summarized in Worksheet E, provided in Appendix A.

4.3.1 Common Areas

Irrigated common areas within the Districts consist of parks, medians, and gardens. Shifting landscaping on some common areas from bluegrass to xeriscaping or other low water use landscaping has the potential to reduce the Districts' water use without sacrificing appeal.

Additionally, if the Districts desire to encourage customers to adopt xeriscaping, making this landscaping shift in common areas can be a valuable communication strategy to residential customers, demonstrating the potential of lower water use landscapes.

4.3.2 Golf Courses

The Districts' three golf courses are the largest customers of the Districts' non-potable water supply (32% of the Districts' average water demands in 2015 through 2020). Because of the size of these customers, water efficiency measures implemented by the golf courses will have a large impact on the Districts' water demand. Because of the golf courses' centralized management, implementing water efficiency changes may require less effort by the Districts in communication and monitoring than implementing similar changes in residential areas.

However, as described in Section 2.2, the two existing golf courses have demonstrated relatively water-efficient irrigation application for the bluegrass landscaping they currently maintain. Therefore, long-term reduction of irrigation water use at the Golf Courses would likely require conversion of non-essential bluegrass areas to lower water use landscapes. Districts' staff and golf course staff could decide whether to pursue landscaping changes at the golf courses, including whether such changes would be feasible and desirable.

4.3.3 Residential Customers

All of the residential and commercial properties in RainDance MD1 and most of the properties in Poudre Tech MD are newly developed in the last 10 years. However, the Water Valley portion of Poudre Tech MD is older and was developed in the late 1990's through early 2000's. As shown in Table 2-1 and Figure 2-1, irrigation application in the Water Valley development is higher than for any other portion of Poudre Tech MD. Poudre Tech MD should evaluate existing irrigation systems in this older area to determine whether upgrades or retrofits would be appropriate. For example, if older automated irrigation systems are not equipped with rain sensors, the addition of rain sensors would be an effective way to increase irrigation efficiency in these areas.

Additionally, the Districts should consider whether to encourage or incentivize conversion of largely bluegrass landscapes in older portions of the Districts to lower water-use alternatives. Newer portions of the Districts that have been attractively developed with smaller bluegrass lawn sizes and more xeriscaping can serve as an example of what can be accomplished.

4.3.4 Commercial Customers

The Districts have a limited number of commercial customers, as shown in Table 1-1. Because of their small number, these commercial customers may not be the most effective group for the Districts to target for water efficiency measures. However, similar efficiency measures that might apply to residential customers could also apply to commercial customers, including the irrigation system upgrades and landscaping conversions described above.

4.4 District Rules and Policies

Water efficiency rules and policies screened for this Efficiency Plan are summarized in Worksheet F.

The Poudre Tech MD website (poudretechmetro.org) has an Irrigation Water Guide which outlines the following irrigation rules:

- Day-of-week watering restriction of 3 days per week, with alternating days by address.
- Watering time limit of 15 minutes for pop-up sprinklers and 25 minutes for rotor-type sprinklers.
- Sprinklers must be adjusted to prevent water from spilling onto streets and sidewalks.
- Permits are required for new sod installation.

Add Time-of-Day Watering Restriction

Martin and Wood recommends adding a time-of-day watering restriction to the irrigation rules, requiring that no irrigation occur during the warmest daytime hours of 10 a.m. and 6 p.m. Limiting irrigation to the cooler hours of the day reduces sprinkler spray losses and therefore reduces the amount of water a customer must apply to achieve the same quality of irrigation.

Publicize Irrigation Rules

The RainDance MD 1 website (raindancemetrodistrict.org) does not have an irrigation guide or irrigation rules currently posted. For ease of enforcement and communication, Martin and Wood recommends that consistent irrigation rules be enforced across the Districts unless there is a compelling reason to vary requirements by development. Re-sending irrigation rules to customers on an annual basis would be a good step for customer education.

Enforce Irrigation Rules

Enforcement of the rules outlined in the Irrigation Water Guide is important for their effectiveness. For properties with AMI meters, Martin and Wood recommends that a desktop inspection of watering practices be performed to screen for day-of-week or watering time limit violations. Regular drive-by inspections of irrigation practices (including nighttime inspections) are also recommended, with a focus on properties that have typically over-watered relative to lot size.

Soil Amendment Requirements

Given that the Districts are still under development, District staff should review landscaping installation requirements for new developments to ensure that plantings are being established with the greatest potential for efficient water use. Soil amendments [such as organic matter/compost] added prior to laying grass sod can "increase water and nutrient holding capacity while improving aeration and water filtration which is critical to reducing water demands" (Colorado WaterWise Best Practices Guide, BMP 9). Martin and Wood has

not reviewed typical soil types in the Districts or examined whether developer practices already include soil amendment.

Future Rules for Farm Plots and Open Space

While the majority of the Districts' customers are residential customers, the Districts also serve non-potable water to irrigate farm plots and open space. Quick connects in these areas allow water to be applied by hand or by more automated methods. In the future, the Districts might consider whether special irrigation rules should be applied to these farm plots and open space areas, particularly considering the possibility that hand watering might occur in these areas, and none of the Districts' existing irrigation rules apply to hand watering.

4.5 Education and Communication Activities

Educating customers about outdoor water use efficiency can be a useful and relatively low-cost tool for improving water efficiency outcomes, particularly in the long-term. Education activities screened for this Efficiency Plan are summarized in Worksheet G.

Water Efficiency and Drought Management Coordinator

The Districts should assign a water conservation coordinator to communicate irrigation rules, monitor billing, conduct or delegate enforcement, issue violations, and communicate drought status and drought responses to customers during drought years. The Districts' current management agency Advance HOA may be well-positioned to perform these tasks in a clear and consistent way. District staff who enforce irrigation rules should be trained to talk knowledgably with residents about water efficiency measures they can implement, as well as the importance of water efficiency for the community.

Consistent and Clear Messaging

The Districts may use a variety of channels to communicate with customers about water efficiency, irrigation rules, drought, and drought responses. Communication channels might include bill stuffers (for customers who receive paper bills), newsletter articles (if the Districts already have a newsletter), web pages (such as announcements posted on the Poudre Tech MD webpage or the RainDance MD 1 webpage), or social networking sites. Messaging will be most effective if it is consistent across channels and across the various developments in the Districts. Golf courses and common areas should be managed according to the water efficiency or drought policies communicated to residential/commercial customers so that messaging is clear and consistent. A proactive educational campaign to inform Districts' customers about the connection between lake levels in their community and the efficiency of their irrigation habits might be an effective kick-off to a water efficiency campaign.

Water Efficiency Training

If the Districts are interested in water efficient irrigation training for a subset of their customers (golf course staff, District staff, or residents), there are several organizations in Colorado that

offer training targeted to a variety of audiences. Martin and Wood can make recommendations if that type of training is desired.

V. IMPLEMENTATION AND MONITORING

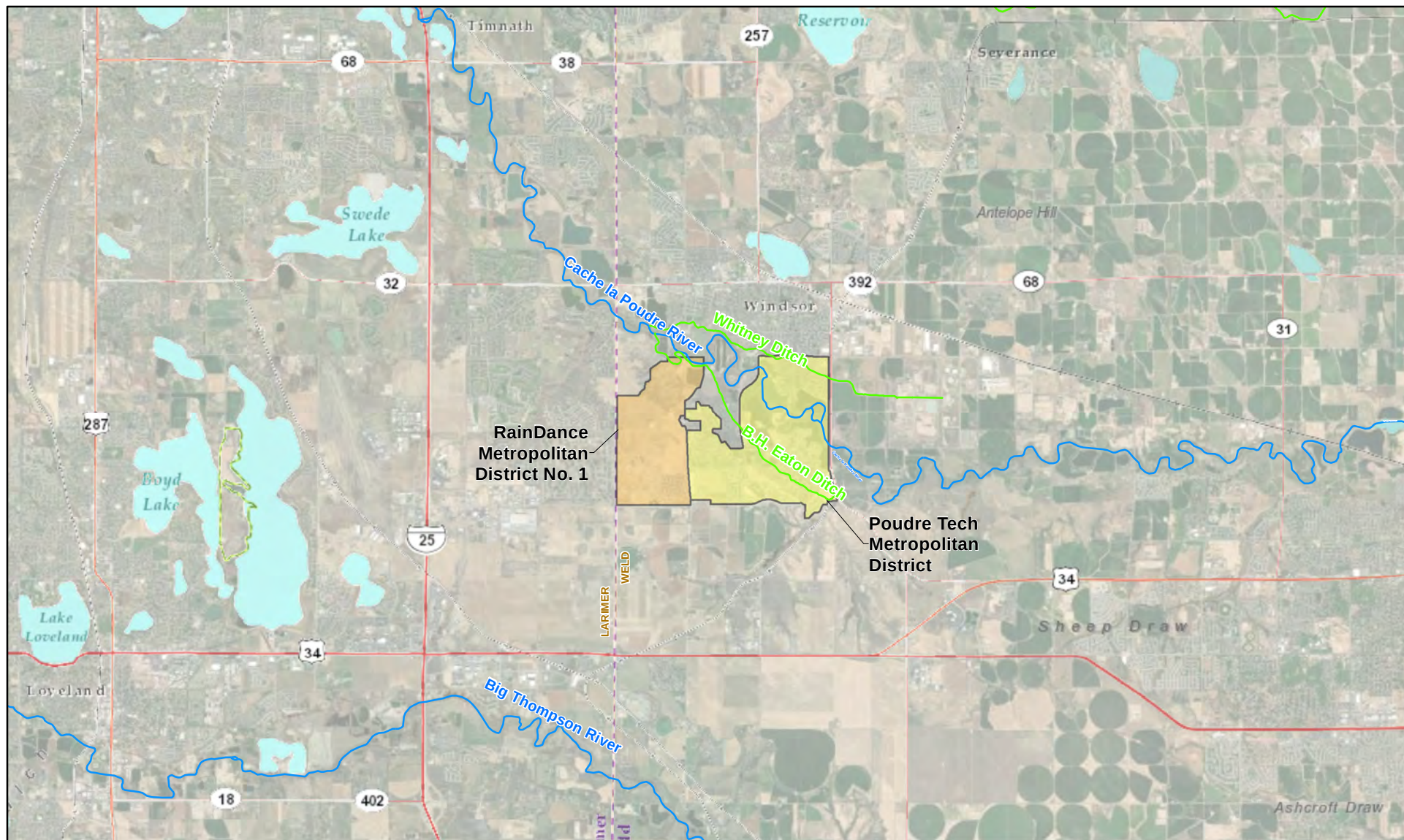
The Districts are responsible for implementation of this Water Efficiency Plan. Martin and Wood recommends that District leadership, including Advance HOA and Boards, be informed of the plan and enlisted in identifying water efficiency activities to pursue as well as in implementing those activities.

REFERENCES

- [1] City of Fort Collins, "Halligan Water Supply Project," [Online]. Available: <https://www.fcgov.com/halligan/dollars-and-cents>. [Accessed 24 June 2021].
- [2] Northern Colorado Water Conservancy District, "Chimney Hollow Reservoir Project," 2021. [Online]. Available: <https://www.northernwater.org/chrp>. [Accessed 24 June 2021].
- [3] Northern Colorado Water Conservancy District, "Northern Integrated Supply Project FAQs," 2021. [Online]. Available: <https://www.northernwater.org/NISP/about/FAQs>. [Accessed 24 June 2021].
- [4] M. Levy, "Loveland council approves lower cash-in-lieu water fees," Loveland Reporter-Herald, 21 March 2021. [Online]. Available: <https://www.reporterherald.com/2021/03/19/loveland-council-approves-lower-cash-in-lieu-water-fees/>. [Accessed 3 June 2021].
- [5] J. Smith, "Front Range housing boom sends water prices soaring," Water Education Colorado, 1 May 2019. [Online]. Available: <https://www.watereducationcolorado.org/fresh-water-news/front-range-housing-boom-sends-water-prices-soaring/>. [Accessed 3 June 2021].
- [6] City of Longmont, "Longmont Water Board Agenda," Dec. 16, 2019.
- [7] Zillow, "Town of Windsor: houses sold in the last 12 months," [Online]. [Accessed 3 June 2021].
- [8] Zillow, "Houses sold in the last 12 months within Districts' boundaries," [Online]. [Accessed 3 June 2021].
- [9] R. E. Danielson and C. M. Feldhake, "Urban Lawn Irrigation and Management Practices for Water Saving with Minimum Effect on Lawn Quality," Colorado Water Resources Research Institute, 1981.
- [10] R. E. Danielson, C. M. Feldhake, C. M. Feldhake and P. M. Haw, "Water Requirements for Urban Lawns in Colorado," Colorado Water Resources Research Institute, 1980.
- [11] D. W. a. K. M. Jones, "CMG GardenNotes #267: Watering Efficiently," Colorado State University Extension, 2017.
- [12] City of Brighton, "Water Conservation Plan Update," Sustainable Practices, Swarthmore, PA, 2016.
- [13] City and County of Broomfield, "Water Efficiency Plan," 2020.
- [14] City of Lafayette, "Water Conservation Plan," 2018.
- [15] City of Fort Collins, "2015 Water Efficiency Plan," 2015.
- [16] Town of Windsor, "Municipal Water Efficiency Plan Update," 2015.
- [17] "2019 Poudre Tech Irrigation Water Guide," 2019.

- [18] C. Wooldridge, Interviewee, *Water Valley Special Projects Manager*. [Interview].
- [19] T. G. Ansett, "Varietal Recovery from Drought-Induced Dormancy in Kentucky Bluegrass," Colorado State University, Fort Collins, Colorado, 1978.
- [20] Fort Collins-Loveland Water District, "2015 Municipal Water Efficiency Plan Update," 2015.
- [21] City of Greeley, "2004 Water Master Plan Annual Review," 2004.
- [22] Colorado Water Conservation Board, "Municipal Water Efficiency Plan Guidance Document," AMEC Environment & Infrastructure, Boulder, Colorado 80302, 2012.
- [23] Colorado Water Wise, "Guidebook of Best Practices for Municipal Water Conservation in Colorado," Aquacraft inc. Water Engineering & Management.
- [24] G. Kerr, Interviewee, *Water Valley General Manager*. [Interview].
- [25] *Division 1 Water Court Case No. 02CW390*.
- [26] *Division 1 Water Court Case No. 02CW391*.
- [27] *Division 1 Water Court Case No. 04CW346*.
- [28] *Division 1 Water Court Case No. 08CW65*.
- [29] *Division 1 Water Court Case No. 18CW3240*.
- [30] *Division 1 Water Court Case No. 19CW3226 (Pending)*.
- [31] *Division 1 Water Court Case No. 20CW3093 (Pending)*.

Figures



- Legend
- Poudre Tech Metropolitan District Current Service Area
 - RainDance Metropolitan District No. 1 Current Service Area

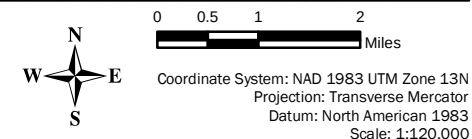


Figure 1-1
RainDance Metropolitan District No. 1 and
Poudre Tech Metropolitan District Current Service Areas

M&W
 MARTIN AND WOOD
 WATER CONSULTANTS, INC.
 538 Commons Drive
 Golden, CO 80401
 (303) 526-2600
 www.martinandwood.com

Job No.: 899.2
 Date: 6/3/2021
 Drawn: SHZ



**Figure 1-2
Subdivisions Within the Districts**

Job No.: 899.2
Date: 6/3/2021
Drawn: SHZ

Tables

Table 1-2
Non-Potable Water Customers of the Districts, 2020 (Detailed)

Poudre Tech MD	
Customer Type	No. of Connections
Single-Family Residential, All	1,675
<i>Single-Family Residential, AMI Meters</i>	<i>883</i>
<i>Single-Family Residential, AMR Meters</i>	<i>59</i>
<i>Single-Family Residential, No Meters</i>	<i>733</i>
Multi-Family Residential, All	64
<i>Multi-Family Residential, AMI Meters</i>	<i>10</i>
<i>Multi-Family Residential, AMR Meters</i>	<i>2</i>
<i>Multi-Family Residential, No Meters</i>	<i>52</i>
Commercial, All	23
<i>Commercial, AMI Meters</i>	<i>8</i>
<i>Commercial, AMR Meters</i>	<i>1</i>
<i>Commercial, No Meters</i>	<i>14</i>
Common Areas, All	26 (est.)
<i>Common Areas, AMI Meters</i>	<i>1</i>
<i>Common Areas, No Meters</i>	<i>25 (est.)</i>
Pelican Lake Golf Course (18-hole)	1
Pelican Falls Golf Course (9-hole)	1
RainDance MD1	
Customer Type	No. of Connections
Single-Family Residential, All	459
<i>Single-Family Residential, AMI Meters</i>	<i>459</i>
Multi-Family Residential, All	0
Commercial, All	11
<i>Commercial, AMI Meters</i>	<i>11</i>
Common Areas, All	26 (est.)
<i>Common Areas, AMI Meters</i>	<i>1</i>
<i>Common Areas, No Meters</i>	<i>25 (est.)</i>
RainDance National Golf Course (19-hole)	1

Notes:

- Information from meter records and from Weld County Assessor records.
- The Water Valley South development (part of Poudre Tech MD) has the following connections with AMR meters: 59 single-family, 2 multi-family, and 1 commercial.
- The Water Valley development does not have water meters. According to Assessor records, the Water Valley development has an estimated 733 single-family residential units, 104 multi-family residential units, and 14 commercial units. One connection was assumed for each single-family unit and commercial unit. One connection was assumed for every two multi-family units.
- Most water connections for common areas (such as parks and medians) are not metered. The number of unmetered common area taps is was estimated in Table 1-1 as 25 connections per District.
- All RainDance MD1 connections on Covered Bridge Parkway were assumed to be commercial.

Table 2-1
Water Valley
Residential Irrigation Application
 All values in feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	0.00	0.00	0.00	0.14	0.24	0.55	0.77	0.79	0.81	0.32	0.00	0.00	3.62
2016	0.00	0.00	0.00	0.21	0.61	0.97	1.25	1.07	1.16	0.23	0.00	0.00	5.51
2017	0.00	0.00	0.02	0.33	0.44	0.74	0.84	0.68	0.66	0.05	0.00	0.00	3.77
2018	0.00	0.00	0.08	0.19	0.58	0.90	0.92	0.94	0.76	0.15	0.00	0.00	4.51
2019	0.00	0.00	0.00	0.11	0.38	0.53	0.78	0.84	0.76	0.19	0.00	0.00	3.57
2020	0.00	0.00	0.00	0.11	0.50	0.76	1.01	0.90	0.72	0.33	0.00	0.00	4.33
Min	0.00	0.00	0.00	0.11	0.24	0.53	0.77	0.68	0.66	0.05	0.00	0.00	3.57
Max	0.00	0.00	0.08	0.33	0.61	0.97	1.25	1.07	1.16	0.33	0.00	0.00	5.51
Avg	0.00	0.00	0.02	0.18	0.46	0.74	0.93	0.87	0.81	0.21	0.00	0.00	4.22

Notes:

- Includes water delivered to Water Valley from Rockbridge Lake and Pelican Lake. A total of 90.4 acres is irrigated in Water Valley.

Table 2-2
Water Valley South, Hilltop Estates, and Pelican Farms
Residential Irrigation Application
 All values in feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	0.00	0.00	0.00	0.12	0.21	0.58	0.79	0.93	0.79	0.36	0.00	0.00	3.79
2016	0.00	0.00	0.00	0.04	0.19	0.76	0.93	0.84	0.43	0.17	0.01	0.01	3.36
2017	0.01	0.01	0.03	0.24	0.25	0.49	0.57	0.47	0.47	0.05	0.00	0.00	2.57
2018	0.00	0.00	0.00	0.17	0.46	0.72	0.74	0.72	0.59	0.24	0.08	0.00	3.72
2019	0.00	0.00	0.02	0.27	0.46	0.44	0.71	0.85	0.71	0.20	0.00	0.00	3.66
2020	0.00	0.00	0.00	0.04	0.39	0.56	0.61	0.65	0.44	0.42	0.01	0.01	3.13
Min	0.00	0.00	0.00	0.04	0.19	0.44	0.57	0.47	0.43	0.05	0.00	0.00	2.57
Max	0.01	0.01	0.03	0.27	0.46	0.76	0.93	0.93	0.79	0.42	0.08	0.01	3.79
Avg	0.00	0.00	0.01	0.15	0.33	0.59	0.72	0.74	0.57	0.24	0.02	0.00	3.37

Notes:

- Includes water delivered to Water Valley South, Hilltop Estates, and Pelican Farms. A total of 154.4 acres is irrigated in these developments.
- Residential irrigation application did not begin until September 2016 for Hilltop Estates (46.7 acres) and June 2015 for Pelican Farms (15.2 acres).

Table 2-3
Pelican Lake Golf Course (18-holes)
Irrigation Application
 All values in feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	0.00	0.00	0.04	0.32	0.06	0.42	0.51	0.58	0.53	0.15	0.01	0.00	2.62
2016	0.00	0.00	0.02	0.12	0.07	0.39	0.54	0.58	0.45	0.26	0.13	0.00	2.55
2017	0.00	0.00	0.14	0.24	0.13	0.63	0.60	0.34	0.35	0.10	0.03	0.00	2.56
2018	0.00	0.00	0.08	0.25	0.21	0.60	0.55	0.54	0.45	0.10	0.03	0.00	2.80
2019	0.00	0.01	0.02	0.22	0.17	0.41	0.60	0.62	0.45	0.20	0.00	0.00	2.70
2020	0.00	0.00	0.04	0.16	0.36	0.50	0.62	0.52	0.29	0.22	0.06	0.00	2.76
Min	0.00	0.00	0.02	0.12	0.06	0.39	0.51	0.34	0.29	0.10	0.00	0.00	2.55
Max	0.00	0.01	0.14	0.32	0.36	0.63	0.62	0.62	0.53	0.26	0.13	0.00	2.80
Avg	0.00	0.00	0.06	0.22	0.17	0.49	0.57	0.53	0.42	0.17	0.04	0.00	2.67

Notes:

- Irrigated area equal to 18 holes located on Pelican Lakes Golf Course on North and South side of Cache la Poudre River (100 acres).

Table 2-4
Pelican Falls Golf Course (9-holes)
Irrigation Application
 All values in feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	-	0.00	0.03	0.29	0.07	0.41	0.53	0.56	0.53	0.12	0.01	0.00	2.54
2016	0.00	0.00	0.01	0.17	0.12	0.64	0.65	0.53	0.39	0.20	0.10	0.00	2.81
2017	0.00	0.01	0.20	0.29	0.11	0.65	0.58	0.31	0.36	0.08	0.05	0.00	2.64
2018	0.00	0.00	0.07	0.27	0.18	0.58	0.55	0.56	0.44	0.09	0.03	0.00	2.78
2019	0.00	0.00	0.01	0.22	0.18	0.41	0.61	0.59	0.48	0.23	0.00	0.00	2.73
2020	0.00	0.00	0.07	0.21	0.44	0.50	0.64	0.54	0.34	0.23	0.08	0.01	3.05
Min	0.00	0.00	0.01	0.17	0.07	0.41	0.53	0.31	0.34	0.08	0.00	0.00	2.54
Max	0.00	0.01	0.20	0.29	0.44	0.65	0.65	0.59	0.53	0.23	0.10	0.01	3.05
Avg	0.00	0.00	0.07	0.24	0.18	0.53	0.59	0.51	0.42	0.16	0.04	0.00	2.76

Notes:

- Irrigated area equal to 9 holes located on Pelican Falls Golf Course (42.3 acres) and New Liberty greenbelt (5.6 acres).
- Water meter readings for Pelican Falls Golf Course include both irrigation and pond refilling to replace evaporation. To estimate the portion of metered water use that represents irrigation, the monthly metered amounts were reduced by monthly estimated pond evaporation, estimated according to the method outlined in the Districts' water rights decrees, totaling 6.45 acre-feet per year.

Table 2-5
Poudre Tech MD Customer 2020 Metered Water Use

2020 Customer Water Use Category (gallons)	No. of Customers in Category in 2020	2020 Water Use Total In Category (AF)	2020 Use (AF) Higher Than:	
			202,000 Gallons/Tap	2.8 Feet/Year for 40% of Customer Lot
(1)	(2)	(3)	(4)	(5)
550,000 +	33	74	53	12
>500,000 - 550,000	5	8	5	0
>450,000 - 500,000	5	7	4	0
>400,000 - 450,000	15	20	10	1
>350,000 - 400,000	20	23	10	2
>300,000 - 350,000	13	13	5	3
>250,000 - 300,000	15	13	3	3
>200,000 - 250,000	45	30	3	8
>150,000 - 200,000	64	33	0	11
>100,000 - 150,000	180	67	0	17
>50,000 - 100,000	321	73	0	8
0 - 50,000	225	18	0	0
All	941*	378	94	66

Table 2-6
RainDance MD1 Customer 2020 Metered Water Use

2020 Customer Water Use Category (gallons)	No. of Customers in Category in 2020	2020 Water Use Total In Category (AF)	2020 Use (AF) Higher Than:	
			200,000 Gallons/Tap	2.8 Feet/Year for 40% of Customer Lot
(1)	(2)	(3)	(4)	(5)
>350,000 - 400,000	2	2	1	2
>300,000 - 350,000	1	1	0	1
>250,000 - 300,000	2	2	0	1
>200,000 - 250,000	8	6	1	3
>150,000 - 200,000	27	14	0	9
>100,000 - 150,000	76	28	0	12
>50,000 - 100,000	196	42	0	9
0 - 50,000	159	14	0	0
All	471	109	2	36

Notes on Tables 2-5 and 2-6:

- Information summarized from Beacon customer meter records, with supplemental data from the CORE system. Because Water Valley residential customers are not metered, Table 2-1 excludes all information about Water Valley customer water use.
- *Approximately 30 Poudre Tech MD tap accounts did not have water use records in either the Beacon or the CORE water use record systems in 2020.
- Column (1) presents categories of the 2020 outdoor water use by the Districts' customers. Poudre Tech MD customer water use ranged from 0 to over 550,000 gallons in 2020. RainDance MD1 customer water use ranged from 0 to 400,000 gallons.

Notes on Tables 2-5 and 2-6 (continued):

- Column (2) presents the number of the Districts' non-potable water tap customers whose 2020 outdoor water use fell within each of the Column (1) categories. The majority of Poudre Tech MD customers (77%) used 150,000 gallons or less in 2020. The majority of RainDance MD1 customers (75%) used 100,000 gallons or less in 2020.
- Column (3) presents the total (District-wide) outdoor water use in each category in 2020. For example, in 2020, 73 AF was used by Poudre Tech MD customers whose annual water use total fell in the category of over 50,000 to 100,000 gallons per customer. A total of 378 AF was measured at Poudre Tech MD customer meters in 2020.
- Column (4) presents the 2020 outdoor water use (in AF) from customers who used more than the District-specific billing limit (202,000 gallons per customer for Poudre Tech MD and 200,000 gallons per customer for RainDance MD1). We note that the Districts used CORE records, rather than the Beacon recorded amounts reported here, to calculate actual 2020 water bills.
- Column (5) presents the 2020 annual outdoor water use (in AF) from customers who used more water than would be needed to provide a full supply for half of their lot planted in bluegrass. Note that Column (5) only represents information for customers for whom lot acreage information was available from the Weld County Assessor's database, which was 90% of the Poudre Tech MD customers and 97% of the RainDance MD1 customers.

Appendix A: Identification and Screening of Water Efficiency Activities

WORKSHEET D - IDENTIFICATION AND SCREENING OF FOUNDATIONAL ACTIVITIES

Water Efficiency Activities for Screening [1]	Identification		Qualitative Screening [4]				Carry to Evaluation [5]	Reason for Elimination [6]
	Existing/ Potential Activity [2]	Targeted Customer Category [3]	Applicable to the Districts	Feasible Implementation	Effectiveness	Notes on Additional Pros/Cons to Consider		
Metering (BP1)								
Advanced Metering Infrastructure (AMI) Installation and Operations	Potential	residential taps in Water Valley, common areas	Yes	Yes	High	Recommend installing AMI meters for all taps in Water Valley, for at least 62 taps in Water Valley South that still have older-style meters, for all common area taps, and for all multi-family taps (including those Cape Hatteras/Montauk taps north of New Liberty Road). This metering will make system-wide monitoring possible, will improve enforcement of irrigation rules, and might eventually allow for customers to be billed based upon their actual water use, creating an incentive for water efficiency.	Yes	
Submetering for Large Users (Indoor and Outdoor)		Not Applicable	No			Not applicable. Districts' supplies used outdoors only.	No	Not Applicable
Meter Testing and Replacement	Potential	All	Yes	Yes	Medium	Most of the Districts' meters are relatively new. Still, Districts should monitor water use data to identify meter issues. Spot testing of meters is recommended, and replacement should occur when problems are identified.	Yes	
Meter Upgrades	Potential	60 taps in Water Valley South	Yes	Yes	High	Upgrade 62 AMR meters in Water Valley South to AMI meters. Seek consistency in meter systems across the Districts, to enable consistent water use monitoring and management	Yes	
Identify Unmetered/Unbilled Treated Water Uses	Potential	System-Wide	Yes	Yes	High	Make sure that all metered taps are included in the Beacon AMA water billing system, even if water bills are not issued (such as for common area taps). This record-keeping allows the Districts to monitor system losses. Analyze unbilled water / system losses at least annually by comparing bulk measurements of water pumped out of lakes to metered water measured at customer taps. Based on very limited tap water use data that Advance HOA provided to M&W, Poudre Tech Unbilled Water in 2020 was about 18% of the water pumped from lakes. Given there are unmetered or unbilled common area and multi-family taps in Poudre Tech, this unbilled water percentage is no higher than should be expected. After more comprehensive metering and billing is introduced, the Districts should aim to keep this percentage lower than 10% and continually monitor unbilled water percentage to help detect system leaks. Similar system loss or unbilled water records should be maintained for RainDance in the near term and for Water Valley when tap metered data becomes available.	Yes	
Data Collection - Monitoring and Verification (BP2)								
Frequency of Meter Reading	Potential	All	Yes	Yes	High	While monthly meter readings are adequate for billing, the Districts should consider enabling alerts for customer high water usage and off-day water usage, with alerts reported to the Districts' management. These alerts would use the hourly meter readings that are already available through the Beacon AMA water billing platform.	Yes	
Tracking Water Use by Customer Type	Potential	All	Yes	Yes	High	This information is not included as a field in the meter list provided by Advance HOA. The meter records should include a customer type field, with the following customer types indicated: residential, multi-family residential, commercial (with name of business), common area, and golf course (if applicable). For multi-family and commercial customers, the name and contact information for the landscaping company that operates the system should ideally be indicated. Golf course water use is typically tracked at bulk pumps from the lakes.	Yes	
Upgrade Billing System to Track Use by Sufficient Customer Types	Potential	All	Yes	Yes	High		Yes	
Tracking Water Use for Large Customers	Potential	All	Yes	Yes	High		Yes	
Tracking Water Use for Common Areas	Potential	All	Yes	Yes	High	Add common area taps to billing system, even if monthly bills are not issued, to aid in tracking all water use.	Yes	
Track Area of Irrigated Lands in Service Area (e.g. acres)	Potential	All	Yes	Yes	High	Acreage information, ideally subdivided into the bulk meter points at reservoirs (e.g. all residential/commercal/common area acreage irrigated from Rockbridge Lake vs. all golf course acreage irrigated from Rockbridge Lake), should be updated as part of the system water use tracking, so that tracking of water efficiency and water losses under each bulk meter is possible.	Yes	
Water Use Efficiency Oriented Rates and Tap Fees (BP1)								
Volumetric Billing	Potential	All metered customers	Yes	Yes	High	While the Districts do have volumetric billing for metered customer water use higher than 201 kgal per yr, this first tier for volumetric billing is too high to be effective as a true volumetric billing practice that defines efficient water use levels and charges more for water use above those levels. For example, M&W estimates that just 55 kgal per yr would provide a full water supply to many homeowners in Water Valley South. Either a lower tier could be defined or, given the varying lot sizes across the Districts, using customer-specific water budgets to define billing tiers for each customer could be considered.	Yes	
Water Rate Adjustments	Potential	All	Yes	Yes	High	Recommend a water rate analysis to identify required total revenue and acceptable revenue levels from fixed revenue sources (such as first-tier or base fees) vs. variable revenue sources (such as volumetric billing). This analysis might be delayed for a few years, but it is highly recommended to establish water rates as a meaningful incentive for water efficiency.	Yes	
Frequency of Billing	Existing	All metered customers	Yes	Yes	High	Billing frequency for metered customers is monthly. No increase recommended. A billing frequency of one month is recommended for customers that have volumetric billing (i.e. metered customers).	No	Already exists
Inclining/Tiered Rates	Potential	All metered customers	Yes	Yes	High	Recommend lowering the first water tier for metered customers. Districts could also consider adding additional tiers.	Yes	
Water Budgets (Individually calculated outdoor water demand for each customer, based on lot size and landscaping types)	Potential	All customers	Yes	Yes	High	Water budgets could provide both Districts and customers better information for irrigation management, helping to identify inefficient water use. Later, water budgets could be used to develop a customer-specific tiered rate structure.	Yes	
Tap Fees with Water Use Efficiency Incentives		Not Applicable	No	-	-	Districts are already nearing build-out. Tap fee policies not applicable.		See Note
System Water Loss Management and Control (BP3)								
Distribution System Water Audits	Potential	Residential/commercial developments	Yes	Yes	Medium	Most portions of the Districts are relatively new. However, system loss monitoring should be ongoing for all developments, using the development-specific bulk meters and billing records for all taps. That ongoing monitoring should inform the need for audits, leak detection and repair, and water line replacement.	Yes	
Leak Detection and Repair	Potential		Yes	Yes	Medium		Yes	
Water Line Replacement Program	Potential		Yes	Yes	Medium		Yes	
Control of Apparent Losses (with Metering)	Potential	Common Areas	Yes	Yes	High	Add meters to common area taps and for all multifamily taps (including those Cape Hatteras/Montauk taps north of New Liberty Road).	Yes	
Golf Course Leak Detection	Potential	Golf courses	Yes	Yes	Low	Golf course water use (including distribution system losses) is already quite low. Therefore, the effectiveness of a golf-course specific leak detection effort led by the Districts may be low.	No	See Note
Planning (BP2)								
Integrated Water Resources Plans	Potential	All	Yes	Yes	High	The record of actual water use in the Districts is not long. As that record becomes established, efficient water use by the Districts will have an impact on the Districts' future planning decisions, such as storage requirements and infrastructure sizing. The Districts should continue to monitor system losses, water use, and water efficiency both to be aware of improvements that can be made and so that water use rates for future planning are vetted and established.	Yes	
Master Plans/Water Supply Plans	Potential	All	Yes	Yes	High		Yes	
Capital Improvement Plans	Potential	All	Yes	Yes	High		Yes	
Feasibility Studies	Potential	All	Yes	Yes	High		Yes	
Staff (BP4)								
Water Conservation Coordinator	Potential	All	Yes	Yes	High	The Districts will require a water conservation coordinator to communicate irrigation rules, monitor billing, conduct or delegate enforcement, issue violations, and communicate drought status and drought responses to customers during drought years. Advance HOA may be well-positioned to perform these tasks.	Yes	

Notes

M&W recommends that the Districts implement blue-highlighted activities first. These activities were selected for feasible near-term implementation and high effectiveness.

[1] This column provides a list of possible activities & identifies the Best Practice activity as defined in the Colorado WaterWise Guidebook of Best Practices (BP) for Municipal Water Conservation in Colorado. Additional activities identified through the planning process are also listed.

[2] Efficiency activities the Districts already perform are noted as "Existing". Activities the Districts could consider are noted as "Potential". Activities not applicable to the Districts are noted as such.

[3] Customer categories impacted by the activity.

[4] Activities were screened for applicability to the Districts, feasibility for implementation, and effectiveness in improving water efficiency. Specific considerations for each activity are noted.

[5] Activities to continue evaluating are indicated by a "Yes". Activities eliminated during this screening process are indicated by a "No".

[6] Note on the reason for eliminating the activity during the screening process. If N/A", refer to the Notes in [5].

The Water Conservation Act and Colorado State Statute 37-60-126 are not applicable to the Districts, so efficiency measures were screened and selected based upon Districts needs and preferences.

WORKSHEET E - IDENTIFICATION AND SCREENING OF IRRIGATION EQUIPMENT AND LANDSCAPING UPGRADES

Water Efficiency Activities for Screening [1]	Identification		Qualitative Screening [4]				Carry to Evaluation [5]	Reason for Elimination [6]
	Existing/ Potential Activity [2]	Targeted Customer Category [3]	Applicable to the Districts	Feasible Implementation	Effectiveness	Notes on Additional Pros/Cons to Consider		
Low Water Use Landscapes								
Drought Resistant Vegetation	Potential	Possibly Water Valley residential customers or common areas	Yes	Yes	High	Low water use, drought resistant, or even xeriscaping vegetation has been incorporated into landscape designs in some portions of the Districts, depending on HOA rules and development design. In older areas of the Districts and golf courses, conversion of bluegrass landscaping to xeriscaping or other low water use alternatives where feasible could provide attractive landscaping improvements while lowering irrigation water demands. Consider converting common areas first then incentivizing conversion by residential, commercial, and golf course customers (where feasible).	Yes	
Xeriscape	Potential		Yes	Yes	High		Yes	
Other Low Water Use Landscapes	Potential		Yes	Yes	High		Yes	
Irrigation Equipment Retrofits	Potential	Older properties	Yes	Yes	High	Incentivize irrigation system retrofits for older properties, currently those properties in Water Valley and Water Valley South. Check whether common area watering systems, especially in Water Valley, are up-to-date with technology (including irrigation controllers and rain sensors).	Yes	
Removal of Phreatophytes (plants that use shallow groundwater)	Not Applicable		No	Yes	High	This is not applicable to the Districts, as the Districts' water supply is surface water stored in lined reservoirs. Preatophytes do impact ditch operations (Whitney Ditch and B.H. Eaton Ditch), but ditch operations are handled by the respective ditch companies, not by the Districts.	No	Not Applicable
Irrigation Efficiency Evaluations/Outdoor Water Audits	Potential	All	No	Yes	High	The Districts are not interested in pursuing this efficiency measure at this time.	No	See note
Outdoor Irrigation Controllers	Existing	Residential	Yes	Yes	High	Ensure that existing and new development includes irrigation controllers and rain sensors.	Yes	
Irrigation Scheduling/Timing	Existing	Residential	Yes	Yes	High		Yes	
Rain Sensors	Existing	Residential	Yes	Yes	High		Yes	
Incentives								
Efficient Irrigation Equipment Rebates	Potential	All	No	Yes	Low	The Districts are not interested in pursuing this efficiency measure at this time.	No	See note
Landscape Water Budgets Information and Customer Feedback	Potential	Residential	Yes	Yes	High	Consider whether this might be beneficial as a way to educate residential customers about efficient water use. This information can also be used by the Districts to identify customers who are using too much water. The large variations in lot sizes across the Districts might make a water budget approach especially useful.	Yes	
Turf Replacement Programs/Xeriscape Incentives	Potential	All	No	Yes	Medium	The Districts may consider this approach for older areas. Will depend on HOA acceptance.	Yes	
Give-aways of water efficiency tools (e.g. irrigation controllers, etc.)	Potential	All	No	Yes	Low	The Districts are not interested in pursuing this efficiency measure at this time.	No	See note

Notes

None of the activities on this worksheet are recommended for early implementation by the Districts. However, the Districts should consider these activities as time goes on.

[1] This column provides a list of activities & if applicable, identifies the Best Practice activity as defined under *Colorado WaterWise Guidebook of Best Practices (BP) for Municipal Water Conservation in Colorado* . Additional activities identified through the planning process are also listed.

[2] Efficiency activities the Districts already perform are noted as "Existing". Activities the Districts could consider are noted as "Potential". Activities not applicable to the Districts are noted as such.

[3] Customer categories impacted by the activity.

[4] Activities were screened for applicability to the Districts, feasibility for implementation, and effectiveness in improving water efficiency. Specific considerations for each activity are noted.

[5] Activities to continue evaluating are indicated by a "Yes". Activities eliminated during this screening process are indicated by a "No".

[6] Note on the reason for eliminating the activity during the screening process. If N/A", refer to the Notes in [5].

Indoor water use efficiency measures have been removed from this table, due to their non-applicability to the Districts.

The Water Conservation Act and Colorado State Statute 37-60-126 are not applicable to the Districts, so efficiency measures were screened and selected based upon Districts needs and preferences.

WORKSHEET F - IDENTIFICATION AND SCREENING OF ORDINANCES AND REGULATIONS

Water Efficiency Activities for Screening [1]	Identification		Qualitative Screening [4]				Carry to Evaluation [5]	Reason for Elimination [6]
	Existing/ Potential Activity [2]	Targeted Customer Category [3]	Applicable to the Districts	Feasible Implementation	Effectiveness	Notes on Additional Pros/Cons to Consider		
General Water Use Regulations								
Time of Day Watering Restriction	Potential	All	Yes	Yes	High with enforcement	Since the Districts already enforce day-of-week and time-limit watering restrictions, M&W recommends the Districts add a time-of-day watering restriction. Enforcement will be key to making this rule change deliver results.	Yes	
Water Waste Ordinance (BP 5)	Potential	All	Yes	Yes	High with enforcement	A water waste rule and/or overspray rule could enable the Districts' staff to issue violations for inefficient or poorly managed irrigation at residential properties. Enforcement will be key to making this rule change deliver results.	Yes	
Water Overspray Limitations	Potential	All	Yes	Yes	High with enforcement		Yes	
Day of Week Watering Restriction	Existing	Residential	Yes	Yes	High	These restrictions already exist in the Poudre Tech MD 2019 Irrigation Guide. HOWEVER, a similar irrigation guide should be published for RainDance MD1.	No	Already exists
Time Limit on Watering	Existing	All	Yes	Yes	High		No	Already exists
Landscape Design/Installation Rules and Regulations								
Rules and Regulations for Landscape Design/Installation (BP 9)	Existing	All	Yes	Yes	High	Landscaping and irrigation equipment in all of the Districts' existing and new development has been selected by the developer. In that way, rules for landscape design, turf restrictions, and irrigation equipment already exist.	No	Already exists
Turf Restrictions (BP 9)	Existing	All	Yes	Yes	High		No	Already exists
Irrigation Equipment Requirements	Existing	All	Yes	Yes	High		No	Already exists
Landscaper Training and Certification (BP 8)	Not Applicable	All	No	No	Medium	The Districts do not currently require such training or certification for contractors who work within the Districts, and such a rule might be difficult for the Districts to enforce. Instead, the Districts could provide water efficient landscaping training to staff/contractors who irrigate common areas and golf courses within the Districts (see Worksheet G)	No	Not Applicable
Irrigation System Installer Training and Certification (BP 8)	Not Applicable	All	No	No	Medium		No	Not Applicable
Soil Amendment Requirements (BP 9)	Potential	All	Maybe	Yes	High	The Districts should consider soil amendment requirements for new developments. Soil amendments [such as organic matter/compost] "increase water and nutrient holding capacity while improving aeration and water filtration which is critical to reducing water demands" (CWW Best Practices Guide). M&W has not looked into typical soil types in the Districts or whether developer practices already include soil amendment.	Yes	
Outdoor Water Audits/Irrigation Efficiency Regulations (BP 10)	Potential	All	Yes	Yes	High	The Districts are not interested in pursuing this efficiency measure at this time.	No	Not Interested

Notes

M&W recommends that the Districts implement blue-highlighted activities first. These activities were selected for feasible implementation and high effectiveness.

[1] This column provides a list of activities & if applicable, identifies the Best Practice activity as defined under *Colorado WaterWise Guidebook of Best Practices (BP) for Municipal Water Conservation in Colorado* . Additional activities identified through the planning process are also listed.

[2] Efficiency activities the Districts already perform are noted as "Existing". Activities the Districts could consider are noted as "Potential". Activities not applicable to the Districts are noted as such.

[3] Customer categories impacted by the activity.

[4] Activities were screened for applicability to the Districts, feasibility for implementation, and effectiveness in improving water efficiency. Specific considerations for each activity are noted.

[5] Activities to continue evaluating are indicated by a "Yes". Activities eliminated during this screening process are indicated by a "No".

[6] Note on the reason for eliminating the activity during the screening process. If N/A", refer to the Notes in [5].

Indoor water use efficiency measures have been removed from this table, due to their non-applicability to the Districts.

The Water Conservation Act and Colorado State Statute 37-60-126 are not applicable to the Districts, so efficiency measures were screened and selected based upon Districts needs and preferences.

WORKSHEET G - IDENTIFICATION AND SCREENING OF EDUCATION ACTIVITIES

Water Efficiency Activities for Screening [1]	Identification		Qualitative Screening [4]				Carry to Evaluation [5]	Reason for Elimination [6]
	Existing/ Potential Activity [2]	Targeted Customer Category [3]	Applicable to the Districts	Feasible Implementation	Effectiveness	Notes on Additional Pros/Cons to Consider		
Customer Education (BP6)								
Bill Stuffers	Potential	Residential/ commerical	Yes	Yes	Medium	This approach might be required to communicate new water efficiency measures, such as the time of day watering restriction, to customers. Additionally useful for communicating drought condition and drought responses.	Yes	
Newsletter	Potential	Residential/ commerical	Yes	Yes	Low	If a Districts newsletter already exists, consider including water efficiency tips or information about water use policies.	Yes	
Newspaper Articles	Not Applicable		No	No	Low	No newspaper would be applicable to the Districts' service area.	No	Not Applicable
Mass Mailings	Not Applicable	Residential/ commerical	No	No	Low	There are more effective ways for the Districts to communicate with customers.	No	Not Applicable
Web Pages	Potential	Residential/ commerical	Yes	Yes	Medium	Recommend posting water efficiency information for customers on existing metro district web pages. Also communicate any policy changes or irrigation restrictions on the web page.	Yes	
Water Fairs	Not Applicable		No	No	Low	These types of presentations would be better performed by a municipal entity. The Districts do not have staff to perform this type of educational activity.	No	Not Applicable
K-12 Teacher and Classroom Education Programs	Not Applicable		No	No	Low		No	Not Applicable
Message Development/Campaign	Potential	Residential/ commerical	Yes	Yes	High	Recommend the Districts seek a unified message to promote water efficiency and drought preparedness across all developments within the Districts. Communications should be centralized.	Yes	
Interactive Websites	Potential	Residential/ commerical	Yes	Yes	Medium	Consider providing customers access to Badger Meter's EyeOnWater customer portal	Yes	
Social Networking (e.g Facebook, Instagram, Twitter, etc.)	Potential	Residential/ commerical	Yes	Yes	Low	If Districts' currently maintain these channels of communication, could be used for water efficiency or drought related communications.	Yes	
Communication related to lake levels	Potential	Residential/ commerical	Yes	Yes	High	Lakes and reservoirs in the Districts can be maintained at higher levels if customer irrigation efficiency improves. An educational campaign related to the Districts' water amenities and water efficiency could be effective for motivating customers to adopt more water efficient practices.	Yes	
Customer Surveys	Potential	Residential/ commerical	Yes	Yes	Low	These methods of customer engagement can be time-consuming and are likely to have low effectiveness for the bottom-line goal of increasing water efficiency.	No	Low effectiveness
Focus Groups	Potential	Residential/ commerical	Yes	Yes	Low		No	Low effectiveness
Citizen Advisory Boards	Potential	Residential/ commerical	Yes	Yes	Low		No	Low effectiveness
Technical Assistance								
Customer Water Use Workshops	Potential	Golf courses, Staff who irrigate Common Areas, Residential/ commercial	Yes	Yes	Low	If the Districts are interested in educational workshops on water efficient irrigation for customers or for contractors/staff who irrigate common areas and golf courses, there are a variety of external entities that could offer such training. M&W could assist the Districts in identifying a trainer.	Yes	
Landscape Design and Maintenance Workshops	Potential		Yes	Yes	Low		Yes	
Xeriscape Demonstration Garden	Potential	All	Yes	Yes	Low	The Districts are not a municipal entity and are not interested in pursuing this educational measure at this time.	No	Not Interested
Water Conservation Expert Available	Potential	Residential/ commercial	Yes	Yes	High	Ideally, District staff tasked with enforcing irrigation rules could talk knowledgably with customers about best practices and the need to comply with the irrigation rules.	Yes	

Instructions:

M&W recommends that the Districts implement blue-highlighted activities first. These activities were selected for feasible implementation and high effectiveness.

[1] This column provides a list of possible activities & if applicable identifies the Best Practice activity as defined under Colorado WaterWise Guidebook of Best Practices (BP) for Municipal Water Conservation in Colorado. List additional activities identified through the planning process.

[2] Efficiency activities the Districts already perform are noted as "Existing". Activities the Districts could consider are noted as "Potential". Activities not applicable to the Districts are noted as such.

[3] Customer categories impacted by the activity.

[4] Activities were screened for applicability to the Districts, feasibility for implementation, and effectiveness in improving water efficiency. Specific considerations for each activity are noted.

[5] Activities to continue evaluating are indicated by a "Yes". Activities eliminated during this screening process are indicated by a "No".

[6] Note on the reason for eliminating the activity during the screening process. If N/A", refer to the Notes in [5].

The Water Conservation Act and Colorado State Statute 37-60-126 are not applicable to the Districts, so efficiency measures were screened and selected based upon Districts needs and preferences.

**RESOLUTION
OF THE BOARD OF DIRECTORS OF
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY**

ADOPTING A DROUGHT POLICY

WHEREAS, the WaterDance Non-Potable Water Activities Authority (the “**Authority**”) is a separate governmental entity, political subdivision, and public corporation of the State of Colorado, established pursuant to Section 29-1-204.2, C.R.S., and in conformity with Sections 29-1-201, *et seq.*, C.R.S., by the Establishment Agreement dated as of September 29, 2026 (the “**Establishment Agreement**”), by and between Raindance Metropolitan District No. 1 and Poudre Tech Metropolitan District (together, the “**Members**”); and

WHEREAS, the Authority owns, operates, and maintains, as a single, consolidated non-potable water utility, the non-potable irrigation water systems and associated water rights and water resources serving the Authority Service Area (as defined in the Establishment Agreement) (collectively, the “**Non-Potable System**”); and

WHEREAS, pursuant to Section 29-1-204.2, C.R.S., and Sections 2.10 and 3.03 of the Establishment Agreement, the Board of Directors of the Authority (the “**Board**”) is empowered to manage, control, and supervise the business and affairs of the Authority and to adopt, by resolution, regulations respecting the exercise of the Authority’s powers and the carrying out of its purposes; and

WHEREAS, the water supply available to the Non-Potable System is subject to variable hydrologic conditions, including snowpack, streamflow, priority calls, and reservoir storage, and the Authority may experience periods in which its water supply is insufficient to meet normal irrigation demand; and

WHEREAS, the Rules and Regulations (defined below) authorize the Board, when conditions of supply so limit the Authority’s water supply that unrestricted water use may endanger the adequacy of that supply, to adopt water use restrictions reasonably calculated to conserve and protect that supply; and

WHEREAS, the Board desires to adopt a drought policy establishing the process by which the Board will evaluate water supply conditions and declare stages of drought, and the irrigation water use restrictions that will apply during each stage (the “**Drought Policy**”); and

WHEREAS, the Board finds that the adoption of the Drought Policy is in the best interest of the Authority, the Members, and the public health, safety, and welfare within the Authority Service Area.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE AUTHORITY AS FOLLOWS:

1. Adoption. The Board hereby adopts the Drought Policy, attached hereto and incorporated herein as **Exhibit A**.
2. Authorization. The Board hereby directs the Authority Manager, as may be necessary, to implement, administer, and otherwise oversee compliance with the Drought Policy, and to take such other actions as are necessary or convenient to carry out the purposes of this Resolution.
3. Enforcement. The Drought Policy shall be enforced in accordance with the Authority's Water System Rules and Regulations, as amended from time to time (the "**Rules and Regulations**"), including the imposition of fees, surcharges, penalties, and fines, and the suspension or discontinuance of service, as provided therein. In the event of a conflict between the Drought Policy and the Rules and Regulations, the more restrictive provision shall control.
4. Amendments. The Authority expressly reserves the right to amend, revise, and/or repeal this Resolution and the Drought Policy, in whole or in part, from time to time, in order to further the purpose of carrying on the business, objects, and affairs of the Authority.
5. Effective Date. This Resolution and the Drought Policy shall be effective upon the later of the date of adoption of this Resolution and the effective date of the Authority's Resolution Adopting Water System Rules and Regulations, and shall remain in full force and effect until amended or repealed by the Board.
6. Severability. If any term or provision of this Resolution or the Drought Policy is found to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, such invalid or unenforceable term or provision shall not affect the validity of this Resolution or the Drought Policy as a whole but shall be severed therefrom, leaving the remaining terms and provisions in full force and effect.

[Remainder of page intentionally left blank. Signature page follows.]

ADOPTED THIS 15TH DAY OF OCTOBER, 2026.

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY**, a political
subdivision and public corporation of the State of
Colorado

President

ATTEST:

Secretary

Signature page to Resolution Adopting a Drought Policy

EXHIBIT A

DROUGHT POLICY

Poudre Tech Metropolitan District & RainDance Metropolitan District No. 1 **2021 Drought Plan** **DRAFT**



Martin and Wood
Water Consultants, Inc.

538 Commons Drive
Golden, CO 80401
Phone: (303) 526-2600
www.martinandwood.com

Project No. 899.2
February 26, 2021

TABLE OF CONTENTS

EXECUTIVE SUMMARY	1
I. INTRODUCTION.....	3
1.1 BACKGROUND	3
1.2 PURPOSE OF DROUGHT PLANNING	4
1.3 ACHIEVABLE DEMAND REDUCTION	5
1.4 AUTHORITY OF WATER DISTRICTS TO ENFORCE	6
1.5 STRUCTURE OF DROUGHT PLAN.....	6
II. HISTORICAL WATER USE.....	7
2.1 HISTORICAL WATER USE.....	7
III. DROUGHT VULNERABILITY ASSESSMENT.....	11
3.1 OPERATIONAL MODEL	11
3.2 MODELED DROUGHT CONDITIONS.....	11
III. DROUGHT MONITORING PLAN.....	13
4.1 DROUGHT DETECTION WITH OPERATIONAL MODEL	13
4.2 DROUGHT TRIGGERS	14
4.3 DROUGHT RESPONSE TO TRIGGERS	16
4.3.1 <i>Supply-Side Measures</i>	17
4.3.2 <i>Customer Outreach</i>	18
4.3.3 <i>Irrigation-Oriented Measures</i>	18
4.3.4 <i>Rate-Oriented Measures</i>	19
4.3.5 <i>Golf Courses</i>	20
4.4 IMPLEMENTATION, ENFORCEMENT, AND MONITORING	21
IV. CONCLUSION	22
REFERENCES	23

LIST OF TABLES AND FIGURES

TABLES

Table 2-1: Districts Total Water Use

Table 2-2: Water Valley Residential Irrigation (Total and Application)

Table 2-3: Water Valley South, Hilltop Estates, and Pelican Farms Residential Irrigation (Total and Application)

Table 2-4: Pelican Lake Golf Course (18-holes) Irrigation (Total and Application)

Table 2-5: Pelican Falls Golf Course (9-holes) Irrigation (Total and Application)

Table 4-1: Demand Reduction Goals

Table 4-2: Drought Responses

FIGURES

Figure 1-1: Districts Service Areas

Figure 1-2: Subdivisions Within the Districts

Figure 2-1: Poudre Tech 2015-2020 Average Irrigation

Figure 2-2: Poudre Tech 2015-2020 Average Irrigation Application

Figure 3-1: Historical Cache la Poudre River at Canyon Mouth Streamflow

Executive Summary

The purpose of this Drought Plan is to enable Poudre Tech Metropolitan District and RainDance Metropolitan District No. 1 (collectively referred to as the “Districts”) to plan for fluctuations in water supply and promote increased reliability of non-potable water service to their customers during drought years. This Drought Plan has been prepared by Martin and Wood Water Consultants, Inc. (Martin and Wood), with information and guidance from the Districts.

During a drought, the lack of winter snowfall and reduced summer precipitation impacts streamflow, reduces water storage reserves, and increases landscape irrigation demands. Drought management planning helps water providers prepare for reduced water supplies and aims to minimize the short- and long-term impacts of drought. Efficient water use can allow the Districts to maintain the aesthetic appeal of their community and minimize the economic, social, and environmental impacts of drought.

This Drought Plan focuses on drought mitigation and drought response strategies to reduce non-potable water demands, which include landscape irrigation for residential and commercial water users, golf course irrigation, and the filling of aesthetic water features within the community. The Plan identifies drought indicators, which will allow the Districts to anticipate droughts and their severity, and outlines appropriate responses to various drought stages. Implementing the measures in this Plan will mitigate drought damage to the Districts’ facilities by allocating water supplies in a controlled manner that targets long-term sustainability.

The Districts consist of growing developments south of Windsor, Colorado, serving residential communities, commercial property, three golf courses, parks, and open space. The Cache la Poudre River runs through the Districts and also serves as the Districts primary source of water supply.

Historical irrigation information for the Districts is available for existing developments within the Poudre Tech Metropolitan District from 2015 through 2020. These data indicate that average irrigation application is not consistent throughout the District, with average irrigation application rates ranging from 2.67 feet per year (feet/year) to 4.22 feet/year. Martin and Wood estimates that an average application of 2.8 feet/year is adequate to provide a full supply for bluegrass in the Districts and that irrigation application as low as 70% of the full supply, or 2.0 feet/year in an average year, would not damage bluegrass. This comparison of the Districts’ historical application to these benchmark irrigation application values indicates that there is the potential for improved demand management, both during droughts and during non-drought periods. The Districts’ Efficiency Plan is intended to be used in conjunction with the Drought Plan as an integrated water resources plan for drought and non-drought periods.

Martin and Wood created an operational model of the Districts' non-potable water supply system that considers changes in both supplies and demands, providing a flexible tool for the Districts' planning and for adaptation to changing climate, hydrologic conditions, river administration, and internal operations. Martin and Wood used this model to construct a drought response plan with four stages based upon varying levels of projected water shortage. Each stage expands on the policies and restrictions of the previous stage, enabling the Districts to take a progressive approach to reducing water use during a drought. These four stages are outlined below.

- Stage 1:** Lawn irrigation limits and schedules, with no restrictions on golf courses or aesthetic water features. The water use reduction goal is 5%.
- Stage 2:** Irrigation restrictions expand to include a drought surcharge on non-metered users, and to include golf courses. The water use reduction goal is 10%.
- Stage 3:** Irrigation restrictions expand further with a drought rate structure to incentivize reduced water use, as well as more stringent restrictions on the irrigation schedule. Aesthetic water features are no longer supplied. The water use reduction goal is 15%.
- Stage 4:** Increased enforcement of lawn irrigation restrictions present in Stage 3, and golf courses modify existing irrigation systems to increase efficiency. The water use reduction goal is 20%.

Drought Responses to the drought stages above are summarized in Table 4-2 of this report. The Districts will be responsible for implementing Drought Responses. Martin and Wood will be responsible for running the Operational Model to identify the Drought Stage, assessing the effectiveness of Drought Responses, and will work closely with the Districts to assist in implementation of this Plan and operational decisions as needed.

This Drought Plan will enable the Districts to plan for drought conditions, establish drought mitigation measures, and respond quickly to changing conditions to preserve the health and visual appeal of their landscaping in the face of reduced water supplies. As development within the Districts continues, effective drought management can help provide reliable water service during both short- and long-term drought periods.

I. INTRODUCTION

Droughts are a naturally occurring part of Colorado's climate that cannot be avoided. However, proper drought management planning can help water providers reduce the economic, social, and environmental impacts of drought. Drought management planning is most effective when performed as part of an integrated planning effort that may include water efficiency planning, climate planning, and land use planning.

This Drought Plan (or "Plan") was developed by Martin and Wood Water Consultants, Inc. (Martin and Wood) for Poudre Tech Metropolitan District (Poudre Tech MD) and RainDance Metropolitan District No. 1 (RainDance MD1) (collectively referred to as the "Districts") to provide mitigation and response strategies to withstand dry years and extended periods of drought. The Plan summarizes the Districts' water systems and historical water use patterns, provides a drought vulnerability assessment (both historical and future), describes a plan for drought monitoring, and provides specific drought mitigation and response strategies for varying intensities of drought. This Plan is intended to be used along with the Districts' Water Efficiency Plan as an integrated comprehensive water management plan. The Districts' Water Efficiency Plan will address long term strategic and sustainable use of the Districts' water resources.

1.1 Background

The Districts provide non-potable water supplies to areas in Windsor, Colorado, adjacent to the Cache la Poudre River as shown in Figure 1-1. All Subdivisions within the Districts receive potable water supply from the Town of Windsor and non-potable supply from the Districts. Subdivisions in the Districts include Water Valley, Water Valley South, Hilltop Estates, Pelican Farms, and RainDance Subdivisions as shown in Figure 1-2. Poudre Tech MD serves Water Valley, Water Valley South, Hilltop Estates, Pelican Farms, and two golf courses. Raindance MD1 serves or will serve the RainDance Subdivision and a golf course.

The Districts rely on a range of water supplies to meet the non-potable water demands of their customers. Currently, all of the Districts' non-potable water supplies are sourced from the Cache la Poudre River; however, there are plans to obtain additional water supplies from the Big Thompson River in the future. A portion of the Districts' water supplies are associated with senior direct flow water rights pursuant to share ownership in the Whitney Ditch and B.H. Eaton Ditch in addition to a deeded water right that provides 240 acre-feet per year (AF/yr). The Whitney Ditch and B.H. Eaton Ditch water rights have historically provided a consistent and reliable water supply to the Districts even during dry years. The Districts also have junior storage rights associated with multiple reservoirs, which allow for the capture of intermittent supplies that can support a percentage of the Districts' non-potable demands and also serves as a reserve during droughts.

The Districts serve residential and commercial properties, three golf courses, parks, and open space. Lands within the Districts' service areas continue to be developed and have not yet reached full build-out. The current use of metered water delivered to the Districts' customers is irrigation, with a small percentage of water use associated with filling of aesthetic ponds. In addition, the Districts' water supplies are also used for commercial (including snowmaking in the future), industrial, wetland establishment and maintenance, wildlife habitat, fish habitat, recreation, replacement, augmentation, and exchange purposes, which were not evaluated in this Plan. The non-potable water demands within the Districts at full build-out are projected to average 2,500 AF/yr.

The Districts' non-potable water supply system has been in existence since the late 1990's, and development of the system has been on-going since that time. Completed portions of the water supply system include Water Valley, Water Valley South, Hilltop Estates, Pelican Farms, Pelican Lake Golf Course (18-holes), and Pelican Falls Golf Course (9-holes). The RainDance Subdivision and the 18-hole RainDance Golf Course are currently being constructed and once constructed the Districts will be very near full build-out.

1.2 Purpose of Drought Planning

Drought has the potential to stress the Districts' water supplies by increasing the Districts' water demands and decreasing the yield from their water supplies. The impacts are even more pronounced during periods of extended drought. Recently, the two most significant droughts occurred in 2002 and 2012. The 2002 drought was followed by multiple years of less severe drought conditions and more restrictive administrative call conditions¹, making the 2002 through 2009 period the longest sustained drought experienced by the Districts thus far. Lower local precipitation and higher temperatures associated with droughts may increase irrigation water demands within the Districts while lesser or earlier spring runoff, often associated with droughts, can intensify administrative call conditions, preventing the Districts from diverting water under their junior storage rights and increasing return flow obligations² on their senior direct flow rights. Implementing the measures in this Plan will help mitigate drought damage to landscaping within the Districts by allocating water supplies in a controlled and reasonable manner while also targeting long-term sustainability.

The Districts rely on healthy landscapes for both aesthetics and recreational opportunities. Drought can cause significant negative impacts, both in the short- and long-term. In an

¹ Administrative river calls enforce the diversion of water rights by priority. Typically, senior water priorities (developed from the 1880's to 1970's) "place a call", preventing more junior water rights (developed after the 1970's) from diverting water. During spring runoff, wet summers, and winter months, there is the possibility of having no administrative calls, also known as "Free River", allowing more junior water rights to divert.

² Return flow obligations are amounts diverted from the river and associated with senior water rights historically used for irrigation which must be returned to the river under a specified timing regime to mimic historical return flows to the river when the water was being used for irrigation.

extended drought, even established landscaping may be lost, requiring significant time and cost for full restoration. Low water levels in reservoirs may prohibit fishing and other recreation and may represent long-term habitat loss for fish and other aquatic species in the Districts' reservoirs. Planning for droughts will allow the Districts to manage water use in periods of water scarcity, helping to mitigate potential losses. Drought planning can also delay or prevent the Districts' need to develop additional water supplies and construct additional storage reservoirs. One of the goals of drought management planning is to be prepared for droughts before they occur so that strategic measures can be implemented to prevent emergency situations.

This Drought Plan was developed by evaluating the historical climate and river streamflow records but also considers how climate change may impact precipitation and temperature patterns in the future. The Fort Collins Water Supply Vulnerability Study (WSVS) predicts average annual temperature increases by 8 degrees Fahrenheit, average annual precipitation decreases by 10%, and a 30% reduction in streamflow on the Cache la Poudre River at the mouth of the Poudre Canyon during the period from 2050 to 2074. The timing of peak runoff is also expected to be impacted by temperature increases. The Fort Collins WSVS shows that, in their hottest scenarios, average peak streamflow could occur in May rather than June. These changing patterns may lead to extended drought patterns and more severe droughts. Climate change may reduce the yield of water supplies and increase water demands for the Districts and other entities state-wide.

1.3 Achievable Demand Reduction

Water demand reductions may seem at odds with healthy and visually attractive landscaping; however, the experience of many Front Range communities has shown that significant water savings is achievable without causing damage to lawns and other landscaping. In many of the drought plans from other Front Range water providers, communities describe their experiences with having to use water more carefully in drought situations—and the positive impacts of these changes to water use.

During the 2002 and 2012 droughts, many Front Range communities adapted quickly to using water more efficiently, and many of those changes became permanent. For example, Louisville had no formal drought plan enacted prior to the 2002 drought and implemented ad-hoc drought measures in response to water scarcity. Despite the 2002 drought being well outside any planned conditions for Louisville's water supply system, Louisville was able to maintain healthy landscapes in its community—demonstrating that drought measures can be implemented quickly and reduce water use without causing damage to the landscape. Similarly, the Fort Collins-Loveland Water District (FCLWD) enacted temporary drought rates in 2003 with the aim of reducing water usage by 20 percent; the FCLWD 2015 Municipal Water Efficiency Plan Update identifies drought rates as a very effective way to encourage efficient water use. Greeley has also reported demand reductions of 20% in recent years as a

result of water efficiency measures, with as much as a 26% reduction in irrigation-season water consumption in 2004.

Boulder has reported that, in the 2002 drought, many residents' lawns lost their visual appeal after several months of significant irrigation restrictions, but "after some precipitation arrived in the fall, lawns throughout the city quickly turned from brown to green." Even when watering is reduced to an extent that bluegrass lawns lose visual appeal, the tendency of many bluegrass cultivars to enter dormancy during low-water periods can prevent permanent damage to lawns.

Furthermore, Louisville, Denver Water, and Westminster have all observed that their communities' experiences with the 2002 and 2012 droughts resulted in an increase in awareness of watering use and permanent reductions in overall water use. Denver Water's conservation program that arose from the 2001 through 2007 drought resulted in a permanent 20% reduction in water use compared to water use from 1993 through 2001. As Westminster noted, "Since the 2002 drought, water use in the City has stayed lower to, or even with, water use levels prior to the drought. This 'drought shadow' is evidence that a culture of conservation has taken hold within the City's customers, who place a value on water efficiency and wise water use." Across the Front Range, communities have reduced water demands during and following droughts without sacrificing landscaping aesthetics. Many of these reductions have occurred voluntarily without the need for strict enforcement.

1.4 Authority of Water Districts to Enforce

The Districts are quasi-municipal corporations and political subdivisions of the State of Colorado, and as such, exercise certain governmental powers for the benefit of their constituents and the Districts in general. The Districts derive power from Colorado statutes and from a Consolidated Service Plan approved by the Town of Windsor. The Districts have the power to tax properties within their boundaries and to impose various fees, rates, tolls, charges and penalties for services and facilities provided by the Districts.

The Districts are governed by elected Boards of Directors ("the Boards"). The Boards are responsible for the overall management and affairs of the Districts.

1.5 Structure of Drought Plan

This Drought Plan describes the Districts' historical water use (Section 2), assesses the Districts' vulnerability to drought (Section 3), defines drought stages and the process to identify and respond to droughts (Section 4), and provides a brief summary of long-term best management practices and infrastructure that the Districts might pursue to improve their water efficiency and drought preparedness (Section 5). In general, the Drought Plan provides the triggers and responses for Drought Stages 1 through 4, which vary in degree of intensity from mild in a Stage 1 Drought to severe in a Stage 4 Drought.

II. HISTORICAL WATER USE

Prior to developing strategies to reduce water use during droughts, it is important to understand how much water the Districts currently use and whether water use can be reasonably reduced based on calculated landscaping demands. This section summarizes information on non-potable water use within the Districts.

2.1 Poudre Tech Metropolitan District Historical Water Use

The primary non-potable water use in the Districts is irrigation of lawns, parks, and golf courses. During the 2000 to 2017 period, the average irrigation water requirement (IWR) for bluegrass turf near Windsor, Colorado was 2.5 feet per year³, with calculated IWR as high as 2.7 feet per year in 2002 and 2.8 feet per year in 2012. The IWR is the amount of water required to be applied by irrigation to produce a full and healthy crop (in this case, bluegrass turf) after precipitation has satisfied a portion of the turf's water demand. The amount of irrigation water that must be applied to meet the IWR is increased to account for evaporation and sprinkler spray loss to determine water supplies which must be delivered to a lawn via sprinklers. Evaporation and sprinkler spray losses tend to be higher if irrigation is applied in the warmest daytime hours. Assuming a sprinkler spray loss of 10%, the required annual water application (water applied by sprinklers) would average approximately 2.8 feet per year to fully satisfy the turf water demands, up to 3.1 feet per year in a dry year similar to 2012.

However, studies and guidance (Danielson and Feldhake, 1980 and 1981, Colorado Master Gardener Notes) indicate that bluegrass can both survive and maintain visual appeal with as little as 70% of its full irrigation supply provided. In Windsor, 70% of the average irrigation application is 2.0 feet per year and 70% of the 2012 required application is 2.2 feet per year. Study data collected on lawns in Fort Collins have supported the adequacy of these annual application amounts. This information may be useful to the Districts as they implement drought restrictions, providing an acceptable lower limit for irrigation application.

Although the Poudre Tech MD has been in existence since the late 1990's, most of the Poudre Tech MD development occurred after the 2002 drought, and limited water use data was available during the 2012 drought. Personnel from Poudre Tech MD indicated anecdotally that lake levels dropped during the 2012 drought, with the Rockbridge Lake level dropping to the historically low level of its gravity-fed outlet to the Cache la Poudre River.

Based on the availability of data, Martin and Wood summarized historical water use information for Poudre Tech MD in the 2015 through 2020 period based upon bulk metering records of water deliveries to Pelican Lake Golf Course, Pelican Falls Golf Course, Water Valley, Water Valley South, Hilltop Estates, and Pelican Farms. Water use in RainDance MD1 started

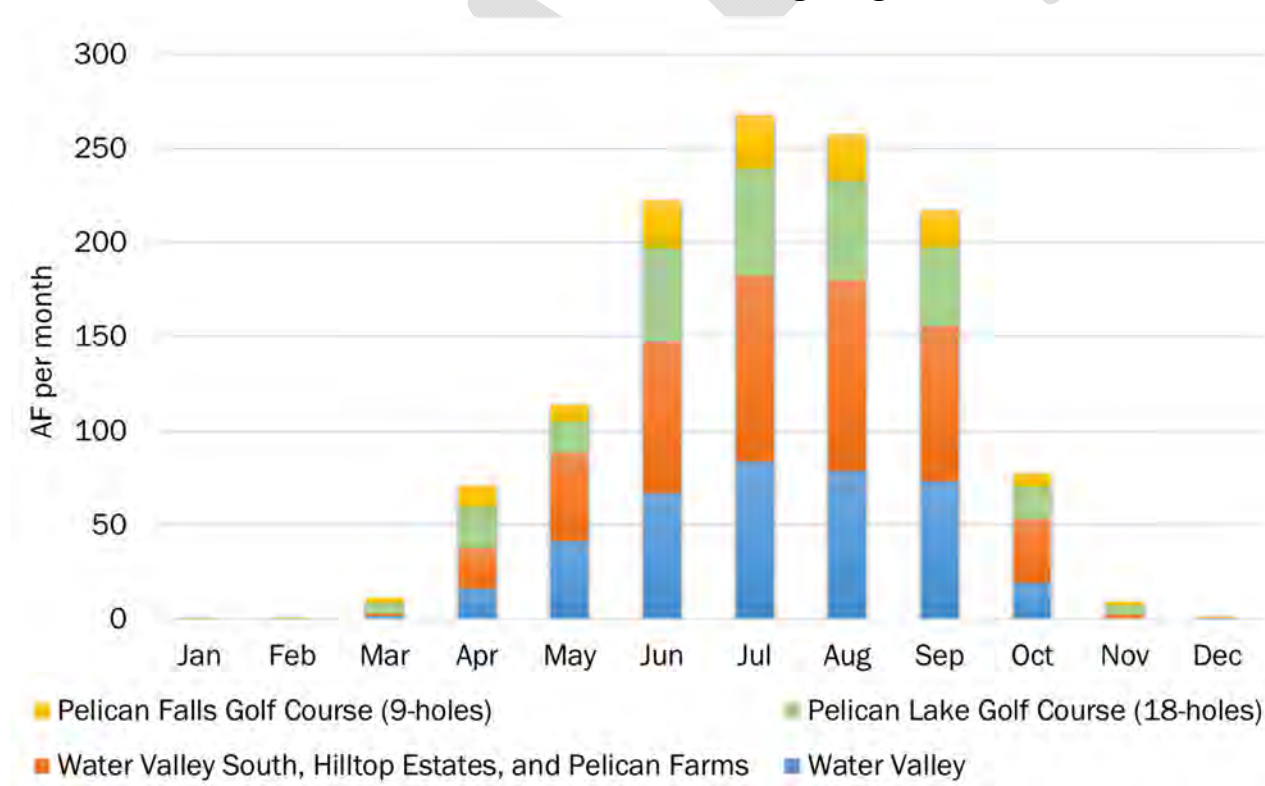
³ Estimated by a Soil Conservation Service (SCS) Technical Release 21 (TR-21) monthly Blaney-Criddle analysis using Pochop bluegrass crop coefficients to estimate crop evapotranspiration (ET). Effective precipitation was subtracted from ET to estimate IWR.

on a limited basis in 2019, changing quickly during that time as additional lots have been developed and including a large percentage of turf establishment watering. As such, RainDance MD1 irrigation data was not considered adequate to summarize.

As shown in Table 2-1, irrigation water use for the two golf courses and residential developments in Poudre Tech MD averaged 1,250 AF per year during the 2015 through 2020 period and 1,276 AF per year during the 2017 through 2020 period when full build-out had been achieved throughout most of Poudre Tech MD subdivisions. As described above, water use associated with RainDance MD1 is not included in these estimates as development is still on-going. Additionally, the Districts continue to grow, so future irrigation amounts are expected to be higher than historical amounts.

Figure 2-1 presents the 2015 through 2020 average monthly irrigation use (AF per month) in each of Poudre Tech MD's existing areas. Water use for both golf courses and residential areas peaks during the warmest months of June through September, with the Districts' irrigation water use exceeding 200 AF in each of those months.

Figure 2-1
Poudre Tech MD 2015-2020 Average Irrigation



The total historical irrigation amounts in Table 2-1 have been further categorized by subdivision and type of use within the Districts as shown in Tables 2-2a and 2-2b (Water Valley), Tables 2-3a and 2-3b (Water Valley South, Hilltop Estates, and Pelican Farms), Tables

2-4a and 2-4b (18-hole Pelican Lake Golf Course), and Tables 2-5a and 2-5b (9-hole Pelican Falls Golf Course). Each of the “a” series tables present total irrigation amounts (AF) and each of the “b” series tables present irrigation application (feet). Irrigated areas within each development were provided by TST Consulting Engineers, Inc. to Martin and Wood in January 2021.

- Tables 2-2a and 2-2b present irrigation amounts in the residential, commercial, and common space areas for 90.4 acres in Water Valley. In 2015 through 2020, annual irrigation in Water Valley averaged 381 AF, for an average annual application of 4.22 feet. This average application is 150% of the estimated full supply for bluegrass, 2.8 feet. Note that Water Valley water use summarized here is based upon bulk development meters, rather than meters on individual customer taps. Therefore, the application rate estimated includes distribution system losses, the magnitude of which are currently unknown due to lack of metering. Martin and Wood will address monitoring and control of system water losses in the Water Efficiency Plan.
- Tables 2-3a and 2-3b present irrigation amounts in the residential, commercial, and common space areas for 154.4 acres in Water Valley South, Hilltop Estates, and Pelican Farms. Irrigation of the 15.2-acre Pelican Farms Development did not commence until June 2015 and irrigation of the 46.7-acre Hilltop Estates Development did not commence until September 2016, and these acreage adjustments were incorporated into Table 2-3b. In 2015 through 2020, annual irrigation in these areas averaged 469 AF, with an average annual application of 3.37 feet. This average application is 134% of the estimated full supply for bluegrass. Similar to Water Valley, these water use amounts are based upon bulk development meters and therefore include distribution system losses, which may partially explain the high application rate estimated.
- Tables 2-4a and 2-4b present golf course irrigation amounts for 100 acres of turf on the 18-hole Pelican Lake Golf Course. In 2015 through 2020, annual irrigation of the golf course averaged 267 AF, for an average annual application of 2.67 feet. This average application is 95% of the estimated full supply for bluegrass.
- Tables 2-5a and 2-5b present golf course and park irrigation amounts for a total of 47.9 acres at the 9-hole Pelican Falls Golf Course and the New Liberty Greenbelt. In 2015 through 2020, annual irrigation of the golf course and park averaged 132 AF, for an average annual application of 2.76 feet. This average application is 99% of the estimated full supply for bluegrass.

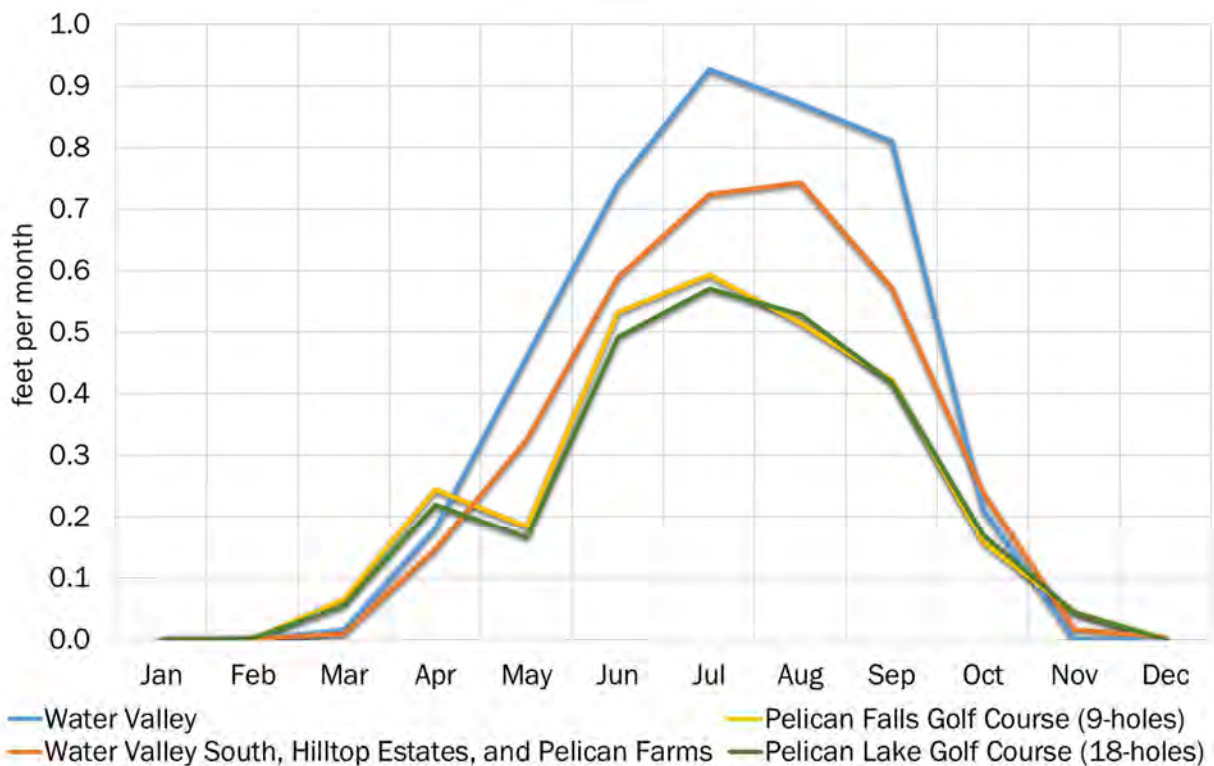
As summarized above, irrigation water application varies across Poudre Tech MD. Golf course application rates are slightly less than the estimated full bluegrass supply of 2.8 feet/year (95% to 98% of the full supply). Centralized and active management of golf course irrigation likely results in relatively efficient water application. Conversely, residential application is much higher than the estimated full bluegrass supply (134% to 150% of the full supply),

suggesting that irrigation efficiency in the residential areas requires improvement, particularly in Water Valley. The Districts' Water Efficiency Plan will outline measures to increase efficiency such as improved metering, water loss control, a revised rate structure, and increased monitoring/enforcement of watering violations.

This Drought Plan anticipates that the Districts may need to reduce irrigation below the full supply for bluegrass, estimated to average 2.8 feet annually, in some or all portions of the Districts during times of drought. The maximum Districts-wide reduction anticipated is 20%, which applies to a Stage 4 Drought. Based upon the Poudre Tech MD historical application rates described above, a further 20% reduction from these rates would not result in the bluegrass water supply falling below 70% of a full supply, estimated to be 2.0 feet in an average year and 2.2 feet in a dry year, as described above.

Figure 2-2 presents the average irrigation application (feet per month) in the 2015 through 2020 period for each of the Districts' existing developments. As described above, Water Valley has the highest irrigation application, followed by Water Valley South, Hilltop Estates, and Pelican Farms, Pelican Falls Golf Course, then Pelican Lakes Golf Course.

Figure 2-2
Poudre Tech MD 2015-2020 Average Irrigation Application



III. DROUGHT VULNERABILITY ASSESSMENT

A drought vulnerability assessment was performed to evaluate past and future drought vulnerabilities. The conclusions in the assessment were used to guide the development of the Drought Stages and associated Drought Responses. The Districts are relatively new and do not have quantitative data available from the distinct dry years of 2002 or 2012. Additionally, the Districts were not near build-out conditions during those years. To evaluate vulnerabilities, an Excel-based Operational Model was used to understand effects the Districts would have experienced historically if they were at full build-out.

3.1 Operational Model

An Operational Model was developed to replicate the Districts' historical water operations and simulate future water operations at full build-out under both drought and non-drought conditions. The Operational Model simulates the Districts' operations related to direct flow water supplies, reservoir water storage supplies, and water demands. The Operational Model is highly detailed in that it allows for scenario planning of individual reservoirs, return flow obligations and credits, exchanges, and replacements through bypass and augmentation structures under an array of climatic, hydrologic, and administrative conditions.

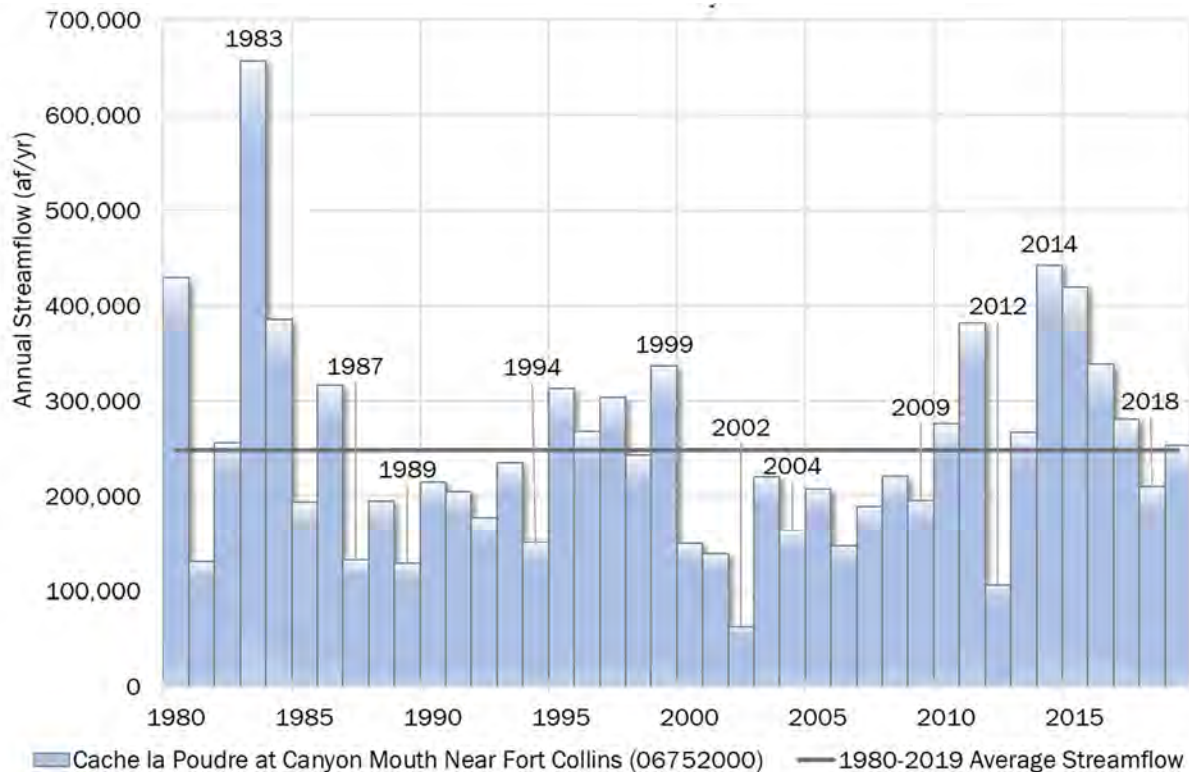
The Operational Model was constructed using historical daily hydrologic and administrative call data from November 1979 through October 2017 (which encompasses the 1980 to 2017 water years (WY)) to the extent available. Water supply in the Operational Model was limited to historical physically and legally available river flows on the Cache la Poudre River above the Whitney Ditch and the B.H. Eaton Ditch.

3.2 Modeled Drought Conditions

Throughout the Operational Model study period from WY 1980 through 2017, the most severe reductions in water supply availability occurred during the extended 2002 drought period. As shown in Figure 3-1 the annual streamflow in the Cache la Poudre River was the lowest during drought years 2002 and 2012 and remained lower than average during the extended drought period of 2002 through 2009. The 2002 to 2004 period is widely known throughout the state of Colorado as the most severe drought of recent record and the years that followed (2005 through 2009) also consisted of drier than average conditions.⁴

⁴ NOAA National Centers for Environmental Information, Climate at a Glance: Statewide Time Series illustrates drought severity using Palmer Drought Index. URL: <https://www.ncdc.noaa.gov/cag/statewide/time-series/5/pdsi/all/1/1895-2020>

Figure 3-1
Historical Cache la Poudre River at Canyon Streamflow



The Districts were in the process of development during the 2002 through 2009 period; therefore, historical demands and reservoir operations under that drought period do not represent operations at full build-out. The Operational Model simulated the effects of historical drought conditions while considering full build-out demands.

The Operational Model was used to identify and rank historical droughts by calculating the water shortages that the Districts would have experienced if they were at full build-out during the historical and projected drought conditions. Utilizing the results of modeled shortages, four drought stages were defined:

- **Stage 1 Drought:** 0 – 125 AF of shortage. This lowest drought level is triggered when the Operational Model predicts any amount of water supply shortage, up to 125 AF/yr of shortage, equivalent to 5% of the Districts' build-out water demands.
- **Stage 2 Drought:** 125 – 250 AF of shortage. The second drought level is triggered when the Operational Model predicts at least 125 AF of water supply shortage, up to 250 AF of shortage, equivalent to 10% of the Districts' build-out water demands.
- **Stage 3 Drought:** 250 – 350 AF of shortage. This third drought level is triggered when the Operational Model predicts at least 250 AF/yr of water supply shortage, up to 350 AF/yr of shortage, equivalent to 15% of the Districts' build-out water demands and the highest single-year shortage the Districts would have experienced during the 2002

through 2009 dry period if they had been fully built out and if an administrative call preventing junior storage had persisted from November 2001 to October 2008.

- **Stage 4 Drought:** 350 – 575 AF of shortage. The highest drought level is more severe than the 2002 through 2009 drought or any drought the Districts would have experienced during the historical 1979 through 2017 period. Modeling for this drought level includes altered hydrologic, administrative call, and demand inputs to simulate a more severe drought than is represented by the historical data. Specifically, assumptions in this model scenario attempt to model drought under future climate change conditions. The Stage 4 drought level is triggered when the Operational Model predicts at least 350 AF/yr of shortage, up to 575 AF/yr, which is equivalent to 20% of the Districts' build-out water demands after those demands have been increased by approximately 14% for climate change.

Each of the four Drought Stages described above have specific Response Strategies to reduce the potential shortage in water supplies as described below.

III. DROUGHT MONITORING PLAN

By March 1st each year, and at least monthly during the irrigation season, Martin and Wood will run the Operational Model with a reasonable projection of hydrologic and administrative call conditions for the remaining portion of the irrigation season. Martin and Wood's March 1st and monthly model run can dovetail efficiently with its current responsibility to assist with the Districts' water accounting and water operations decisions. In the future, responsibility for running the Operational Model could be transitioned to the Districts once full build-out is achieved if that is a desired goal desired by the Districts.

4.1 Drought Detection with Operational Model

The Operational Model was developed as a planning tool with a large degree of flexibility in inputs to allow for modeling of various planning scenarios related to demands, water rights, reservoir storage, and other infrastructure. The Operational Model will be used in the future to project the Districts' water supply yields, demands, and operations under anticipated hydrologic and administrative call conditions. A drought response for the Districts will be triggered when a water supply shortage is projected by the Operational Model. The magnitude of the modeled shortage will be used to determine which drought stage to implement. When running the Operational Model for the purpose of determining Drought Stage, the following assumptions will be used.

Projected reservoir levels beginning March 1st will be calculated based on current conditions and estimated evaporative losses, irrigation demands, and return flow obligations. Unless there is clear evidence that the junior storage rights will come into priority in a given year, it

will be assumed that the junior storage rights will not be able to refill the reservoirs at any point throughout the modeled period.

Water demands within the Districts will be estimated based on the most recent 3-year average water use for each development and golf course increased by a safety factor. This factor, which is intended to reflect increases in demands during times of drought, may be adjusted over time.

Hydrologic conditions from 2002 through 2004 will be used in the model and may be adjusted upward or downward based on Natural Resources Conservation Service (NRCS) streamflow forecasts⁵ for the Cache la Poudre River at Mouth of Canyon USGS streamflow gage (Gage No. 06752000). If deemed necessary, other sources of information may also be used, such as SNOTEL snowpack data⁶, the Colorado Water Conservation Board (CWCB) Surface Water Supply Index (SWSI)⁷, NOAA Climate Forecasts⁸, and communication with Water Commissioners. The Operational Model will be run for a period of 3 years generally simulating the 2002 through 2004 period. The purpose of running the Operational Model for a 3-year period is to identify multi-year consequences of water operations, such as reductions in reservoir levels or increases in return flow obligations owed to the river.

The established water supply shortage for a given year will be equal to the sum of any unsatisfied customer demands through March of the following year and any unmet return flow obligations through April of the following year. The established water supply shortage will also be presented as a percentage of projected demands. This percentage will be compared to the Drought Triggers summarized in Section 4.2. The entire 3-year modeled period should be reviewed to ensure there are no additional shortage concerns later in the model period. The Operational Model will also be updated monthly throughout the irrigation season to monitor conditions. Should the percentage of water shortage for remaining months in the irrigation season compared to the demand for the remaining months in the irrigation season change significantly, the Districts will be notified of the shift and the Districts will be responsible for implementing more or less severe Drought Restrictions associated with the new stage.

4.2 Drought Triggers

If the Operational Model run projects any water supply shortage for the Districts during the upcoming year (from current month through April 30th), that shortage will be compared to the District's projected water demands over the same period. Using the Drought Trigger

⁵ Natural Resources Conservation Service Streamflow Forecasts for the western region can be accessed here: <https://www.wcc.nrcs.usda.gov/wsf/index.html>

⁶ United States Department of Agriculture (USDA) Snow Telemetry (SNOTEL) data can be accessed here: https://www.nrcs.usda.gov/wps/portal/nrcs/detail/co/snow/products/?cid=nrcs144p2_063323

⁷ <https://dwr.colorado.gov/services/water-administration/drought-and-swsi>

⁸ National Oceanographic and Atmospheric Administration climate forecasts are well-summarized here: <https://www.cbrfc.noaa.gov/climate/climoForecasts.php>

percentages below, the shortage will be used to determine the Drought Stage as described below:

- **Stage 1 Drought:** Shortage **over 0%** (up to 5%) of the projected water demands.
- **Stage 2 Drought:** Shortage **over 5%** (up to 10%) of the projected water demands.
- **Stage 3 Drought:** Shortage **over 10%** (up to 13%) of the projected water demands.
- **Stage 4 Drought:** Shortage **over 13%** (up to 20%) of the projected water demands.
- In the unlikely scenario that the projected shortage exceeds 20% of the Districts' projected water demands, additional drought responses, outside of what are considered in this Drought Plan, would be required.

Table 4-1 below identifies the Districts' water demand reduction goals based on the Drought Stage identified. Achieving these demand reduction goals will enable the Districts to reduce projected water supply shortages, equitably distributing the burden for demand reduction throughout the developments and Districts. Based on Poudre Tech MD's 2015 through 2020 average irrigation application (Tables 2-2b through 2-5b), Martin and Wood estimates that the maximum required irrigation reduction of 20% should not result in wide-spread loss of bluegrass turf in any portion of the District. However, we note that if irrigation application is currently non-uniform (for example, if some areas receive 2.7 feet/year of irrigation application while adjacent areas receive just 2.3 feet/year application), then a uniform irrigation reduction of 20% in all areas has the potential to cause turf damage, as a 20% irrigation reduction on bluegrass already receiving just 2.3 feet/year application would drop the application below 70% of a full supply. In the case of non-uniform irrigation application, the Districts' staff will have to evaluate irrigation reductions on a case-by-case basis. Because irrigation application for bluegrass turf is much higher than that for trees, no damage to the Districts' trees is anticipated, even with the irrigation reductions required under a Stage 4 Drought.

**Table 4-1
Demand Reduction Goals**

Stage Total Percent Demand Reduction Goal	1 5%	2 10%	3 15%	4 20%
% Reduction in Demand Goal				
Single-Family Residential Without Individual Meters	10%	15%	20%	20%
Single-Family Residential With Individual Meters	10%	15%	20%	20%
Multi-Family Residential	5%	10%	20%	20%
Commercial Areas	5%	10%	10%	20%
Golf Courses	0%	5%	10%	20%
Parks, Schools, Farms, and Common Areas	5%	10%	10%	20%
Aesthetic Water Features	0%	0%	100%	100%
Weighted Total	5%	11%	15%	21%
Reduction in Demand Goal (AF/yr)				
Residential Without Individual Meters	30	45	60	60
Residential With Individual Meters	71	106	141	141
Multi-Family Residential	1	3	5	5
Commercial Areas	3	5	5	10
Golf Courses	0	44	88	176
Parks, Schools, Farms, and Common Areas	25	50	50	101
Aesthetic Water Features	0	0	18	18
Total	130	253	368	511

Note

Based on a maximum demand equal to 2,484 AF/yr.

After the initial Operational Model is run by April 1st, Martin and Wood will update the Operational Model monthly. The purpose of these monthly updates is twofold:

- 1) To check for significant changes to hydrologic conditions that may signal a change in Drought Stage, and
- 2) To check the efficacy of the Drought Responses described in Section 4.2 in reducing Districts' water demands.

4.3 Drought Response to Triggers

The Districts are responsible for achieving the water demand reduction goals shown in Table 4-1 using the Drought Responses shown in Table 4-2 attached to this report. These Drought Responses have been designed considering the demand reduction goals, and they include system-wide responses such as reducing the length of the irrigation season, irrigation rules and restrictions for customers, drought surcharges on water fees, public communication campaigns, and measures specific to golf courses and aesthetic water features. The Drought Responses are designed to be feasible and achievable by the Districts, to comport with the Districts' existing irrigation rules, to be applicable to the Districts' existing water usage

patterns, and to be supported by the demand reductions achieved by other water providers who have enacted similar measures. As time goes on, Martin and Wood and the Districts may modify, remove, or add Drought Responses to Table 4-2 to better target demand reduction goals and respond to conditions and preferences of the Districts. Therefore, Table 4-2 should serve as a starting point that may be updated over time.

4.3.1 Supply-Side Measures

System-wide, supply-side oriented Drought Responses, which consist of reducing distribution system pressure, increasing enforcement of irrigation violations, shortening the season that the non-potable system is available to customers, and turning off aesthetic water features, may be enacted by the Districts at the management level, with limited coordination and only cursory communication with customers required. These system-wide Responses can be adopted in stages as drought conditions worsen.

Shortening the season that the non-potable system operates is a recommended Drought Response for all drought stages, though the scale of the reduction may vary. Based on the analysis of irrigation application that was discussed in Section 2.1 (average annual application of 2.8 feet), bluegrass near Windsor requires limited irrigation in the spring month of March and the fall month of November, in many years requiring no irrigation at all in November. Therefore, at minimum, Martin and Wood recommends that the Districts consider limiting the residential irrigation within the Districts to no earlier than April 1 and no later than October 31 during any Drought Stage. This operational decision would depend on weather conditions specific to that particular year, and Districts' staff may consider that typically lower air temperatures in the early spring and late fall can increase the length of time that bluegrass can survive without irrigation. Studies on bluegrass tolerance for and recovery from drought have shown that many bluegrass cultivars can recover after 10- to 30-day periods with no irrigation, depending on air temperature, cultivar, soil condition, and other factors.

Additionally, at Stage 2 Drought and higher drought stages, the Districts may consider shortening the irrigation season further by allowing irrigation to begin in mid to late April and ceasing in late September to mid-October. The Districts should consider, on a case-by-case basis, whether weather and soil conditions permit shortening of the irrigation season. Reducing the Districts' water use in the months of April and October, as compared to reducing their use in May through September, can have a greater impact on reducing drought shortages. This is because return flow obligations on the Districts' senior water rights are particularly high in April and October, resulting in a greater required draft on Districts' reservoirs for water use during those months.

Increasing enforcement of irrigation restrictions may be useful at all drought stages but is currently recommended particularly starting at Stage 2 Drought. Increased enforcement should consist of staff time spent driving around the Districts to inspect for violations of the day-of-week, time-of-day, and overspray irrigation restrictions.

At the point of a Stage 4 Drought, the Districts should consider whether reducing distribution system pressure, either system-wide or in specific zones, might reasonably achieve lower losses and better managed irrigation application. In preparation for that decision, the Districts might consider performing test runs of pressure reduction in the various zones of their distribution system, to help determine the effects of pressure reduction.

Aesthetic water features, including certain golf course ponds and entryway ponds, rely on non-potable water supplies from the Districts. During Stage 1 and Stage 2 droughts, no change to the operation of these features is recommended. During Stage 3 and Stage 4 droughts, it is recommended that the Districts cease filling these water features. This will have the benefit of reducing the Districts' water demand by reducing evaporation and spray losses, and also provides clear messaging to customers about the drought conditions. As another form of messaging customers, it may also be beneficial during drought periods to turn off ornamental fountains supplied by potable water from the Town of Windsor.

4.3.2 Customer Outreach

Customer outreach is the first line of defense for any drought stage. Clear and consistent communication with customers regarding drought conditions and irrigation restrictions has been shown to reduce outdoor water use by up to 16%. Therefore, during droughts, the Districts should communicate the current drought stage to their customers, the current drought responses being enforced (including irrigation restrictions, increased enforcement, and water rate increases), and provide customers with advance notice of additional drought responses that might be triggered at higher drought stages. Additionally, in the interest of transparency and clearly communicating with customers, the Districts may consider posting information on drought stages and responses on a widely accessible forum such as the Districts' websites.

Additional methods of drought communication to customers may be chosen by the Districts and may consist of emails, flyers, social media, announcements made at meetings, and signage within the Districts. Martin and Wood recommends that the Districts designate a staff person responsible for drought communication and develop media templates for each of the drought stages. Martin and Wood is available to assist or manage any of these endeavors if needed by the Districts.

4.3.3 Irrigation-Oriented Measures

Irrigation restrictions applicable to residential, commercial, and institutional customers during droughts must be communicated to customers and enforced by the Districts. In Stage 1 and Stage 2 droughts, irrigation restrictions are equivalent to the restrictions required during non-drought periods. The 2019 Poudre Tech Metro Districts Water Valley No. 1 & No. 2 Irrigation Water Guide specifies irrigation restrictions required of all the Districts' customers. One proposed addition to this guide is a time-of-day irrigation restriction. that would prohibit

irrigation between the hours of 10 a.m. and 6 p.m. for both non-drought periods and mild to moderate drought periods, such as Stage 1 and Stage 2 droughts. This restriction would have the benefit of reducing wasted water and increasing irrigation efficiency. Because Districts' staff already enforce day-of-week and overspray restrictions, enforcement of time-of-day irrigation restrictions would add minimal additional enforcement costs.

At the Stage 3 and Stage 4 droughts, it is proposed that irrigation restrictions be increased as follows:

- Maintain the baseline time-of-day restriction on irrigation between 10 a.m. and 6 p.m.
- From the baseline day-of-week restriction of 3 days per week (alternating by even/odd addresses) to the increased restriction of 2 days per week (alternating by even/odd addresses)
- From the baseline time-limit restriction of 15 minutes for pop-up sprinklers and 25 minutes for rotor-type sprinklers to the reduced time limit of 12 minutes for pop-up sprinklers or 20 minutes for rotor-type sprinklers.

Martin and Wood recommends that the Districts review residential water use on a monthly basis during any drought to assess the efficacy of drought responses. This review can be performed as part of the monthly Operational Model update and review of water meter data in Tables 2-2a and 2-3a, which provide 2015 through 2020 average monthly residential water use, can be used by Martin and Wood and the Districts to assess water use reductions.

4.3.4 Rate-Oriented Measures

Water rate structures, if properly designed, can incentivize more efficient customer water use. The Districts' existing rate structure does not incentivize water efficiency for two main reasons. First, a large portion of the Districts' residences (Water Valley) do not have individual meters on their non-potable taps, preventing the assessment of a tiered water rate structure in these areas. Second, even for the portion of the Districts that do have individual meters (Water Valley South and RainDance), the Districts have not yet adopted a tiered-type rate structure.

The Districts charge a base water fee (\$306 to \$380 annually) plus a water use fee tied to annual water usage higher than approximately 201,000 gallons. This high tier (201,000 gallons) is approximately 60% higher than the 126,000 gallons per year estimated to provide a full water supply (2.8 feet per year) to the estimated average Poudre Tech MD lawn size of 0.14 acres⁹. Therefore, the Districts' current single-tier rate structure does not incentivize water efficiency on a long-term basis. A more incentivizing rate structure would consist of a lower annual fee and multiple water use tiers, starting at a much lower base tier. A rate analysis should be performed by District staff or consultants to optimize the annual fee and

⁹ 244.9 irrigated acres in Water Valley (WV) and Water Valley South (WVS) as estimated by TST Consulting Engineers, Inc. in January 2021, divided by 1,765 dwelling units in WV and WVS.

water use tiers to both assure the Districts' water revenues and incentivize customer water efficiency. Noting these limitations of the Districts' current water billing practices, Martin and Wood will propose modified billing practices in the Districts' Water Efficiency Plan, which will also be finalized in 2021.

However, for the purpose of this Drought Plan, and considering the possibility that the Districts may face a drought as early as 2021, Martin and Wood has largely adhered to the Districts' current water billing practices in proposing rate-oriented Drought Responses. Specifically, drought surcharges have been proposed for both non-metered and metered water users and a rate increase has been proposed for metered water users. Drought surcharges would apply to the annual water use fee, and the surcharges would increase incrementally with increases in the Drought Stage. Water rate increases would apply to any usage over the existing tier of 201,000 gallons. As compared to metered users, non-metered water users experience a larger drought surcharge that triggers at a lower drought stage. Conversely, metered users have a lower drought surcharge but also experience a doubling of the water usage rate applying to water usage above the first tier¹⁰.

4.3.5 Golf Courses

Drought responses for golf courses should be designed to reduce golf course water use by 5% during a Stage 2 drought, by 10% during a Stage 3 drought, and by 20% during a Stage 4 drought. Because of the efficiency of golf course irrigation relative to other irrigation uses in the Districts, golf course water use reduction during a Stage 1 drought is not recommended. The specific measures implemented by the golf courses to achieve their stage-specific water use reduction goals should be flexible to allow for implementation and improvement by golf course staff. The Districts should work closely with golf course staff to monitor their water use reduction during times of drought.

Tables 2-4a and 2-5a, which provide the 2015 through 2020 average monthly golf course water use within the Poudre Tech MD, can be used by the Districts to assess water use reductions. Martin and Wood recommends that the Districts review golf course water use on a monthly basis during any drought. Consistent communication, monitoring, and the recommended strategies below can lead to successful reductions in water demand during droughts. Long-term strategies to ensure golf course water use remains within actual irrigation demands are described in the Efficiency Plan.

The golf courses are water customers of the Districts; therefore, it is recommended the system-wide measures recommended for the Districts are also applied to the golf courses. Based on historical water use data, golf courses within the Districts tend to irrigate for a longer

¹⁰ The drought surcharges and rates have been designed to result in an approximately equal increase to non-metered and metered customer water bills during a Stage 3 drought, assuming that the typical annual exceedance of 201,000 gallons by metered users is 40,000 gallons.

season compared to other water users; therefore, it is important that reducing the length of the irrigation season, as recommended in Section 4.2.1, is clearly communicated to golf course staff with each change in drought stage.

Table 4-2 includes recommended strategies for reducing golf course demands during times of drought. The golf courses play a critical role in the culture and environment of the surrounding developments; therefore, in Drought Stages 3 and 4 it is recommended that the golf courses use their influence in the community to provide information related to the importance of water conservation and steps the golf course is taking to conserve water.

There are also specific operational changes the golf courses can make to reduce water demand during various drought stages, such as reductions in irrigated area and changes in mowing practices. Some of these changes are recommended in Table 4-2; however, the Districts should collaborate with golf course staff to find additional methods of reducing water demand. These potential additional methods of water reduction could be formally identified with the development of a golf course drought plan. In addition to operational changes, more robust soil moisture monitoring tools and use of calculated evapotranspiration needs can lead to more efficient water operations.

4.4 Implementation, Enforcement, and Monitoring

Implementation of this Drought Plan is the responsibility of the Districts. Martin and Wood recommends that, as an initial step, the Districts communicate the Drought Stages and associated responses summarized in Table 4-2 to applicable staff and to major customers such as golf courses. The Districts may decide whether publishing this Drought Plan and/or Table 4-2 for wider distribution to its residential and commercial customer base is appropriate.

In the case that a drought occurs, Drought Responses summarized in Table 4-2 should be communicated clearly and consistently to customers, as described in Section 4.2.2.

Heightened enforcement required during drought periods may be funded by increased revenue from rate-oriented drought measures. Heightened enforcement should consist of the Districts' staff increasing their time spent visually observing irrigation practices around the Districts, including adding nighttime inspections. Greater staff and subcontractor time will also be required for the issuance of violations and fine collections.

Martin and Wood will continue to summarize historical water use information for the Districts as part of the monthly water accounting submittals. Additionally, Tables 2-1 through 2-5 of this Drought Plan will be expanded on a monthly basis during irrigation months of drought periods and on an annual basis otherwise, with additional tables added as new developments within the Districts begin to receive non-potable water deliveries. If Martin and Wood becomes aware that the drought responses proposed in this Drought Plan are inadequate to reduce

Districts' water demands by the required thresholds, then modifications to the drought responses will be proposed to the Districts' staff.

In addition to system-wide monitoring of water use, it would also be beneficial for the Districts to develop a regular interval in which water use information for individual water meters is provided to customers and compared to neighboring water meter averages and conservation goals. These reports could also be used to identify and educate high water consumers in severe droughts and are further described in the Water Efficiency Plan.

IV. CONCLUSION

This Drought Plan outlines Drought Stages the Districts are likely to encounter, proposed Drought Responses, and lays out a path for Drought Plan updates as new information becomes available. The proposed Drought Responses focus on water demand reduction, with the goal of reducing strain on the Districts' water supply reserves so that the Districts' reservoir storage can continue to supply water demands through drought periods.

This Drought Plan supplements the ongoing water supply planning efforts that the Districts are performing (including water right change cases and water leases). Currently, the Districts are also engaged in water efficiency planning, and a Water Efficiency Plan is forthcoming that will address long-term efficiency improvements that the Districts might consider as a supplement to or alternative to developing new water supplies. These long-term efficiency improvements will include 1) adding individual customer meters for Water Valley, 2) metering all taps, even non-customer taps used to irrigate medians and common areas, 3) improving billing system practices to track all water uses within the Districts by customer type, and 4) improving the Districts' tiered water rate structure for metered customers.

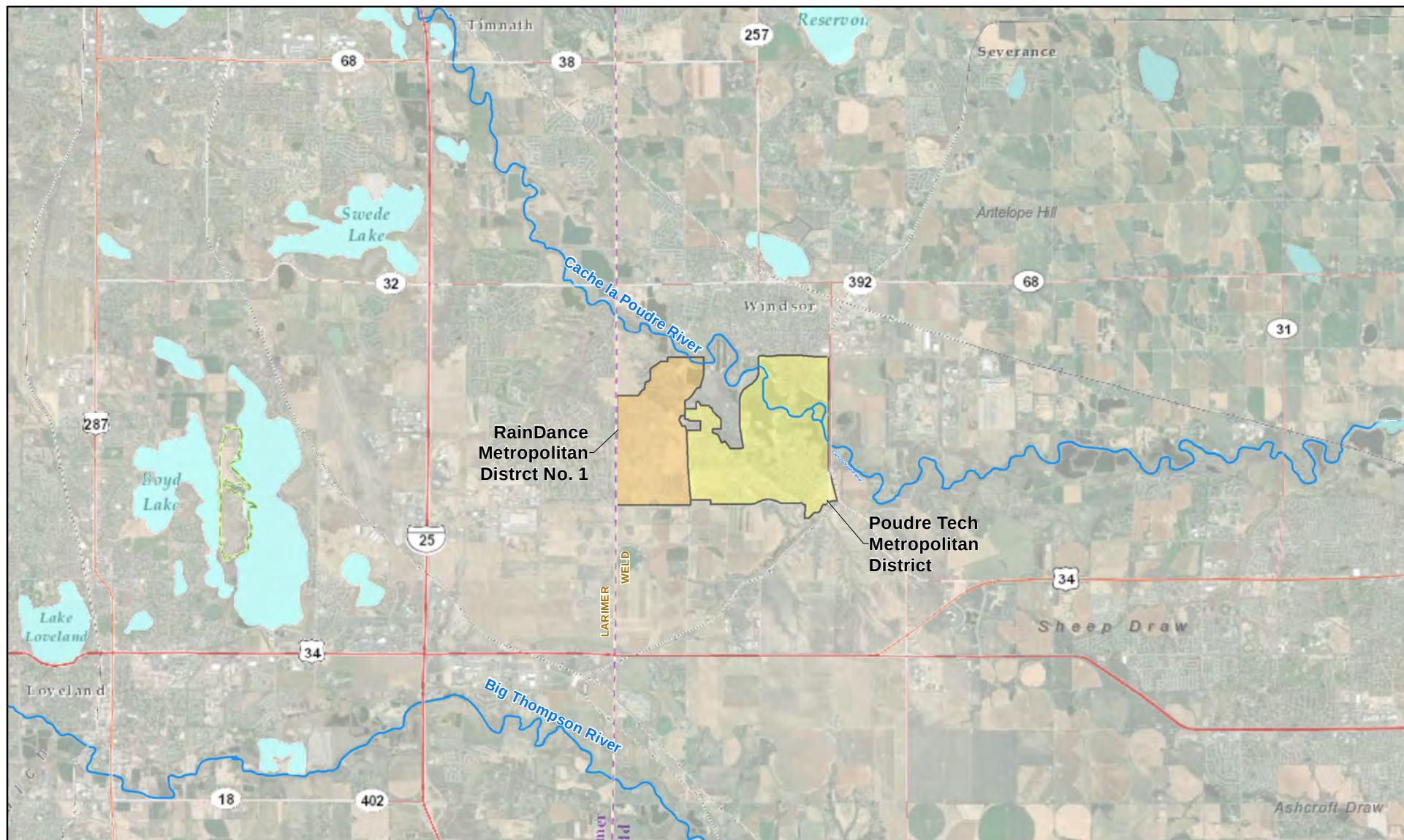
This Drought Plan is intended to be a management tool for maintaining a reliable water supply during droughts. Because the Plan includes a range of responses, it gives the Districts flexibility to adapt appropriately to different drought conditions. Having a flexible and comprehensive Drought Plan helps prepare the Districts in the face of future uncertainty.

The Drought Plan was developed with a current understanding of build-out demands, the Districts' water rights, water supply conditions, and anticipated climate change impacts. This Plan should be updated as needed to align with changes in build-out demands and water rights and should be adjusted as new information regarding water supply conditions and climate change impacts becomes available.

REFERENCES

- [1] Colorado's Decision Support Systems, "Administrative Calls - Historical".
- [2] Colorado's Decision Support Systems, "Diversion Records".
- [3] National Resources Conservation Service, "Cache la Poudre River at Canyon Mouth Streamflow Forecasts".
- [4] "2019 Poudre Tech Irrigation Water Guide," 2019.
- [5] Colorado Water Conservation Board, "Colorado Drought Mitigation and Response Plan," 2013.
- [6] City of Fort Collin, "Fort Collins Utilities Water Supply Vulnerability Study Draft Report," 2019.
- [7] City of Loveland, "Drought Management Plan," 2013.
- [8] Denver Water, "Drought Response Plan," 2016.
- [9] City of Westminster, "Drought Management Plan," 2019.
- [10] *Windsor Station Climate Data*.
- [11] *Greeley Station Climate Data*.
- [12] *Greeley UNC Climate Station*.
- [13] Colorado WaterWise, "Guidebook of Best Practices for Municipal Water Conservation in Colorado," 2010.
- [14] Colorado Water Institute, "'DUMMY TITLE Guidance doc on visual appeal'".
- [15] C. Wooldridge, Interviewee, *Water Valley Special Projects Manager*. [Interview].
- [16] G. Kerr, Interviewee, *Water Valley General Manager*. [Interview].
- [17] NOAA National Centers for Environmental Information, "Climate at a Glance: Statewide Time Series," 6 November 2020. [Online]. Available: <https://www.ncdc.noaa.gov/cag/statewide/time-series/5/pdsi/all/1/1895-2020>.
- [18] Natural Resources Conservation Service Streamflow Forecasts, [Online]. Available: <https://www.wcc.nrcs.usda.gov/wsf/index.html>.
- [19] United States Department of Agriculture, "Snow Telemetry (SNOTEL) Data," [Online]. Available: https://www.nrcs.usda.gov/wps/portal/nrcs/detail/co/snow/products/?cid=nrcs144p2_063323.
- [20] Colorado Division of Water Resources, "Drought & Surface Water Supply Index," [Online]. Available: <https://dwr.colorado.gov/services/water-administration/drought-and-swsi>.
- [21] National Oceanic and Atmospheric Administration, "Colorado Basin River Forecast Center," [Online]. Available: <https://www.cbrfc.noaa.gov/climate/climoForecasts.php>.
- [22] M. D. Richardson, D. E. Karcher, K. Hignight and D. Rush, "Drought Tolerance of Kentucky Bluegrass and Hybrid Bluegrass Cultivars," *Applied Turfgrass Science*, 2009.
- [23] A. L. Goldsby, "Establishment, Drought Tolerance and Recovery, and Canopy Analysis of Turfgrasses in the Transition Zone," Kansas State University, Manhattan, Kansas, 2013.

- [24] T. G. Ansett, "Varietal Recovery from Drought-Induced Dormancy in Kentucky Bluegrass," Colorado State University, Fort Collins, Colorado, 1978.
- [25] *Division 1 Water Court Case No. 02CW390.*
- [26] *Division 1 Water Court Case No. 02CW391.*
- [27] *Division 1 Water Court Case No. 04CW346.*
- [28] *Division 1 Water Court Case No. 08CW65.*
- [29] City of Boulder, "City of Boulder, Colorado Drought Plan," 2004.
- [30] Fort Collins-Loveland Water District, "2015 Municipal Water Efficiency Plan Update," 2015.
- [31] City of Louisville Public Works Department, "City of Louisville, Colorado Drought Management Plan," 2013.
- [32] City of Greeley, "2004 Water Master Plan Annual Review," 2004.
- [33] R. E. Danielson, C. M. Feldhake, C. M. Feldhake and P. M. Haw, "Water Requirements for Urban Lawns in Colorado," Colorado Water Resources Research Institute, 1980.
- [34] R. E. Danielson and C. M. Feldhake, "Urban Lawn Irrigation and Management Practices for Water Saving with Minimum Effect on Lawn Quality," Colorado Water Resources Research Institute, 1981.
- [35] Colorado Water Conservation Board, "Drought Management Planning: A Guide For Water Providers," 2020.
- [36] Colorado State University Extension, "Colorado Master Gardener GardenNotes #267 Watering Efficiently," 2017.



Legend

- Poudre Tech Metropolitan District
- RainDance Metropolitan District No. 1



0 0.5 1 2
Miles

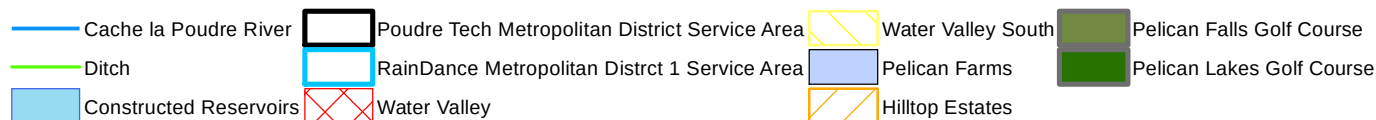
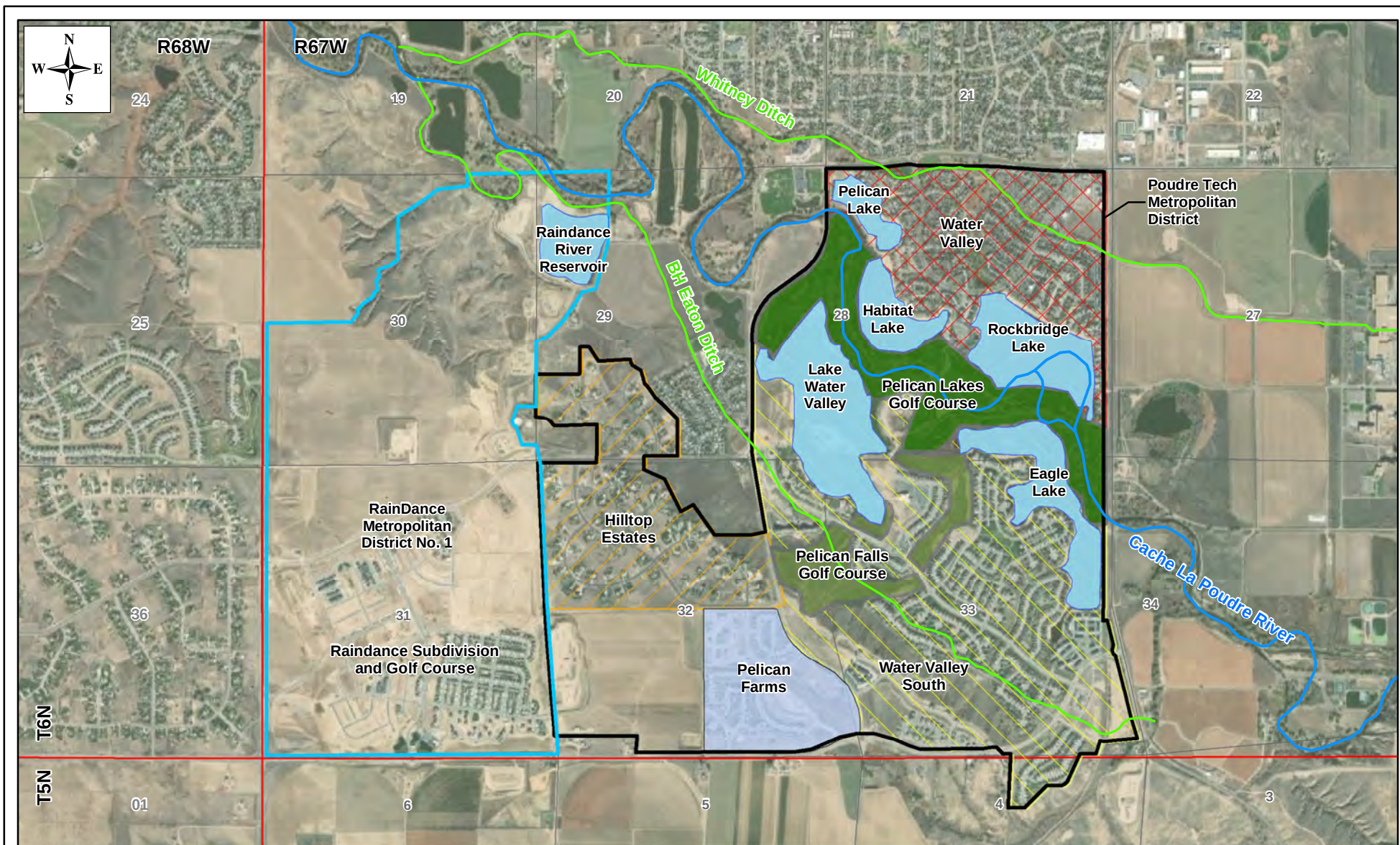
Coordinate System: NAD 1983 UTM Zone 13N
Projection: Transverse Mercator
Datum: North American 1983
Scale: 1:120,000



538 Commons Drive
Golden, CO 80401
(303) 526-2600
www.martinandwood.com

Figure 1-1
RainDance Metropolitan District No. 1 and
Poudre Tech Metropolitan District Areas

Job No.: 899.2
Date: 2/4/2021
Drawn: SHZ



0 0.15 0.3 0.6
Miles
Coordinate System: NAD 1983 UTM Zone 13N
Projection: Transverse Mercator
Datum: North American 1983
Scale: 1:29,872

Figure 1-2
Subdivisions Within the Districts



538 Commons Drive
Golden, CO 80401
(303) 526-2600
www.martinandwood.com

Job No.: 899.2
Date: 2/18/2021
Drawn: SHZ

Figure 2-1
2015-2020 Average Irrigation

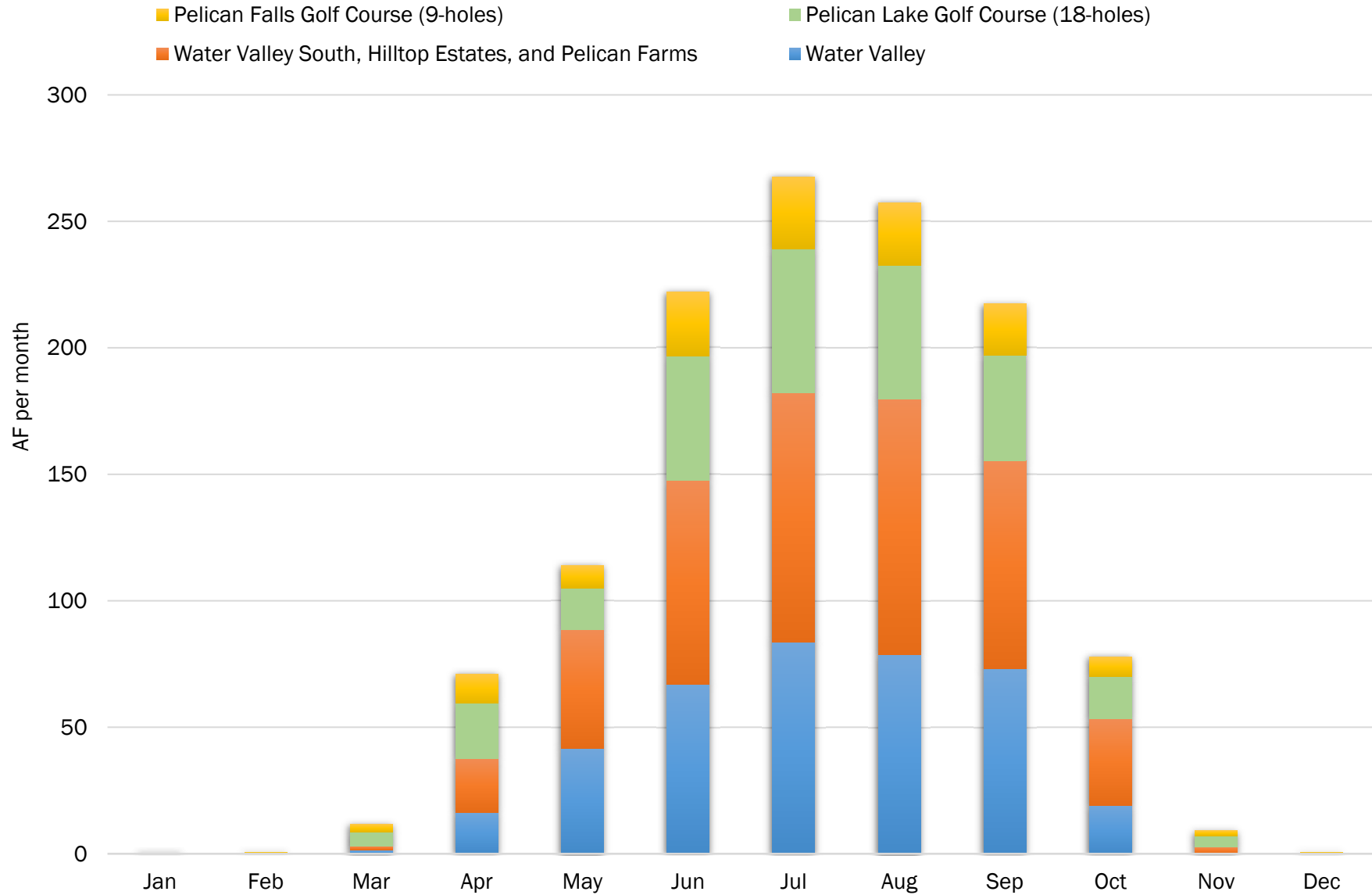


Figure 2-2
2015-2020 Average Irrigation Application

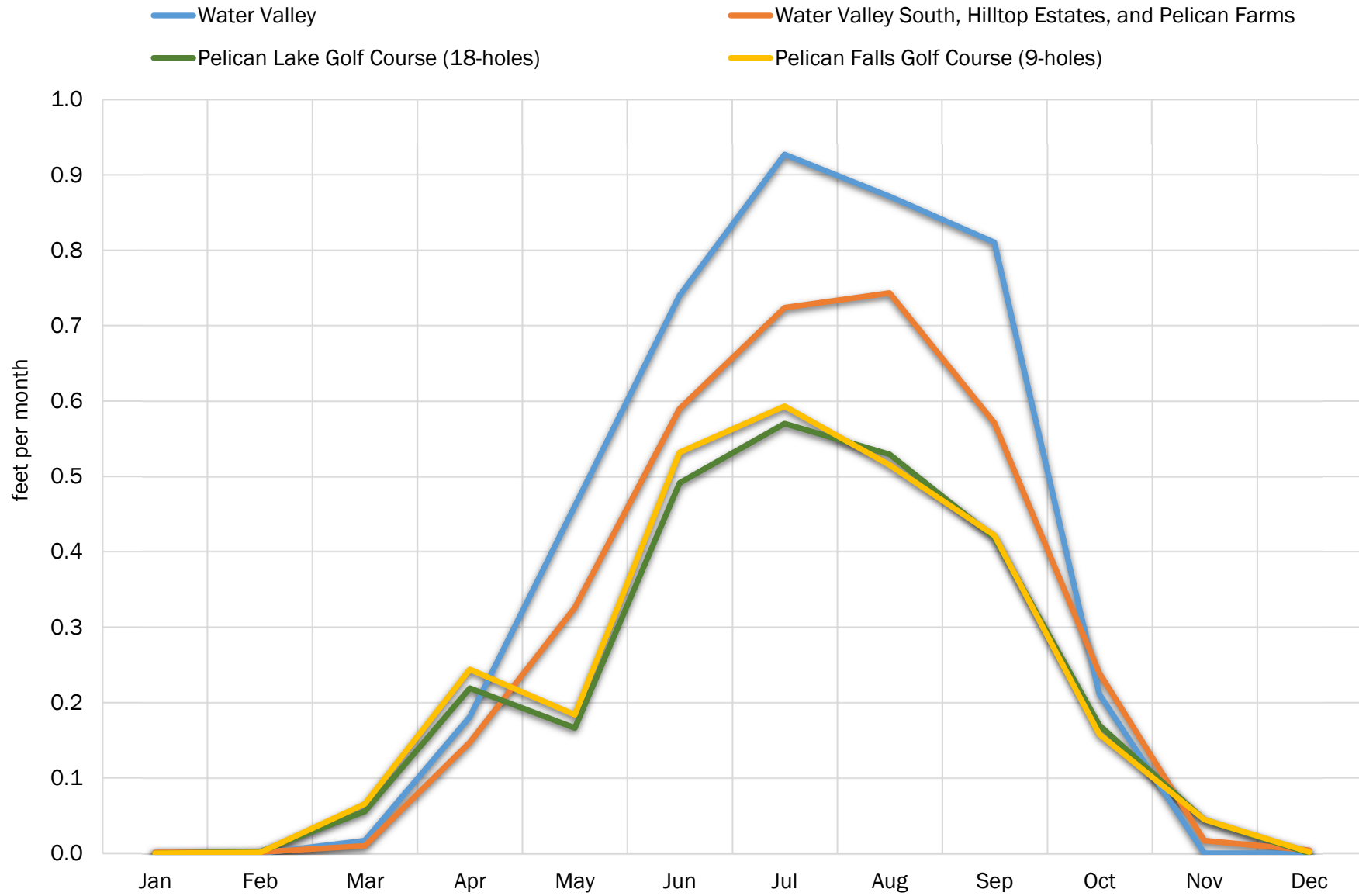


Figure 3-1
Poudre Tech & RainDance Drought Plan
Historical Cache la Poudre River at Canyon Mouth Streamflow

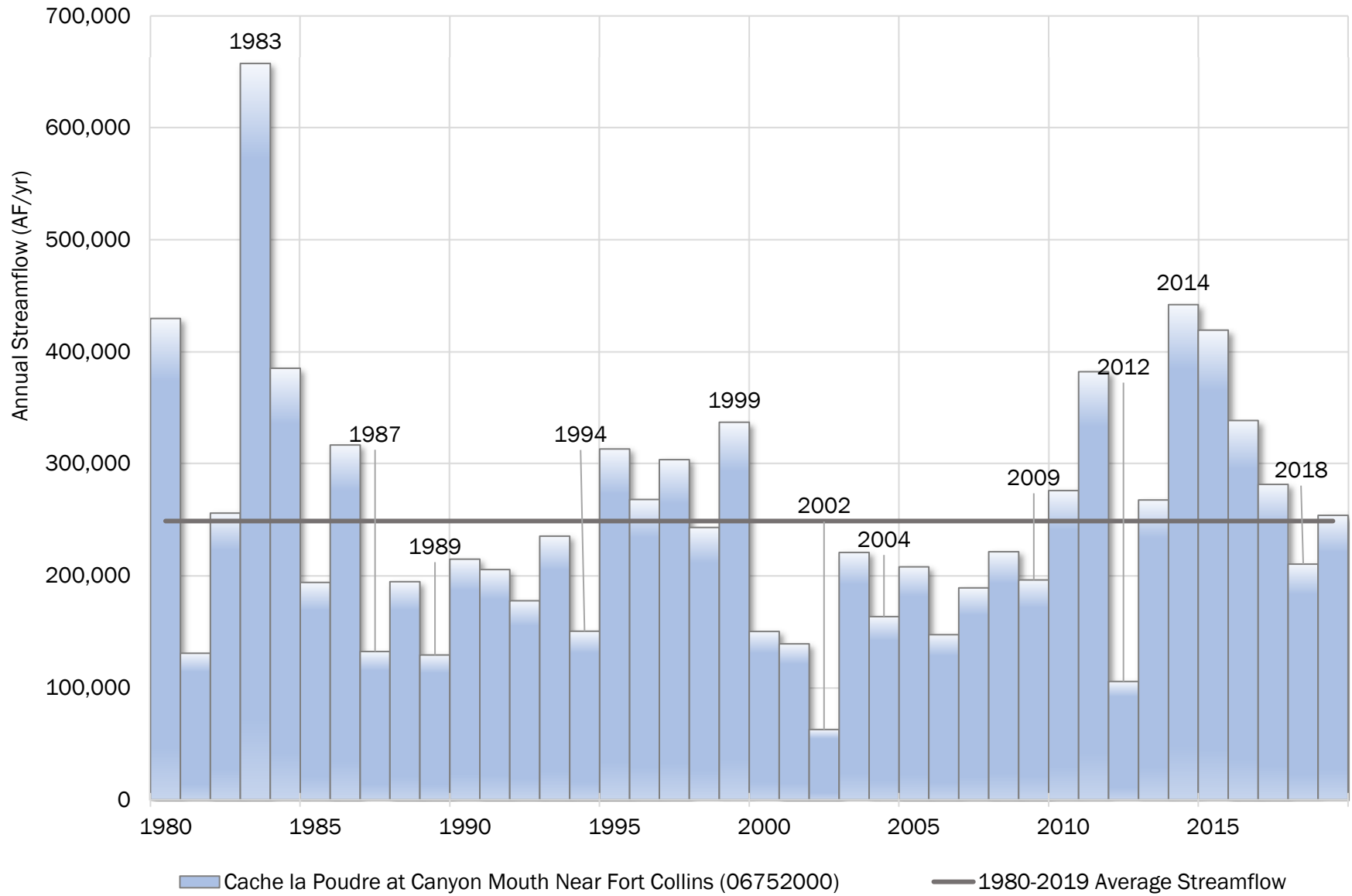


Table 2-1
Districts Total Water Use
Irrigation

All values in acre-feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	0	0	5	70	50	174	231	257	237	88	2	0	1,115
2016	0	0	3	43	89	239	298	270	234	82	19	1	1,279
2017	1	2	29	105	96	236	252	183	185	25	6	0	1,120
2018	0	0	19	82	153	280	278	278	225	64	17	0	1,395
2019	0	1	6	84	131	175	269	298	246	79	0	0	1,289
2020	0	0	8	43	163	228	278	259	178	128	11	3	1,298
Min	0	0	3	43	50	174	231	183	178	25	0	0	1,115
Max	1	2	29	105	163	280	298	298	246	128	19	3	1,395
Avg	0	0	12	71	114	222	268	257	217	78	9	1	1,250
'17-'20 Avg	0	1	15	78	136	230	269	254	208	74	9	1	1,276

Notes:

- Equal to total metered irrigation water use within the Poudre Tech and RainDance Metropolitan Districts. The following Tables 2-2a through 2-5a present the same information, but subdivided into user types within the Districts.
- The 2017 through 2020 average is provided to represent conditions after full build-out was achieved in Poudre Tech MD (residential irrigation application did not begin until September 2016 for Hilltop Estates).

Table 2-2a
Water Valley
Residential Irrigation
All values in acre-feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	0	0	0	13	22	50	70	72	73	28	0	0	327
2016	0	0	0	19	55	88	113	97	105	21	0	0	498
2017	0	0	1	30	40	67	76	61	60	5	0	0	340
2018	0	0	7	17	53	81	83	85	68	13	0	0	408
2019	0	0	0	10	34	48	70	76	68	17	0	0	323
2020	0	0	0	10	46	69	91	81	65	30	0	0	391
Min	0	0	0	10	22	48	70	61	60	5	0	0	323
Max	0	0	7	30	55	88	113	97	105	30	0	0	498
Avg	0	0	2	16	42	67	84	79	73	19	0	0	381

Table 2-2b
Water Valley North
Residential Irrigation Application
All values in feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	0.00	0.00	0.00	0.14	0.24	0.55	0.77	0.79	0.81	0.32	0.00	0.00	3.62
2016	0.00	0.00	0.00	0.21	0.61	0.97	1.25	1.07	1.16	0.23	0.00	0.00	5.51
2017	0.00	0.00	0.02	0.33	0.44	0.74	0.84	0.68	0.66	0.05	0.00	0.00	3.77
2018	0.00	0.00	0.08	0.19	0.58	0.90	0.92	0.94	0.76	0.15	0.00	0.00	4.51
2019	0.00	0.00	0.00	0.11	0.38	0.53	0.78	0.84	0.76	0.19	0.00	0.00	3.57
2020	0.00	0.00	0.00	0.11	0.50	0.76	1.01	0.90	0.72	0.33	0.00	0.00	4.33
Min	0.00	0.00	0.00	0.11	0.24	0.53	0.77	0.68	0.66	0.05	0.00	0.00	3.57
Max	0.00	0.00	0.08	0.33	0.61	0.97	1.25	1.07	1.16	0.33	0.00	0.00	5.51
Avg	0.00	0.00	0.02	0.18	0.46	0.74	0.93	0.87	0.81	0.21	0.00	0.00	4.22

Notes:

- Includes water delivered to Water Valley from Rockbridge Lake and Pelican Lake. A total of 90.4 acres is irrigated in Water Valley.

Table 2-3a
Water Valley South, Hilltop Estates, and Pelican Farms
Residential Irrigation
All values in acre-feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	0	0	0	11	20	63	85	101	85	39	0	0	404
2016	0	0	0	4	20	82	100	91	66	26	1	1	391
2017	1	1	4	37	38	75	88	72	73	7	0	0	397
2018	0	0	1	27	72	111	114	111	91	37	13	0	575
2019	0	0	3	41	71	67	109	131	110	32	0	0	565
2020	0	0	1	7	60	86	94	100	68	65	1	2	484
Min	0	0	0	4	20	63	85	72	66	7	0	0	391
Max	1	1	4	41	72	111	114	131	110	65	13	2	575
Avg	0	0	1	21	47	81	98	101	82	34	3	1	469

Table 2-3b
Water Valley South, Hilltop Estates, and Pelican Farms
Residential Irrigation Application
All values in feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	0.00	0.00	0.00	0.12	0.21	0.58	0.79	0.93	0.79	0.36	0.00	0.00	3.79
2016	0.00	0.00	0.00	0.04	0.19	0.76	0.93	0.84	0.43	0.17	0.01	0.01	3.36
2017	0.01	0.01	0.03	0.24	0.25	0.49	0.57	0.47	0.47	0.05	0.00	0.00	2.57
2018	0.00	0.00	0.00	0.17	0.46	0.72	0.74	0.72	0.59	0.24	0.08	0.00	3.72
2019	0.00	0.00	0.02	0.27	0.46	0.44	0.71	0.85	0.71	0.20	0.00	0.00	3.66
2020	0.00	0.00	0.00	0.04	0.39	0.56	0.61	0.65	0.44	0.42	0.01	0.01	3.13
Min	0.00	0.00	0.00	0.04	0.19	0.44	0.57	0.47	0.43	0.05	0.00	0.00	2.57
Max	0.01	0.01	0.03	0.27	0.46	0.76	0.93	0.93	0.79	0.42	0.08	0.01	3.79
Avg	0.00	0.00	0.01	0.15	0.33	0.59	0.72	0.74	0.57	0.24	0.02	0.00	3.37

Notes:

- Includes water delivered to Water Valley South, Hilltop Estates, and Pelican Farms. A total of 154.4 acres is irrigated in these developments.
- Residential irrigation application did not begin until September 2016 for Hilltop Estates (46.7 acres) and June 2015 for Pelican Farms (15.2 acres).

Table 2-4a
Pelican Lake Golf Course (18-holes)
Irrigation

All values in acre-feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	0	0	4	32	6	42	51	58	53	15	1	0	262
2016	0	0	2	12	7	39	54	58	45	26	13	0	255
2017	0	0	14	24	13	63	60	34	35	10	3	0	256
2018	0	0	8	25	21	60	55	54	45	10	3	0	280
2019	0	1	2	22	17	41	60	62	45	20	0	0	270
2020	0	0	4	16	36	50	62	52	29	22	6	0	276
Min	0	0	2	12	6	39	51	34	29	10	0	0	255
Max	0	1	14	32	36	63	62	62	53	26	13	0	280
Avg	0	0	6	22	17	49	57	53	42	17	4	0	267

Table 2-4b
Pelican Lake Golf Course (18-holes)
Irrigation Application

All values in feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	0.00	0.00	0.04	0.32	0.06	0.42	0.51	0.58	0.53	0.15	0.01	0.00	2.62
2016	0.00	0.00	0.02	0.12	0.07	0.39	0.54	0.58	0.45	0.26	0.13	0.00	2.55
2017	0.00	0.00	0.14	0.24	0.13	0.63	0.60	0.34	0.35	0.10	0.03	0.00	2.56
2018	0.00	0.00	0.08	0.25	0.21	0.60	0.55	0.54	0.45	0.10	0.03	0.00	2.80
2019	0.00	0.01	0.02	0.22	0.17	0.41	0.60	0.62	0.45	0.20	0.00	0.00	2.70
2020	0.00	0.00	0.04	0.16	0.36	0.50	0.62	0.52	0.29	0.22	0.06	0.00	2.76
Min	0.00	0.00	0.02	0.12	0.06	0.39	0.51	0.34	0.29	0.10	0.00	0.00	2.55
Max	0.00	0.01	0.14	0.32	0.36	0.63	0.62	0.62	0.53	0.26	0.13	0.00	2.80
Avg	0.00	0.00	0.06	0.22	0.17	0.49	0.57	0.53	0.42	0.17	0.04	0.00	2.67

Notes:

- Irrigated area equal to 18 holes located on Pelican Lakes Golf Course on North and South side of Cache la Poudre River (100 acres).

Table 2-5a
Pelican Falls Golf Course (9-holes)
Irrigation

All values in acre-feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	-	0	1	14	3	20	25	27	25	6	1	0	122
2016	0	0	1	8	6	31	31	25	19	9	5	0	135
2017	0	0	10	14	5	31	28	15	17	4	2	0	126
2018	0	0	3	13	8	28	27	27	21	4	1	0	133
2019	0	0	1	11	9	20	29	28	23	11	0	0	131
2020	0	0	3	10	21	24	31	26	16	11	4	0	146
Min	0	0	1	8	3	20	25	15	16	4	0	0	122
Max	0	0	10	14	21	31	31	28	25	11	5	0	146
Avg	0	0	3	12	9	25	28	25	20	8	2	0	132

Table 2-5b
Pelican Falls Golf Course (9-holes)
Irrigation Application

All values in feet

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2015	-	0.00	0.03	0.29	0.07	0.41	0.53	0.56	0.53	0.12	0.01	0.00	2.54
2016	0.00	0.00	0.01	0.17	0.12	0.64	0.65	0.53	0.39	0.20	0.10	0.00	2.81
2017	0.00	0.01	0.20	0.29	0.11	0.65	0.58	0.31	0.36	0.08	0.05	0.00	2.64
2018	0.00	0.00	0.07	0.27	0.18	0.58	0.55	0.56	0.44	0.09	0.03	0.00	2.78
2019	0.00	0.00	0.01	0.22	0.18	0.41	0.61	0.59	0.48	0.23	0.00	0.00	2.73
2020	0.00	0.00	0.07	0.21	0.44	0.50	0.64	0.54	0.34	0.23	0.08	0.01	3.05
Min	0.00	0.00	0.01	0.17	0.07	0.41	0.53	0.31	0.34	0.08	0.00	0.00	2.54
Max	0.00	0.01	0.20	0.29	0.44	0.65	0.65	0.59	0.53	0.23	0.10	0.01	3.05
Avg	0.00	0.00	0.07	0.24	0.18	0.53	0.59	0.51	0.42	0.16	0.04	0.00	2.76

Notes:

- Irrigated area equal to 9 holes located on Pelican Falls Golf Course (42.3 acres) and New Liberty greenbelt (5.6 acres).
- Water meter readings for Pelican Falls Golf Course include both irrigation and pond refilling to replace evaporation. To estimate the portion of metered water use that represents irrigation, the monthly metered amounts were reduced by monthly estimated pond evaporation, estimated according to the method outlined in the Districts' water rights decrees, totaling 6.45 acre-feet per year.

Table 4-1
Poudre Tech & RainDance Drought Plan
Demand Reduction Goals

Stage Total Percent Demand Reduction Goal	1 5%	2 10%	3 15%	4 20%
% Reduction in Demand Goal				
Single-Family Residential Without Individual Meters	10%	15%	20%	20%
Single-Family Residential With Individual Meters	10%	15%	20%	20%
Multi-Family Residential	5%	10%	20%	20%
Commercial Areas	5%	10%	10%	20%
Golf Courses	0%	5%	10%	20%
Parks, Schools, Farms, and Common Areas	5%	10%	10%	20%
Asthetic Water Features	0%	0%	100%	100%
Weighted Total	5%	11%	15%	21%
Reduction in Demand Goal (AF/yr)				
Residential Without Individual Meters	30	45	60	60
Residential With Individual Meters	71	106	141	141
Multi-Family Residential	1	3	5	5
Commercial Areas	3	5	5	10
Golf Courses	0	44	88	176
Parks, Schools, Farms, and Common Areas	25	50	50	101
Asthetic Water Features	0	0	18	18
Total	130	253	368	511

Note

- Based on a demand equal to 2,484 AF/yr.

**Table 4-2
Poudre Tech & RainDance Drought Plan
Drought Responses**

		Drought Stage:	1	2	3	4
		% Districts-Wide Reduction in Demand Goal:	5%	10%	15%	20%
Use Category	Strategy					
System-Wide	Supply Side Oriented	Reduce distribution system pressure	No	No	No	Yes, reduce pressure
		Increase enforcement of watering restrictions, consider monitoring meter data for violations.	No	Yes	Yes	Yes
		Shorten system season (later start-up in spring and earlier shut-down in fall)	Early-April to Late-October	Mid-April to Mid-October	Late-April to Late-September	Late-April to Late-September
Aesthetic Water Features	Supply Side Oriented	Turn off ornamental fountains supplied by non-potable water	No	No	Yes	Yes
		Eliminate storage in entry way ponds	No	No	Yes	Yes
Single-Family, Multi-Family, Commercial, and Institution Customers	Outreach Oriented	Convey drought information to public	Yes: Communicate drought stage, highlight watering rules, and note potential trigger of drought surcharge for non-metered users at Stage 2.	Yes: Communicate drought stage, drought surcharge for non-metered users, highlight watering rules, and note potential trigger of additional restrictions at Stage 3.	Yes: Communicate additional watering restrictions, drought surcharge, and drought rate structure.	Yes: Communicate additional watering restrictions, drought surcharge, and drought rate structure.
		Community garden/farm	Educate users about drip irrigation and mulching. Same watering restrictions apply here as for other areas.			
	Irrigation Oriented	Limit outdoor irrigation to specific times of the day	Mandatory. No irrigation between the hours of 10am and 6pm. Enforced with fines.			
		Limit number of irrigation days per week	Mandatory limit of 3 days per week.		Mandatory limit of 2 days per week.	
		Set time limit for irrigation	15 minutes for pop-up sprinklers or 25 minutes for rotor-type sprinklers		12 minutes for pop-up sprinklers or 20 minutes for rotor-type sprinklers	
	Rate Oriented	Implement drought surcharges - for Metered Users	No	No	Drought surcharge of 20% on base water fee	Drought surcharge of 30% on base water fee
		Implement drought surcharges - for Non-Metered Users	No	Drought surcharge of 30% on base water fee	Drought surcharge of 40% on base water fee	Drought surcharge of 50% on base water fee
		Increase Excess Use Rates for Metered Users	No	No	Double rate (\$/kgal) on excessive water usage	Double rate (\$/kgal) on excessive water usage
Golf Courses	Outreach Oriented	Convey water saving practices to golfers	No	No	Yes, website content and posted signs recommended	Yes, website content, newsletter or social media posts, and posted signs recommended
	Irrigation Oriented	Eliminate/reduce irrigation in selected areas, including fairways	No	Yes	Yes	Yes
		Adjust fertilizing, aeration, and mowing practices	No	Yes	Yes	Yes
		Identify and remove plants which do not benefit the landscape and use excessive water	No	No	Yes	Yes
		Monitor soil moisture conditions and calculated evapotranspiration from nearby weather station	Yes	Yes	Yes, daily review of soil moisture and use of evapotranspiration data from weather station recommended	Yes, daily review of soil moisture and use of evapotranspiration data from weather station recommended
		Allow pond water levels to drop	No	Yes	Yes	Yes
		Develop internal golf course drought operations plan	No	No	No	Yes

Note

- As detailed in the Poudre Tech Metro Districts' Irrigation Water Guide (dated 2/28/2019), watering is limited to three days per week and sprinklers must be programmed with a time limit, even during non-drought conditions. These rules are identical to the rules proposed for Stage 1 and Stage 2 droughts. A proposed additional watering rule to add during both non-drought and drought periods would specify a time-of-day watering restriction.

**RESOLUTION OF THE
BOARD OF DIRECTORS OF THE
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY**

**AUTHORIZING THE ACCEPTANCE OF TRANSFERS, CONVEYANCES, AND
ASSIGNMENTS OF THE WATER SYSTEMS, WATER RESOURCES, AND
RELATED CONTRACTS, LEASES, EASEMENTS, AND LICENSES, AND THE
EXECUTION OF NECESSARY DOCUMENTS**

WHEREAS, the WaterDance Non-Potable Water Activities Authority (the "**Authority**") is a separate governmental entity, political subdivision, and public corporation of the State of Colorado, established pursuant to Section 29-1-204.2, C.R.S., and in conformity with Sections 29-1-201, *et seq.*, and 29-1-203, C.R.S., by virtue of the Establishment Agreement dated as of September 19, 2026 (the "**Establishment Agreement**"), by and between Raindance Metropolitan District No. 1 ("**Raindance**") and Poudre Tech Metropolitan District ("**PTMD**" and, together with Raindance, the "**Districts**" or the "**Members**"); and

WHEREAS, the Authority was organized for the purpose of owning, acquiring, constructing, operating, maintaining, and repairing, as a single, consolidated non-potable water utility, comprised of the Districts' respective non-potable irrigation water systems (each a "**Water System**" and, collectively, the "**Water Systems**") and water rights, raw water supplies, storage interests, and augmentation and exchange rights (collectively, the "**Water Resources**"); and

WHEREAS, pursuant to Section 3.03 of the Establishment Agreement, the Authority has the power, among others, to acquire, hold, and lease, as lessor or lessee, real and personal property utilized for water storage, distribution, and related purposes, and to make and enter into contracts with the Members, other governmental entities, and private parties; and

WHEREAS, Section 4.01 of the Establishment Agreement provides that each Member shall convey, assign, and transfer to the Authority, by special warranty deed, bill of sale, assignment, or other appropriate instrument, all of such Member's right, title, and interest in and to its Water System and Water Resources, including water rights, decrees, augmentation plans, storage rights, ditch and reservoir company shares, easements, and physical infrastructure (collectively, as defined in the Establishment Agreement, the "**Authority-Owned Water Assets**"), and Section 4.02 of the Establishment Agreement provides that the Authority shall hold title to and operate and maintain the Authority-Owned Water Assets; and

WHEREAS, on September 29, 2026, concurrently with the approval of the Establishment Agreement, the Board of Directors of each District adopted a resolution (collectively, the "**District Resolutions**") authorizing the transfer, conveyance, and/or assignment to the Authority of assets associated with or appurtenant to the Combined Water System and Combined Water Resources (each as defined in the District Resolutions), bank accounts or funds, contracts, and interests in real property associated with the ownership, operation, and maintenance of the Water Systems and Water Resources, and authorizing the execution and delivery of deeds, bills of sale, assignments,

ditch and reservoir company transfer documents, and other instruments necessary to convey the Authority-Owned Water Assets to the Authority; and

WHEREAS, the District Resolutions provide that (a) no emergency reserve of either District required by Article X, Section 20 of the Colorado Constitution, and no funds pledged to the payment of Raindance's Water Enterprise Revenue Bonds, Series 2020 (the "**Raindance Bonds**") or PTMD's 2023 Water Loan (the "**PTMD Loan**"), except as applied to their refunding, refinancing, or payoff, shall be transferred to the Authority, and (b) such transfers shall be effective upon, and not before, the closing of the Authority's initial Bonds (as defined in the Establishment Agreement) issued to refinance the Raindance Bonds and the PTMD Loan (the "**Initial Bonds**"); and

WHEREAS, the Authority intends to issue the Initial Bonds as its Water Revenue Refunding and Improvement Bonds, Series 2026 pursuant to a separate resolution of the Board of Directors of the Authority (the "**Board**"); and

WHEREAS, the Districts are parties to certain leases, and service and management agreements that relate to the ownership, operation, and maintenance of the Water Systems and Water Resources, and are owners of certain water rights which are listed on Exhibit A attached hereto and incorporated herein by this reference (as such Exhibit A may be supplemented in accordance with this Resolution, collectively, the "**Assigned Contracts**"); and

WHEREAS, the Board has reviewed the Establishment Agreement, the District Resolutions, the Authority-Owned Water Assets, and the Assigned Contracts, and has determined that accepting the conveyance of the Authority-Owned Water Assets and the assignment of the Assigned Contracts, and assuming the obligations thereunder arising from and after the effective date of such conveyance and assignment, is in the best interests of the Authority, the Members, and the residents, property owners, and customers within the Authority Service Area (as defined in the Establishment Agreement); and

WHEREAS, the Board desires to accept such transfers, conveyances, and assignments, and to authorize the execution of all documents necessary to effectuate the same.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY AS FOLLOWS:

1. Acceptance of Authority-Owned Water Assets. The Board hereby authorizes and approves the Authority's acceptance of the conveyance, assignment, and transfer from each District of all of such District's right, title, and interest in and to its Water System and Water Resources, including the Authority-Owned Water Assets, together with all water rights, decrees, augmentation plans, storage rights, ditch and reservoir company shares, carriage and delivery rights, easements, rights-of-way, and physical infrastructure (including pipelines, pump stations, pump houses, meters, diversion and storage structures, and related appurtenances) associated therewith, by special warranty deed, bill of sale, assignment, or other appropriate instrument, subject to final review and confirmation by

the Authority's legal counsel that all legal requirements necessary for such conveyance have been met.

2. Acceptance of Assignment and Assumption Contracts. The Board hereby authorizes and approves the Authority's acceptance of the assignment from the applicable District of all of such District's right, title, and interest in, to, and under the Assigned Contracts, and the Authority's assumption of the obligations of such District under the Assigned Contracts arising from and after the effective date of the applicable assignment. Where an Assigned Contract relates to both the Water Systems or Water Resources and to other District facilities or services (including recreational, trail, or drainage facilities), the Board authorizes acceptance of a partial assignment limited to the rights and obligations relating to the Water Systems and Water Resources, with the remaining rights and obligations retained by the applicable District, as determined by the Authority's legal counsel in coordination with counsel to the Districts. All financial obligations assumed by the Authority under the Assigned Contracts shall be payable solely from the revenues and other legally available funds of the Authority and shall be subject to annual appropriation to the extent provided in the applicable Assigned Contract.
3. Consents, Estoppels, and Third-Party Approvals. The Board authorizes the officers, legal counsel, and consultants of the Authority to request, negotiate, and obtain, and to execute on behalf of the Authority, such landlord, grantor, licensor, and other third-party consents, estoppel certificates, acknowledgments, and approvals as may be required under the Assigned Contracts, any ditch or reservoir company bylaws, or applicable law to effectuate the assignments and conveyances authorized by this Resolution.
4. Acceptance of Funds and Accounts. The Board authorizes the Authority to accept the transfer from each District of bank accounts, funds, deposits, and receivables associated with the ownership, operation, and maintenance of the Water Systems and Water Resources, as authorized in the District Resolutions; provided that the Authority shall not accept any emergency reserve of a District required by Article X, Section 20 of the Colorado Constitution, or any funds pledged to the payment of the Raindance Bonds or the PTMD Loan, except as applied to the refunding, refinancing, defeasance, or payoff thereof in connection with the issuance of the Initial Bonds.
5. Effective Date of Transfers. Consistent with the District Resolutions, the conveyances, transfers, and assignments authorized by this Resolution shall be effective upon, and not before, the closing of the Initial Bonds, unless otherwise agreed in writing by the Authority and the applicable District and permitted under the documents governing the Raindance Bonds and the PTMD Loan.
6. Supplements to Exhibit A. The Board acknowledges that Exhibit A reflects the Assigned Contracts identified as of the date of this Resolution, and that additional water rights, carriage agreements, ditch and reservoir company shares, real property interests, easements, licenses, and contracts associated with the Water Systems and Water Resources may be identified prior to or after the closing of the Initial Bonds. The Board authorizes the officers and legal counsel of the Authority to supplement Exhibit A, and to coordinate with the Districts to update Exhibit A to the Establishment Agreement pursuant to Section

4.01(a) thereof, to include any such additional items, and the Authority's acceptance thereof is hereby authorized and approved without further action of the Board, provided that such items are consistent with the purposes of the Establishment Agreement and this Resolution.

7. Filings and Recordings. The Board authorizes the officers, legal counsel, water counsel, and engineers of the Authority to record any deeds, assignments, and other instruments of conveyance in the real property records of Weld County, Colorado, and to make such filings with the Colorado Division of Water Resources, the applicable water court, and any ditch or reservoir company as are necessary to reflect the Authority's ownership of the Authority-Owned Water Assets and its interest in the Assigned Contracts, and to provide such notices to counterparties, the Weld County Assessor, and other persons as may be necessary or appropriate.
8. Execution of Necessary Documents. The Board hereby authorizes the President and Secretary of the Authority to execute and deliver any and all deeds, bills of sale, assignment and assumption agreements, acceptances, consents, certificates, and other documents and agreements necessary to effectuate the acceptance of the Authority-Owned Water Assets and the assignment and assumption of the Assigned Contracts, subject to final review and approval of the Authority's legal counsel, and to do and perform everything necessary to carry out the purposes of this Resolution. All actions heretofore taken by the officers, consultants, and legal counsel of the Authority consistent with the purposes of this Resolution are hereby ratified, approved, and confirmed.
9. Effective Date. This Resolution shall take effect immediately upon its adoption.

[Remainder of page intentionally left blank — signature page follows.]

APPROVED AND ADOPTED this 15th day of October, 2026.

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY**, a political
subdivision and public corporation of the State of
Colorado

By: _____
President

ATTEST:

Secretary

EXHIBIT A

Assigned Contracts

Each agreement below includes all amendments, extensions, exhibits, and related consents, together with the applicable District's rights to any deposits, options to purchase, and renewal rights thereunder. Exhibit A may be supplemented in accordance with Section 7 of this Resolution.

No.	Agreement / Date	Parties	Assigning District	Subject Property / Purpose
1	Water Storage Lakes and Recreational Property Lease (Water Valley Lakes and Recreation Property) Effective March 6, 2018	Landlord: Trollco, Inc. Tenant: PTMD Third-party beneficiary: Pelican Lakes, LLC	PTMD	Pelican Lake, Habitat Lake, Rock Bridge Lake, and Eagle Lake and surrounding beaches, Water Valley (Windsor). Water storage and non-potable irrigation; also public recreational use. 99-year term; renewal right/first option to purchase.
2	Water Storage Lake Lease (Lake Water Valley) Effective March 6, 2018	Landlord: Trollco, Inc. Tenant: PTMD Third-party beneficiary: Pelican Lakes, LLC	PTMD	Lake Water Valley, Tract B, Water Valley South Subdivision, 12th Filing. Water storage and non-potable irrigation; supply of irrigation water to Pelican Lakes golf courses at 70% of residential base rate. 99-year term; renewal right/first option to purchase.
3	Water Storage and Water Storage Right Lease (Raindance River Reservoir) As of September 17, 2020	Lessor: Raindance Aquatic Investments, LLC Lessee: Raindance	Raindance	Raindance River Reservoir and RAI decreed storage right (Case Nos. 04CW346 and 14CW3027); non-exclusive access easement around reservoir. 99-year term; \$200/AF of developed capacity/yr, CPI-adjusted; years 1–5 deferred; first option to purchase.
4	Water Storage and Water Storage Right Lease (Raindance Reservoir No. 2) As of September 17, 2020	Lessor: VIMA Partners, LLC Lessee: Raindance	Raindance	Reservoir No. 2 site on VIMA land, together with RAI storage right held by VIMA under the Water Storage Right Lease (RAI to VIMA) dated as of September 17, 2020 (Case Nos. 2002CW391 and 14CW3024; change case 20CW3093); access and construction easements.
5	Property Lease (Raindance Pump Station)	Landlord: Raindance Aquatic Investments, LLC Tenant: Raindance	Raindance	Pump station site adjacent to Raindance River Reservoir (Weld County Parcel No. 080729281001). 99-year term; \$0 through 12/31/2023, then \$2,500/mo escalating 4%/yr; renewal right/first option to purchase.
6	Easement Agreement (Pump House 1 and Non-Potable Water Line)	Grantor: Raindance Aquatic Investments, LLC Grantee: Raindance	Raindance	Perpetual, non-exclusive easement for pump house, pumps, and non-potable water lines on RAI land.
7	Utility and Trail Easement Agreement Recorded July 25, 2018, Reception No. 4417776	Grantor: Weld County RE-4 School District Grantees: PTMD and Raindance	PTMD and Raindance	Non-potable water system, pedestrian trail, and stormwater drainage improvements on School District property.
8	[Water rights and decrees]	[_____]	[_____]	[To be identified by water counsel.]
9	[Carriage agreements]	[_____]	[_____]	[To be identified by water counsel.]
10	[Ditch and reservoir company shares]	[_____]	[_____]	[To be identified by water counsel.]

No.	Agreement / Date	Parties	Assigning District	Subject Property / Purpose
11	Water System infrastructure (bill of sale)	PTMD and Raindance	PTMD and Raindance	Pipelines, pump stations, pump houses, meters, diversion and storage structures, and related appurtenances.

WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY
RESOLUTION ADOPTING BUDGET, AND APPROPRIATING SUMS OF MONEY
FOR THE CALENDAR YEAR 2027

The Board of Directors of WaterDance Non-Potable Water Activities Authority (the “**Board**”), Weld County, Colorado (the “**Authority**”), held an inaugural meeting, via teleconference and at 1625 Pelican Lakes Point, Suite 201, Windsor, Colorado 80550, on October 15, 2026, at the hour of 10:30 a.m.

Prior to the meeting, each of the directors was notified of the date, time, and place of the budget meeting and the purpose for which it was called, and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

(Remainder of Page Intentionally Left Blank)

NOTICE AS TO PROPOSED 2027 BUDGET

WHEREAS, the Board has appointed its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was available for inspection by the public at a designated place, a public hearing was held and interested electors of the Authority were provided a public comment period and given the opportunity to file any objections to the proposed budget prior to the final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the Authority for fiscal year 2027. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated from the revenue of each fund for the purposes stated.

Section 3. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager, or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government by January 30 of the ensuing year.

Section 4. Budget Certification. The budget shall be certified by a member of the Authority, or a person appointed by the Authority, and made a part of the public records of the Authority.

(Remainder of Page Intentionally Left Blank, Signature Page Follows)

ADOPTED OCTOBER 15, 2026.

AUTHORITY:

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY**, a contractual
authority and political subdivision and public
corporation of the State of Colorado

By: _____
Officer of the Authority

ATTEST:

By: _____

STATE OF COLORADO
COUNTY OF WELD
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a Authority meeting held at 1625 Pelican Lakes Point, Suite 201, Windsor, Colorado 80550 and via teleconference on Thursday, October 15, 2026, as recorded in the official record of the proceedings of the Authority.

IN WITNESS WHEREOF, I have hereunto subscribed my name this ____ day of _____, 2026.

Signature

*[Signature page to Resolution Adopting Budget, and Appropriating Sums of Money
for the Calendar Year 2027]*

EXHIBIT A

**BUDGET AND
BUDGET MESSAGE**

Water Authority
2027 Budget - Operating - Updated 9.11.26

	PTMD 2025 Actuals	PTMD 2026 Budget	PTMD 2026 Estimated Actuals	RDMD 2025 Actuals	RDMD 2026 Budget	RDMD 2026 Estimated Actuals	Combined 2026 Budget	Combined 2026 Estimated Actuals	Water Authority 2027 Budget
Beginning Funds Available	5,474,692	3,704,981	6,043,486	8,591,328	4,679,902	7,600,037	8,384,883	13,643,523	12,405,069
Operating Revenues									
Water Revenue									
Annual Capital Fee	-	808,000	808,000	-	638,037	638,037	1,446,037	1,446,037	-
PTMD Single/Multi-Family Capital Fee	618,828	-	-	-	-	-	-	-	682,280
RDMD Single/Multi-Family Capital Fee	-	-	-	606,711	-	-	-	-	496,257
PTMD High-Density Capital Fee	157,407	-	-	-	-	-	-	-	196,528
RDMD High-Density Capital Fee	-	-	-	-	-	-	-	-	182,909
Commercial Capital Fee	801	-	-	-	-	-	-	-	9,125
Residential/Commercial Use	1,050,043	967,200	967,200	519,318	550,000	550,000	1,517,200	1,517,200	1,775,000
District Use	161,605	260,000	260,000	166,812	300,000	300,000	560,000	560,000	-
PTMD Use	-	-	-	-	-	-	-	-	200,000
RDMD Use	-	-	-	-	-	-	-	-	180,000
Hoedown Hill Use	-	-	-	61,785	45,000	45,000	45,000	45,000	55,000
Golf Course Use	364,547	400,000	400,000	239,409	315,000	315,000	715,000	715,000	-
Pelican Lakes Golf Course Use	-	-	-	-	-	-	-	-	284,810
Pelican Falls Golf Course Use	-	-	-	-	-	-	-	-	148,855
RainDance National Golf Course Use	-	-	-	-	-	-	-	-	283,870
Meter Sales	126,000	25,000	25,000	138,000	140,000	140,000	165,000	165,000	95,000
Curb Stop	-	-	-	-	5,000	5,000	5,000	5,000	2,000
Tap Fees (System Development Fees)	107,500	28,000	28,000	140,000	125,000	125,000	153,000	153,000	106,400
Capital Fees (Construction)	-	-	-	(167)	-	-	-	-	-
Total: Water Revenue	2,586,731	2,488,200	2,488,200	1,871,868	2,118,037	2,118,037	4,606,237	4,606,237	4,698,033
Other Revenue									
PTMD Intergovernmental Revenue - RDMD1	302,003	302,565	302,565	-	-	-	302,565	302,565	-
Transfers from PTMD to RDMD	-	-	-	63,468	-	3,440	-	3,440	-
Bank Interest	21,663	-	15,144	127,036	-	22,877	-	38,021	120,000
Late Fees	-	-	-	1,740	-	-	-	-	-
Collection Letter Fee	630	-	2,190	8,270	-	5,840	-	8,030	-
Legal Fees Reimbursement	2,472	-	-	2,879	-	-	-	-	-
NSF Fees	90	-	110	60	-	20	-	130	-
Meter Chargeback Income	4,362	-	-	1,014	-	165	-	165	-
Other Enterprise Income	3,010	35,000	35,000	-	-	-	35,000	35,000	-
Total: Other Revenue	334,229	337,565	355,009	204,468	-	32,343	337,565	387,352	120,000
Total Revenues	2,920,960	2,825,765	2,843,209	2,076,336	2,118,037	2,150,380	4,943,802	4,993,589	4,818,033
Total Funds Available	8,395,652	6,530,746	8,886,695	10,667,664	6,797,939	9,750,416	13,328,685	18,637,112	17,223,102
Operating Expenditures									
General and Administrative									
Admin and Billing Staff	126,279	101,587	101,587	120,303	103,000	103,000	204,587	204,587	210,725
District Management Contract	16,200	17,010	17,010	16,200	17,010	17,010	34,020	34,020	35,041
Audit	-	-	-	-	-	-	-	-	15,000
Consulting and Studies	15,696	35,000	60,000	23,316	35,000	35,000	70,000	95,000	40,000
Banking Fees	10	1,000	1,000	6,847	3,000	3,000	4,000	4,000	4,120
Legal Services - Enterprise	1,153	5,000	5,000	31,116	5,000	5,000	10,000	10,000	25,000
Insurance	-	-	-	-	-	-	-	-	40,000
Collection and NSF Expenses	11,085	30,000	30,000	9,209	-	11,908	30,000	41,908	30,900
Postage & Printing	19,605	13,000	13,000	18,619	-	6,351	13,000	19,351	13,390
Bad Debt - Enterprise	32,782	-	8,920	7,808	-	2,452	-	11,373	-
Total: General and Administrative	222,811	202,597	236,517	233,418	163,010	183,722	365,607	420,239	414,175
Operations and Maintenance									
Repairs and Maintenance	27,613	45,000	60,000	13,647	110,000	20,000	155,000	80,000	159,650
Small Tools	527	-	-	1,262	4,000	-	4,000	-	2,000
Non-Potable Chlorination	98,186	30,000	50,000	345	30,000	30,000	60,000	80,000	50,000
Reservoir Treatments	-	-	-	-	-	-	-	-	95,000
Electricity and Gas	195,572	210,120	210,120	195,377	115,000	115,000	325,120	325,120	380,000
Meter Reading & Billing Software	24,737	30,000	30,000	22,784	25,000	25,000	55,000	55,000	48,000
Water Meter Replacements	370	20,000	20,000	121	-	18,804	20,000	38,804	20,600
Gasoline, Oil & Diesel	105	-	-	19,828	-	2,957	-	2,957	-
Vehicle Equip. Repairs & Maintenance	5,472	-	-	-	-	-	-	-	-
Pump Station Lease	-	-	-	31,200	32,000	32,000	32,000	32,000	32,960
Maintenance Building Lease	-	-	-	-	-	-	-	-	-
Maintenance Building Utilities	-	-	-	5,692	-	-	-	-	-
Maintenance Building Cost Share - Enterprise	-	15,000	15,000	-	15,000	15,000	30,000	30,000	30,900
In-House Water Maintenance Staff	18,494	23,000	23,000	14,155	225,000	225,000	248,000	248,000	45,000
Scada	15,082	20,000	20,000	11,258	15,000	15,000	35,000	35,000	36,050
Delivery and Ditch Expenses	49,576	60,000	60,000	12,100	6,000	6,000	66,000	66,000	67,980
Pump Station Repairs and Maintenance	158,201	125,000	50,000	100,236	-	47,535	125,000	97,535	128,750
New Meter Installation	171,474	28,000	40,000	160,618	140,000	140,000	168,000	180,000	72,800
Depreciation	352,877	-	-	465,341	-	-	-	-	-
Water System Manager & Field Staff	250,000	300,000	300,000	189,797	-	312,500	300,000	612,500	500,000
Utility Locates	68,666	72,000	72,000	99,069	96,000	96,000	168,000	168,000	168,000
Curb Stop Repair	-	-	-	-	5,000	5,000	5,000	5,000	2,000
Contingency	-	25,000	25,000	5,000	10,000	10,000	35,000	35,000	36,050
Total: Operations and Maintenance	1,436,951	1,003,120	975,120	1,347,830	828,000	1,115,796	1,831,120	2,090,916	1,875,740
Total Operating Expenditures	1,659,762	1,205,717	1,211,637	1,581,248	991,010	1,299,518	2,196,727	2,511,155	2,289,915
Capital Outlay									
Capital Outlay - Pumps & Pump Station	134,284	-	114,770	-	-	-	-	114,770	80,000
Seawall Project	35,383	-	-	-	-	-	-	-	-
Enterprise - Capital Projects	17,129	200,000	200,000	15,442	35,000	35,000	235,000	235,000	380,000
Intergovernmental Services Fees RD1	63,468	-	3,440	-	-	-	-	3,440	-
Capitalized Assets	(396,725)	-	-	(185,606)	-	-	-	-	-
Reservoir	-	-	-	44,135	-	17,165	-	17,165	-
Capital Contingency	-	-	-	-	-	-	-	-	55,000
Total Capital Outlay	(146,462)	200,000	318,210	(126,029)	35,000	52,165	235,000	370,375	515,000
Debt Service									
PTMD 2023 Loan Principal	-	294,530	294,530	-	-	-	294,530	294,530	-
PTMD 2023 Loan Interest	838,865	826,080	826,080	-	-	-	826,080	826,080	-
RDMD 2023 Loan Pledge	-	-	-	302,003	302,565	302,565	302,565	302,565	-
RDMD 2020 Bonds Principal	-	-	-	30,000	35,000	35,000	35,000	35,000	-
RDMD 2020 Bonds Principal - Liability Offset	-	-	-	(30,000)	-	630,113	-	630,113	-
RDMD 2020 Bonds Interest	-	-	-	1,261,600	1,260,225	1,260,225	1,260,225	1,260,225	-
Paying Agent Fees	-	-	-	2,975	2,000	2,000	2,000	2,000	-
Lease Principal - Property	-	-	-	45,829	-	-	-	-	-
WA Principal	-	-	-	-	-	-	-	-	225,000
WA Interest	-	-	-	-	-	-	-	-	1,780,000
Total Debt Service	838,865	1,120,610	1,120,610	1,612,407	1,599,790	2,229,903	2,720,400	3,350,513	2,005,000
Total Expenses	2,352,166	2,526,327	2,650,458	3,067,627	2,625,800	3,581,585	5,152,127	6,232,043	4,809,915
Total Net Income	568,794	299,438	192,751	(991,291)	(507,763)	(1,431,205)	(208,325)	(1,238,454)	8,118
Ending Funds Available	6,043,486	4,004,419	6,236,237	7,600,037	4,172,139	6,168,831	8,176,558	12,405,069	12,413,187

WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY
RESOLUTION ADOPTING BUDGET, AND APPROPRIATING SUMS OF MONEY
FOR THE CALENDAR YEAR 2026

The Board of Directors of WaterDance Non-Potable Water Activities Authority (the “**Board**”), Weld County, Colorado (the “**Authority**”), held an inaugural meeting, via teleconference and at 1625 Pelican Lakes Point, Suite 201, Windsor, Colorado 80550, on October 15, 2026, at the hour of 10:30 a.m.

Prior to the meeting, each of the directors was notified of the date, time, and place of the budget meeting and the purpose for which it was called, and a notice of the meeting was posted or published in accordance with § 29-1-106, C.R.S.

(Remainder of Page Intentionally Left Blank)

NOTICE AS TO PROPOSED 2026 BUDGET

WHEREAS, the Board has appointed its accountant to prepare and submit a proposed budget to the Board in accordance with Colorado law; and

WHEREAS, the proposed budget has been submitted to the Board for its review and consideration; and

WHEREAS, upon due and proper notice, provided in accordance with Colorado law, said proposed budget was available for inspection by the public at a designated place, a public hearing was held and interested electors of the Authority were provided a public comment period and given the opportunity to file any objections to the proposed budget prior to the final adoption of the budget by the Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD AS FOLLOWS:

Section 1. Adoption of Budget. The budget attached hereto and incorporated herein is approved and adopted as the budget of the Authority for fiscal year 2026. In the event of recertification of values by the County Assessor's Office after the date of adoption hereof, staff is hereby directed to modify and/or adjust the budget and certification to reflect the recertification without the need for additional Board authorization. Any such modification to the budget or certification as contemplated by this Section 1 shall be deemed ratified by the Board.

Section 2. Appropriations. The amounts set forth as expenditures in the budget attached hereto are hereby appropriated from the revenue of each fund for the purposes stated.

Section 3. Filing of Budget and Budget Message. The Board hereby directs its legal counsel, manager, or other designee to file a certified copy of the adopted budget resolution, the budget and budget message with the Division of Local Government.

Section 4. Budget Certification. The budget shall be certified by a member of the Authority, or a person appointed by the Authority, and made a part of the public records of the Authority.

(Remainder of Page Intentionally Left Blank, Signature Page Follows)

ADOPTED OCTOBER 15, 2026.

AUTHORITY:

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY**, a contractual
authority and political subdivision and public
corporation of the State of Colorado

By: _____
Officer of the Authority

ATTEST:

By: _____

STATE OF COLORADO
COUNTY OF WELD
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY

I hereby certify that the foregoing resolution constitutes a true and correct copy of the record of proceedings of the Board adopted by a majority of the Board at a Authority meeting held at 1625 Pelican Lakes Point, Suite 201, Windsor, Colorado 80550 and via teleconference on Thursday, October 15, 2026, as recorded in the official record of the proceedings of the Authority.

IN WITNESS WHEREOF, I have hereunto subscribed my name this ____ day of _____, 2026.

Signature

*[Signature page to Resolution Adopting Budget, and Appropriating Sums of Money
for the Calendar Year 2026]*

EXHIBIT A

**BUDGET AND
BUDGET MESSAGE**

RainDance Metropolitan District No. 1	2024 Actuals	2025 Actuals	2025 Budget	2026 Budget	2026 Actuals Thru	2026 Projected	2027 Budget
Revenue							
Water Revenue							
404150 - Residential/Commercial Water Use	518,700.76	519,318.49	-	550,000.00	1,369.11	550,000.00	-
414000 - Annual Capital Fee	-	-	-	638,037.00	-	638,037.00	-
414100 - Single Family Capital Fee 2024	406,574.00	439,749.00	-	-	469,739.12	-	-
414200 - Multi-Family Capital Fee 2024	154,354.20	166,962.00	-	-	70,530.72	-	-
414300 - Commercial Capital Fee	-	-	-	-	277.68	-	-
414350 - Capital Fee - High Density	-	-	-	-	116,298.00	-	-
440250 - Hoedown Hill Water Usage	42,028.66	61,785.01	70,000.00	45,000.00	-	45,000.00	-
440260 - Golf Course Water Usage	324,404.55	239,409.37	315,000.00	315,000.00	179,821.70	315,000.00	-
440270 - Metro District Water Usage	263,528.01	166,811.57	275,000.00	300,000.00	-	300,000.00	-
440280 - Residential/Commercial	-	-	1,500,000.00	-	-	-	-
440290 - Capital Fees	-	(167.00)	125,000.00	-	(1,345.68)	-	-
450000 - System Development Fees	135,000.00	140,000.00	-	125,000.00	65,000.00	125,000.00	-
460000 - Meter Sales	257,600.00	138,000.00	140,000.00	140,000.00	72,800.00	140,000.00	-
460040 - Curb Stop Repair	-	-	15,000.00	5,000.00	-	5,000.00	-
Total: Water Revenue	2,102,190.18	1,871,868.44	2,440,000.00	2,118,037.00	974,490.65	2,118,037.00	-
Collection Charges							
424200 - Late Fees	3,205.00	1,740.00	-	-	-	-	-
424210 - Interest Charges	12.33	-	-	-	-	-	-
424215 - Collection Letter Fees	23,708.24	8,270.00	-	-	5,840.00	5,840.00	-
424220 - Legal Fees Reimbursment	2,105.00	2,878.50	-	-	-	-	-
434220 - Lien Filing Fees	-	-	-	-	-	-	-
434330 - NSF Fees	200.00	60.00	-	-	20.00	20.00	-
454000 - Chargeback Income	-	1,014.34	-	-	165.48	165.48	-
Total: Collection Charges	29,230.57	13,962.84	-	-	6,025.48	6,025.48	-
Other Revenues							
444402 - Bank Interest - Enterprise	137,469.43	127,036.30	40,061.00	-	22,877.21	22,877.21	-
470000 - Revenue Clearing	-	-	-	-	-	-	-
480102 - Developer Advance - Manager & Field Staff	250,000.00	-	250,000.00	-	-	-	-
490020 - Transfers from PTMD	4,624,856.53	63,468.43	-	-	3,440.00	3,440.00	-
Total: Other Revenues	5,012,325.96	190,504.73	290,061.00	-	26,317.21	26,317.21	-
Total: Revenue	7,143,746.71	2,076,336.01	2,730,061.00	2,118,037.00	1,006,833.34	2,150,379.69	-
Expense							
Enterprise Expenses							
General & Administrative							
605000 - Admin, Water & Billing Staff	56,927.93	120,303.14	108,000.00	103,000.00	66,556.93	103,000.00	-
605010 - District Management Contract	-	16,200.00	50,000.00	17,010.00	8,100.00	17,010.00	-
605020 - Legal Services - Enterprise	4,930.32	31,116.02	4,000.00	5,000.00	2,515.00	5,000.00	-
605030 - Consulting and Studies	32,262.00	23,316.00	10,000.00	35,000.00	20,524.90	35,000.00	-
605050 - Bank Fees - Enterprise	2,979.00	6,847.23	-	3,000.00	15.00	3,000.00	-
605200 - Collection and NSF Fees	-	9,209.04	-	-	11,907.61	11,907.61	-
605210 - Postage & Printing	-	18,618.92	-	-	6,351.49	6,351.49	-
605220 - Bad Debt - Enterprise	116,571.23	7,807.62	-	-	2,452.47	2,452.47	-
Total: General & Administrative	213,670.48	233,417.97	172,000.00	163,010.00	118,423.40	183,721.57	-
Water System - Operations & Maintenance							
606000 - Repairs & Maintenance	120,748.00	13,647.26	75,000.00	110,000.00	2,936.11	20,000.00	-
606005 - Small Tools - Enterprise	491.41	1,261.63	4,000.00	4,000.00	-	-	-
606010 - Water Quality Treatments	-	344.88	10,000.00	30,000.00	-	30,000.00	-
606020 - Electricity & Gas	20,600.00	195,377.22	90,000.00	115,000.00	88,063.86	115,000.00	-
606030 - Meter Reading & Billing Software	-	22,784.34	-	25,000.00	11,492.64	25,000.00	-
606040 - Meter Replacements	-	120.75	-	-	18,803.66	18,803.66	-
606050 - Gasoline, Oil, Diesel	-	19,828.30	-	-	2,957.40	2,957.40	-
606100 - Maintenance Building Lease	-	-	-	-	-	-	-
606110 - Maintenance Building Utilities	-	5,691.73	-	-	300.00	-	-
606120 - Pump Station Lease	30,000.00	31,200.00	-	32,000.00	16,224.00	32,000.00	-
606150 - Vehicle & Equip. Maint. & Repair	-	-	-	-	-	-	-
606290 - Maintenance Building Cost Share - Enterprise	-	-	-	15,000.00	-	15,000.00	-
607005 - In-House Maintenance & Field Staff	-	14,155.05	300,000.00	225,000.00	62,500.00	225,000.00	-
607010 - Scada	1,755.00	11,257.74	20,000.00	15,000.00	1,414.75	15,000.00	-
607030 - Water Storage and Delivery Fees	-	12,100.00	15,000.00	6,000.00	5,500.00	6,000.00	-
607050 - Pump Stations Repairs & Maintenance	-	100,236.49	-	-	47,534.93	47,534.93	-
609000 - Water Meter Installation	315,425.00	160,617.67	130,000.00	140,000.00	58,447.22	140,000.00	-
Total: Water System - Operations & Maintenance	489,019.41	588,623.06	644,000.00	717,000.00	316,174.57	692,295.99	-
Other Water Operating Expenses							
607000 - Water System Manager & Field Staff	250,000.00	189,797.30	-	-	312,500.00	312,500.00	-
607020 - Utility Locates	99,648.00	99,068.94	100,000.00	96,000.00	41,733.65	96,000.00	-
607035 - Curb Stop Repair	-	-	15,000.00	5,000.00	-	5,000.00	-
607040 - Contingency	2,758.82	5,000.00	15,000.00	10,000.00	-	10,000.00	-
609500 - Depreciation/Amortization Expense	322,338.00	465,341.19	-	-	-	-	-
920090 - Capitalized Assets - Enterprise	(3,350,556.00)	(185,606.00)	-	-	-	-	-
Total: Other Water Operating Expenses	(2,675,811.18)	573,601.43	130,000.00	111,000.00	354,233.65	423,500.00	-
Enterprise Debt Service							
608000 - Principal	-	30,000.00	30,000.00	35,000.00	-	35,000.00	-
608001 - Principal - Liability offset	-	(30,000.00)	-	-	630,112.50	630,112.50	-
608010 - Interest	1,262,975.00	1,261,600.00	1,261,725.00	1,260,225.00	-	1,260,225.00	-
608020 - Paying Agent Fees	1,320.00	2,975.00	2,000.00	2,000.00	-	2,000.00	-
608040 - Developer Repayment - Manager & Field Staff	250,000.00	-	250,000.00	-	-	-	-
608090 - Transfers to PTMD - Pledged Revenue	210,437.50	302,003.19	302,003.00	302,565.00	176,269.59	302,565.00	-
608100 - Lease Principal - Property	44,329.00	45,829.00	-	-	-	-	-
Total: Enterprise Debt Service	1,769,061.50	1,612,407.19	1,845,728.00	1,599,790.00	806,382.09	2,229,902.50	-
Total: Enterprise Expenses	(204,059.79)	3,008,049.65	2,791,728.00	2,590,800.00	1,595,213.71	3,529,420.06	-
Capital Projects							
802000 - Reservoir	3,035,131.00	44,135.19	-	-	17,165.00	17,165.00	-
805160 - Enterprise Capital Projects	-	15,442.16	-	35,000.00	30,630.92	35,000.00	-
NEW - Capital Outlay - Pumps & Pump Stations	-	-	-	-	-	-	-
NEW - Capital Contingency	-	-	-	-	-	-	-
Total: Capital Projects	3,035,131.00	59,577.35	-	35,000.00	47,795.92	52,165.00	-
Total: Expense	2,831,071.21	3,067,627.00	2,791,728.00	2,625,800.00	1,643,009.63	3,581,585.06	-
Net Income After Reserves	4,312,675.50	(991,290.99)	(61,667.00)	(507,763.00)	(636,176.29)	(1,431,205.37)	-
Net Income Before Reserves	4,312,675.50	(991,290.99)	(61,667.00)	(507,763.00)	(636,176.29)	(1,431,205.37)	-

Poudre Tech Metropolitan District	2024 Actuals	2025 Actuals	2025 Budget	2026 Budget	2026 Actuals Thru 6/30/26	2026 Projected	2027 Budget
Revenue							
Revenue							
Water Revenue							
404020 - Water Service Fees - Budget	-	-	1,650,000.00	-	-	-	-
404150 - Residential/Commercial Water Usage	836,980.35	1,050,042.85	-	967,200.00	-	967,200.00	-
404190 - Annual Capital Fee	-	-	-	808,000.00	1,110.72	808,000.00	-
404200 - Single Family Capital Fee	392,182.00	435,131.97	-	-	455,117.52	-	-
404220 - Multi-Family Capital Fee	277,046.00	183,696.00	-	-	192,709.92	-	-
404235 - High-Density Capital Fee	46,003.00	157,407.00	-	-	185,412.24	-	-
404240 - Commercial Capital Fee	4,369.00	801.00	-	-	4,442.88	-	-
404260 - Golf Course Water Usage	464,286.47	364,546.86	450,000.00	400,000.00	273,010.37	400,000.00	-
404270 - Metro District Water Usage	266,333.00	161,605.04	150,000.00	260,000.00	-	260,000.00	-
405000 - System Development Fees	1,137,500.00	107,500.00	187,500.00	28,000.00	-	28,000.00	-
414141 - Meter Sales	839,800.00	126,000.00	210,000.00	25,000.00	-	25,000.00	-
Total: Water Revenue	4,264,499.82	2,586,730.72	2,647,500.00	2,488,200.00	1,111,803.65	2,488,200.00	-
Collection Charges							
424200 - Late Fees	-	-	-	-	-	-	-
424201 - Late Fees - Adjustment for Prior Years	-	-	-	-	-	-	-
424210 - Interest Charges	-	-	-	-	-	-	-
424215 - Collection Letter Fee	7,130.00	630.00	-	-	2,190.00	2,190.00	-
424220 - Legal Fees Reimbursement	1,654.94	2,472.00	-	-	-	-	-
434220 - Lien Income	-	-	-	-	-	-	-
434330 - NSF Fees	180.00	90.00	-	-	110.00	110.00	-
Total: Collection Charges	8,964.94	3,192.00	-	-	2,300.00	2,300.00	-
Investment Income							
444402 - Bank Interest - Enterprise	45,868.00	21,662.59	-	-	15,144.27	15,144.27	-
Total: Investment Income	45,868.00	21,662.59	-	-	15,144.27	15,144.27	-
Other Revenues							
434352 - Other Enterprise Income	0.50	3,009.82	17,000.00	35,000.00	-	35,000.00	-
454002 - Meter Chargeback Income	135.00	4,361.59	-	-	-	-	-
470000 - Revenue Clearing	-	-	-	-	-	-	-
480102 - Developer Advance - Manager & Field Staff	-	-	250,000.00	-	-	-	-
490200 - Transfer from RDM1 - 2023 Loan Pledge	210,437.50	302,003.19	302,003.00	302,565.00	176,269.59	302,565.00	-
Total: Other Revenues	210,573.00	309,374.60	569,003.00	337,565.00	176,269.59	337,565.00	-
Total: Revenue	4,529,905.76	2,920,959.91	3,216,503.00	2,825,765.00	1,305,517.51	2,843,209.27	-
Total: Revenue	4,529,905.76	2,920,959.91	3,216,503.00	2,825,765.00	1,305,517.51	2,843,209.27	-
Expense							
Debt Service							
505510 - Principal - 2022 Loan	-	-	-	-	-	-	-
505515 - Interest - 2022 Loan	-	-	-	-	-	-	-
Total: Debt Service	-	-	-	-	-	-	-
General and Administrative							
605000 - Admin and Billing Staff	88,280.60	126,279.46	102,000.00	101,587.00	66,556.90	101,587.00	-
605010 - District Management Contract	15,300.00	16,200.00	20,000.00	17,010.00	8,100.00	17,010.00	-
605030 - Consulting and Studies	15,307.55	15,695.96	10,000.00	35,000.00	41,034.88	60,000.00	-
605040 - Banking Fees	600.00	10.00	1,000.00	1,000.00	-	1,000.00	-
605050 - Billing Software	-	-	-	-	-	-	-
605060 - Legal Services - Enterprise	3,279.25	1,152.50	5,000.00	5,000.00	-	5,000.00	-
605200 - Collection and NSF Expenses	25,810.00	11,085.14	45,000.00	30,000.00	11,600.00	30,000.00	-
605210 - Postage & Printing	16,347.87	19,605.40	15,000.00	13,000.00	6,162.41	13,000.00	-
605220 - Bad Debt - Enterprise	77,775.57	32,782.46	-	-	8,920.39	8,920.39	-
Total: General and Administrative	242,700.84	222,810.92	198,000.00	202,597.00	142,374.58	236,517.39	-
Water System - Operations and Maintenance							
606000 - Repairs and Maintenance	43,245.66	27,612.61	100,000.00	45,000.00	42,282.41	60,000.00	-
606005 - Small Tools - Enterprise	879.98	527.47	-	-	-	-	-
606010 - Water Quality Treatments	87,137.06	98,186.10	90,000.00	30,000.00	36,906.94	50,000.00	-
606020 - Electricity and Gas	202,219.37	195,571.86	204,000.00	210,120.00	88,274.53	210,120.00	-
606030 - Meter Reading & Billing Software	25,659.38	24,737.42	33,600.00	30,000.00	12,483.48	30,000.00	-
606040 - Water Meter Replacements	25,630.48	370.42	60,000.00	20,000.00	-	20,000.00	-
606050 - Gasoline, Oil, Diesel	-	104.78	-	-	-	-	-
606150 - Vehicle and Equip. Maint. & Repair	25,590.51	5,471.67	-	-	-	-	-
606290 - Maintenance Building Cost Share - Enterprise	-	-	-	15,000.00	-	15,000.00	-
607005 - In-House Water Maintenance Staff	90,325.13	18,494.41	65,000.00	23,000.00	-	23,000.00	-
607010 - Scada	10,476.25	15,081.85	25,000.00	20,000.00	12,152.51	20,000.00	-
607030 - Delivery and Ditch Expenses	50,608.31	49,575.70	60,000.00	60,000.00	50,065.11	60,000.00	-
607050 - Pump Station Repairs and Maintenance	138,356.25	158,200.54	150,000.00	125,000.00	13,925.87	50,000.00	-
609000 - New Meter Installation	786,176.92	171,473.52	195,000.00	28,000.00	36,216.98	40,000.00	-
609500 - Depreciation	296,112.04	352,876.68	-	-	-	-	-
Total: Water System - Operations and Maintenance	1,782,417.34	1,118,285.03	982,600.00	606,120.00	292,307.83	578,120.00	-
Other Water Operating Expenses							
607000 - Water System Manager & Field Staff	250,000.00	250,000.00	250,000.00	300,000.00	62,500.00	300,000.00	-
607020 - Utility Locates	76,535.95	68,666.27	80,000.00	72,000.00	37,443.93	72,000.00	-
607040 - Contingency	-	-	25,000.00	25,000.00	-	25,000.00	-
Total: Other Water Operating Expenses	326,535.95	318,666.27	355,000.00	397,000.00	99,943.93	397,000.00	-
Enterprise Fund - Capital Outlay							
609010 - Capital Outlay - Pumps & Pump Station	242,704.15	134,283.77	-	-	114,770.47	114,770.47	-
609020 - Seawall Project	159,565.68	35,382.68	-	-	-	-	-
609030 - Cost Certification	-	-	-	-	-	-	-
609040 - Enterprise - Capital Projects	119,680.94	17,128.58	227,000.00	200,000.00	124,313.75	200,000.00	-
609900 - Intergovernmental Services Fees RD1	4,624,856.53	63,468.43	-	-	3,440.00	3,440.00	-
920090 - Capitalized Assets	(1,340,707.87)	(396,724.97)	-	-	-	-	-
920900 - Gain/Loss on Asset Disposal	-	30,043.64	-	-	-	-	-
920999 - Prior Period Adjustment	(189,428.57)	-	-	-	-	-	-
NEW - Capital Contingency	-	-	-	-	-	-	-
Total: Enterprise Fund - Capital Outlay	3,646,714.50	(146,461.51)	227,000.00	200,000.00	242,524.22	318,210.47	-
Enterprise Fund - Debt Service							
608000 - Loan Principal	-	-	278,425.00	294,530.00	146,307.80	294,530.00	-
608010 - 2023 Loan Interest	846,375.00	838,865.15	840,105.00	826,080.00	412,955.73	826,080.00	-
608020 - Paying Agent Fees	-	-	-	-	-	-	-
608040 - Developer Repayment - Manager & Field Staff	-	-	250,000.00	-	-	-	-
Total: Enterprise Fund - Debt Service	846,375.00	838,865.15	1,368,530.00	1,120,610.00	559,263.53	1,120,610.00	-
Total: Expense	6,844,743.63	2,352,165.86	3,131,130.00	2,526,327.00	1,336,414.09	2,650,457.86	-
Net Income After Reserves	(2,314,837.87)	568,794.05	85,373.00	299,438.00	(30,896.58)	192,751.41	-
Net Income Before Reserves	(2,314,837.87)	568,794.05	85,373.00	299,438.00	(30,896.58)	192,751.41	-



1560 Broadway, Suite 975, Denver, Colorado 80202

Complete a separate application that identifies an "official custodian" of public funds deposited in a bank for each "public unit," as defined below, or other entity mentioned in Section 11-10.5-103(9)(b), C.R.S. Please refer to the accompanying instructions for information on completing the application. The definition of an official custodian appears in Section 11-10.5-103(9), C.R.S., a copy of which is included with the instructions. As discussed further in the instructions, failure to complete this application, or errors in the completion of this application, may result in the loss of protections otherwise applicable to public funds and/or official custodians.

Please note that this application does not apply to funds deposited in a savings and loan institution, credit union, or other exceptions.

After receipt and processing of the completed application, PDPA number(s) will be assigned, and the official custodian will be notified of the number(s). Please allow up to two (2) weeks to receive your number(s). Regarding bank accounts, official custodians must notify the banker(s) in writing of the PDPA number(s).

Return the completed application via email to:

DORA_PDPA@state.co.us

Public Deposit Protection Program Colorado Division of Banking

PLEASE TYPE OR PRINT ALL INFORMATION

A. Name of public unit or other entity:

WaterDance Non-Potable Water Activities Authority

Statutory citation under which the public unit or entity was created:

Title 32, C.R.S.

B. Identify the type of public unit or other entity named in Section (A).

1. Is the entity named in Section (A) a public unit that, for the purposes of this application, includes only the State of Colorado, or a county, municipality, or political subdivision (defined below) thereof?

☒ YES

☐ NO

"The term 'political subdivision' includes drainage, irrigation, navigation, improvement, levee, sanitary, school or power districts, bridge or port authorities, and other special districts created by state statute or compacts between the states. It also includes any subdivision of . . . [the State, county or municipality] or any principal department of . . . [the State, county, or municipality]:

- (1) The creation of which subdivision or department has been expressly authorized by the law of such public unit;
- (2) To which some functions of government have been delegated by such law, and
- (3) Which is empowered to exercise exclusive control over funds for its exclusive use."

If no, move to Section (B)(2).

If yes, check the one category of the following that most specifically describes the type of public unit named and then move to Section (C). If one of the categories is checked below, do not check any categories of Section (B)(2).

a. State of Colorado	☐
b. County	☐
c. City or town (statutory, home rule, or territorial charter)	☐
d. City and county (combined)	☐
e. School District	☐
f. Title 32 Special Districts and other special districts created by or pursuant to state statute (not including a special improvement district)	☒

g. District formed by compact between Colorado and other state(s)	☐
h. Other "political subdivision" (refer to definition above) of the State of Colorado	☐
i. "Political subdivision" (refer to definition above) of a county	☐
j. "Political subdivision" (refer to definition above) of a municipality	☐
k. County housing authority	☐
l. Municipal housing authority	☐

2. If the entity named is not a public unit, is it an "entity" as described in Section 11-10.5-103(9)(b), C.R.S.? Sections (B)(2)(a) through (f) below list each entity, as described in Section 11-10.5-103(9)(b), C.R.S., that is not a public unit.

☐ YES

☒ NO

If yes, check the one category below that most specifically describes the type of entity named.

a. Institution of higher education	☐
b. Institution, department, agency, instrumentality, or authority of any of the foregoing described in Section (B) (1) or Section (B)(2)(a) Identify the statute or other legal authority under which such institution, department, agency, instrumentality or authority is organized:	☐
c. Local government investment pool organized pursuant to Section 24-75-701, C.R.S., et. seq.)	☐

d. Public entity insurance pool organized pursuant to Colorado statute	☐
e. Public body corporate created under Colorado statute or constitution Identify the statute or constitutional provision under which such public body corporate is organized:	☐
f. Other entity, organization, or corporation formed by intergovernmental agreement or other contract between or among any of the foregoing described in Section (B)(1) and Section (B)(2)	☐

If Section (B)(1) and Section (B)(2) were answered no, the official custodian designation does not apply under the PDPA. Do not complete or return this application. If the entity named is a subordinate unit of a public unit named in Section (B) (1), but is not a political subdivision as defined above, identify that public unit:

A separate PDPA number will not be issued. Under these circumstances, if an individual is in possession of public funds, the official custodian of the parent public unit should be contacted. The PDPA number of that "official custodian" should be used when depositing funds in a bank.

C. What public funds are in custody?

1. If a public unit was named in Section (A), do you have custody of any public funds of the named public unit that by law, or under a bond indenture, are required to be set aside to discharge a debt owed to the holders of notes or bonds issued by the public unit, as provided in Section 12 C.F.R. 330.15(c).

☐ YES

☒ NO

If yes, identify each such fund or bond issue by the complete name(s) or descriptive title(s):

2. If a public unit or entity was named in Section (A), do you have custody of any pension funds or other employee benefit retirement plan funds of the public unit or other entity named in Section (A)?

☐ YES

☒ NO

If yes, identify the name(s) or descriptive title(s) of each such separate retirement fund:

3. If a public unit or entity was named in Section (A), do you have custody of any other funds of the public unit or entity named that are not described in Section (C)(1) or Section (C)(2), but are held in trust for others under a written trust agreement or by statute, as provided in 12 C.F.R. Section 330.11.

☐ YES

☒ NO

If yes, identify the name(s) or descriptive title(s) of each such separate trust fund, and describe the persons for whom the funds are held in trust (attach supplemental sheets to identify each such fund):

4. If a public unit or entity was named in Section (A), do you have custody of any funds of the public unit or entity that are commingled with the funds of any other public unit or entity, but that are not held in trust for others?

☐ YES

☒ NO

If yes, identify the name(s) or descriptive title(s) of the commingled fund(s) and name the other public unit(s) or entity(ies) whose funds are commingled with those of the public unit or entity named in Section (A):

D. Identify an official custodian.

1. Identify an official custodian. Generally, an official custodian has plenary authority, including "control" over public funds of a public unit or public entity. "Control" includes the possession of and authority to establish accounts for public funds in banks and to make withdrawals, or disbursements. If the exercise of such authority requires the action or consent of two or more putative official custodians, they are treated as one official custodian with respect to those public funds. An official custodian may be a designated position such as "Treasurer," or the official custodian may be a named person. Reapplication will not be necessary in the future if a particular position is designated the official custodian rather than a named person, unless the position no longer serves as the official custodian.

Only complete one Section below, Position or Person, not both.

If POSITION(S) constitute(s) the official custodian:

<u>President</u>	<u>Treasurer</u>
Position Title (Print)	(Optional) Additional Position Title (Print)

OR if named PERSON(S) constitute the official custodian:

<u></u>	<u></u>
Name and Title (Print)	(Optional) Additional Position Title (Print)

2. Signature(s) and Printed Name(s) of each current incumbent of the position listed in Section D(1), or each person whose name and title was named in Section D(1).

<u></u>	<u></u>
Signature	Signature
<u>Martin Lind</u>	<u>Garrett Scallon</u>
Print or Type Signature	Print or Type Signature
<u></u>	<u></u>
Date	Date

3. Mailing address, telephone number and email address of public unit or other entity named in Section (A).

Address: 2154 E. Commons Avenue, Suite 2000	
City, State, ZIP Code: Centennial, CO 80122	
Area Code/Telephone Number: 303/858-1800	Email Address: bbowers@wbapc.com

4. Mailing address, telephone number and email address of official custodian(s) (to be provided only if different from those of public unit or other entity named in Section (A)).

Address:	
City, State, ZIP Code:	
Area Code/Telephone Number:	Email Address:



COLORADO

Department of
Regulatory Agencies

Division of Banking

PUBLIC DEPOSIT PROTECTION ACT

Instructions for Application for Assignment of PDPA
Number for Public Funds Deposited in Banks

1560 Broadway, Suite 975, Denver, Colorado 80202

Purpose of Application. The Colorado Public Deposit Protection Act (PDPA), Section 11-10.5-101, et seq., C.R.S., has as its purpose the preservation and protection of all public funds held on deposit by a bank that are either not insured by or are in excess of the insured limits of Federal Deposit Insurance Corporation (FDIC) insurance, and to ensure the expedited repayment of such funds in the event of default and subsequent liquidation of a bank which holds such deposits. Section 11-10.5-107(5), C.R.S., states, briefly, that the PDPA requires banks in Colorado that are eligible depositories of public funds to pledge eligible collateral having a market value in excess of 102 percent of their aggregate uninsured public deposits to secure uninsured public funds on deposit. Thus, the PDPA provides protection of public deposits beyond FDIC insurance.

In order to achieve the purposes of the Act, PDPA places specific responsibilities on the Colorado State Banking Board (Banking Board), on banks that are eligible public depositories, and on official custodians of public funds.

Colorado State Banking Board. The PDPA requires the Banking Board to establish an account numbering system to be used universally by all official custodians of public funds who deposit funds in eligible public depositories. The numbering system designates unique numbers for accounts that are established by each official custodian so that the amount of public funds subject to FDIC insurance and the amount of public funds subject to the collateral requirements of the PDPA may be readily and more accurately determined.

Official Custodians. The PDPA requires each official custodian of public funds to apply to the Banking Board for the assignment of PDPA number(s). It is important to each Colorado public unit and entity and to the official custodian thereof, that the required application is submitted to the Banking Board. Failure of an official custodian to secure the required PDPA numbers may result in the inapplicability of the Act's protections to the uninsured public deposits under the control of the official custodian. The PDPA also provides in Section 11-10.5- 111(4)(b), C.R.S., that any official custodian found to have violated the provisions of the PDPA committed a civil infraction and may be removed from office.

The Application by Official Custodian for Assignment of Public Deposit Protection Act (PDPA) Number(s) for Public Funds Deposited in Banks constitutes the PDPA number application required of the official custodian. The official custodian is generally defined in the PDPA, Section 11-10.5-103(9), C.R.S., as a designee, with plenary authority, including "control" over public funds of a public unit or other public entity described in Section 11-10.5- 103(9)(b), C.R.S. "Control" of public funds includes possession as well as the authority to establish accounts for the public funds in banks and to make deposits, withdrawals, or disbursements of the public funds. If the exercise of such authority requires the action or consent of two or more putative official custodians, they are treated as one official custodian with respect to those public funds.

The PDPA imposes other obligations on official custodians; the official custodian may wish to seek advice from the public unit or entity's attorney on these other obligations.

Eligible Public Depositories. The PDPA imposes a number of obligations on banks that are eligible public depositories, including use of the PDPA number system that has been developed by the Banking Board. The PDPA imposes various penalties on banks and banking officials for any violation of the PDPA.

SELECT DEFINITIONS FROM THE PUBLIC DEPOSIT PROTECTION ACT

Section 11-10.5-103

(6) "Eligible public depository" means: any bank which has been designated as an eligible public depository by the Banking Board.

(9) "Official custodian" means:

(a) A designee with plenary authority, including control over public funds of a public unit which the official custodian is appointed to serve. For purposes of this paragraph (a), "control" includes possession of public funds, as well as the authority to establish accounts for such public funds in banks and to make deposits, withdrawals, or disbursements of such public funds. If the exercise of plenary authority over the public funds of a public unit requires action by or the consent of two or more putative official custodians, then such official custodian shall be treated as one official custodian with respect to such public funds.

(b) A designee, other than a designee described in paragraph (a) of this subsection (9), with authority, including control, over public funds of an entity, including the state of Colorado; any institution, agency, instrumentality, authority, county, municipality, city and county, school district, special district, or other political subdivision of the state of Colorado, including any institution of higher education; any institution, department, agency, instrumentality, or authority of any of the foregoing, including any county or municipal housing authority; any local government investment pool organized pursuant to part 7 of article 75 of title 24, C.R.S.; any public entity insurance pool organized pursuant to state statute; any public body corporate created or established under the constitution of the state of Colorado or any state statute; and any other entity, organization, or corporation formed by intergovernmental agreement or other contract between or among any of the foregoing. For purposes of this paragraph (b), "control" includes possession of public funds, as well as the authority to establish accounts for such public funds in banks and to make deposits, withdrawals, or disbursement of such public funds. If the exercise of authority over such public funds requires action by or the consent of two or more putative official custodians, then such official custodians shall be treated as one official custodian with respect to such public funds.

INSTRUCTIONS FOR COMPLETION OF THE APPLICATION

Due to the legal nature of the requirements set out in the PDPA and in the FDIC laws, the official custodian may wish to obtain the advice of the public unit or entity's attorney in completing the application. The Banking Board does not separately determine whether the applicant is an official custodian or verify the accuracy of the determination of a "public unit" or "public entity." [An incorrect determination by the applicant may affect the adequacy of the amount of collateral that the eligible public depository pledges to secure the public deposits it holds.] Correct completion of the application is dependent upon an understanding of the definitions of various words and requirements appearing in the application, the PDPA, and FDIC laws and regulations.

Complete a separate application for each public unit and each other entity described in Section 11-10.5-103(9)(b), C.R.S., for which the applicant is an official custodian. The following comments relate to specific lettered sections of the application:

- A. Name the public unit or other entity for which the applicant is an official custodian of public funds, and include the statutory citation under which the public unit or entity was formed. The name should be the complete legal name of the entity. A separate application must be filled out for each public unit or other entity for which the applicant serves as an official custodian.
- B. Because the FDIC insures official custodians of public units differently from official custodians of other entities, it is important to know whether the applicant is an official custodian for a public unit. The definition of public unit appears in Section (B) of the application.

1. If the entity named in Section (A) is a public unit, mark "yes" in the appropriate space and check the applicable category of public unit. If the entity is not a public unit, but is an entity described in Section 11- 10.5-103(9)(b), C.R.S., which citation is included with these instructions, mark "no" in the appropriate space and go to Section (B)(2).
2. If the entity named in Section (B) is not a public unit but is an entity described in Section 11-10.5- 103(9) (b), C.R.S., mark the one category listed in Section (B)(2) that most specifically describes the legal status of the named entity. The categories of entities listed in Section (B)(2) are the same as those listed in Section 11-10.5-103(9)(b), C.R.S., excluding the public units listed in that subsection.

If more than one category accurately describes the entity, select and mark the one that most specifically describes the entity.

If the applicant has answered "no" to Section (B)(1) and Section (B)(2), the applicant is not an official custodian under the PDPA and does not need to complete or return this application; the entity named in Section (A) may be a subordinate unit (but not a political subdivision) of the State, or a county or municipality. If so, the applicant is not entitled to a separate number. However, if the applicant has public funds in the applicant's possession, the applicant should contact an attorney for advice on who the official custodian of the funds is. The PDPA number of that official custodian should be used when the funds are deposited in an eligible public depository.

The FDIC provides separate insurance coverage for certain types of public funds held by an official custodian. Sections (C), (D), and (E) describe these types of public funds. Because of the separate FDIC insurance provided, the PDPA numbering system will assign different PDPA numbers to each of these different types of public funds. Thus, the applicant must identify whether any of the public funds under his or her control fall within the described categories. The public unit or entity's attorney may need to assist in making these determinations. Advisory opinions from the FDIC may be of assistance.

- C. C.1. Answer this question only if the applicant has stated in Section (B)(1) that the entity named in Section (A) is a public unit.
 - C.2. Answer this question if the entity named in Section (A) is a public unit or an entity.
 - C.3. Answer this question if the entity named in Section (A) is a public unit or an entity.
 - C.4. Answer this question if the entity named in Section (A) is a public unit or entity.
- D. In completing the "Position/Person" blocks, include the position title, and not the name, if a particular position (such as "Treasurer") constitutes the official custodian. Include both the name and title if a particular named individual constitutes the official custodian. If two or more positions/persons constitute one official custodian as provided in the definition of official custodian described below and in Section 11-10.5-103(9), C.R.S., include the positions or names/titles of all such positions/persons.
2. Signature(s), Name(s), and Date(s) of each current incumbent of the position listed in Section D(1), or each person whose name and title was named in Section D(1).
 - 3 & 4. Provide mailing and contact information as requested.

Application for Exempt Entity Certificate

A qualifying entity may complete this form to apply for a Colorado sales tax exemption certificate.

Line Instructions

Line 1 Entity Information

Enter the entity's identifying and contact information.

Line 2 Exemption Type and Required Attachments

Mark the exemption type and include its required attachments.

Charitable Organization. A charitable organization must meet several criteria to qualify for exemption from Colorado sales and use tax. The qualifying criteria are similar to the requirements in section 501(c)(3) of the Internal Revenue Code. In addition to other requirements, the organization must be organized and operated exclusively for one of the following purposes: religious, charitable, scientific, testing for public safety, literary, educational, fostering national or international amateur sports competition, or prevention of cruelty to children or animals. Veteran's organizations registered under section 501(c)(19) of the Internal Revenue Code also qualify for exemption.

This exemption applies only to goods or services that are:

- reasonably used in the conduct of the organization's regular charitable functions and activities, and
- purchased directly from the funds of the organization, unless the total purchase is less than \$250.

Colorado exemption certificates are generally issued to charitable organizations with substantial operations in Colorado. An organization operating principally in another state should generally use its exemption certificate from the other state for occasional purchases in Colorado.

The required attachments include the organization's financial statements or other documentation of its current or projected sources of income and expenditures. If the organization is eligible to file federal form 990-N, you may attach a description of its sources of income and expenditures.

For more information, see Department guidance publication *Sales and Use Tax Topics: Charitable Entities*.

Affordable Housing Project. A qualifying entity must own, lease, or construct a qualifying affordable housing project. This exemption applies only to purchases made directly by the qualifying entity for use in the qualifying project. For more information, see Department guidance publication *FYI Sales 95: Sales/Use Tax Exemption for Affordable Housing Projects*.

Federal Credit Union or Farm Credit Bank. This exemption applies only to goods or services that are purchased directly from the funds of the financial institution.

Colorado Political Authority or District, or Other Federal or Colorado State or Local Governmental Entity. This exemption applies only to goods or services that are:

- reasonably used exclusively in a governmental capacity, and
- purchased directly from the funds of the governmental entity.

Only one certificate will be issued to the main office of a governmental entity. For more information, see Department guidance publication *Sales and Use Tax Topics: Governmental Entities*.

Line Instructions (continued)

Line 3 Signature

This form must be signed by a person authorized to execute this form on behalf of the entity.

The entity remains directly liable for the reporting and payment of sales or use tax, plus interest and any applicable penalties, for any purchase under the exemption that is:

- found to not qualify for the exemption, or
- used in a manner that does not qualify for the exemption.

Submission

Submit your completed form and attachments by:

- Email (Preferred) to DOR_ExemptionApplications@state.co.us using the word Encrypt in the subject line; or
- Mail to:

Colorado Department of Revenue
Sales Tax Accounting Section
PO Box 17087
Denver CO 80217-0087

Application for Exempt Entity Certificate

Email to DOR_ExemptionApplications@state.co.us
using the word "Encrypt" in the subject line.

1. Entity Information		
Legal Entity Name WaterDance Non-Potable Water Activities Authority		FEIN
Trade Name (if different)		Phone Number
Address of Principal Location in Colorado 2154 E. Commons Avenue, Suite 2000		
City Centennial	State CO	ZIP Code 80122
Mailing Address (if different)		
City	State	ZIP Code
2. Exemption Type and Required Attachments		
☐ Charitable Organization, attach a copy of: ☐ Articles of Incorporation or Organization that include the organization's specific purpose and function; ☐ Current Certificate of Good Standing from the Colorado Secretary of State; ☐ Financial statements or other documentation of the current or projected sources of income and expenditures; and ☐ One of the following documents stating your tax-exempt status with the Internal Revenue Service (IRS): ☐ IRS determination letter that you are exempt under section 501(c)(3) or (19) of the Internal Revenue Code; ☐ Official document from your central organization that you are included in a 501(c)(3) group exemption; or ☐ IRS letter that they have no record of recognizing you as exempt.		
☐ Affordable Housing Project, attach a copy of: ☐ Housing authority statement certifying its ownership interest in the project and the percentage of units for persons with low income.		
☐ Federal Credit Union or Farm Credit Bank, attach a copy of: ☐ Federal charter.		
☒ Colorado Political Authority or District, attach a copy of either: ☒ Establishing statutory act and all jurisdictional documentation; or ☐ Court decree signed by the establishing judge.		
☐ Other Federal or Colorado State or Local Governmental Entity (only one certificate will be issued to the main office)		
3. Signature		
I affirm under penalty of perjury that to the best of my knowledge and belief the information in this application is true and correct as to every material matter, and I have the legal authority to execute this form on behalf of this entity. If I am applying for exemption as a charitable organization, I also affirm under penalty of perjury that: • The organization is organized and operated exclusively for charitable purposes; • No part of its net earnings inures to the benefit of any private shareholder or individual; • No substantial part of its activities is carrying on propaganda or otherwise attempting to influence legislation; • The organization does not participate in or intervene in any political campaign on behalf of or in opposition to any candidate for public office, including the publishing or distributing of statements; • The organization does not limit its deeds and gifts to its members or beneficiaries only; and • The funds received by the organization are not solely dependent on required payments of its members.		
Printed Name Martin Lind		Title Board President
Authorized Signature		Date (MM/DD/YY)

Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)

See separate instructions for each line. Keep a copy for your records.
Go to www.irs.gov/FormSS4 for instructions and the latest information.

OMB No. 1545-0003

EIN

Type or print clearly.	1 Legal name of entity (or individual) for whom the EIN is being requested WaterDance Non-Potable Water Activities Authority								
	2 Trade name of business (if different from name on line 1)		3 Executor, administrator, trustee, "care of" name N/A						
	4a Mailing address (room, apt., suite no. and street, or P.O. box) 2154 E. Commons Avenue, Suite 2000		5a Street address (if different) (Don't enter a P.O. box.) N/A						
	4b City, state, and ZIP code (if foreign, see instructions) Centennial, Colorado 80122		5b City, state, and ZIP code (if foreign, see instructions) N/A						
	6 County and state where principal business is located Weld County, Colorado								
	7a Name of responsible party WBA, PC		7b SSN, ITIN, or EIN						
8a Is this application for a limited liability company (LLC) (or a foreign equivalent)? ☐ Yes ☒ No			8b If 8a is "Yes," enter the number of LLC members						
8c If 8a is "Yes," was the LLC organized in the United States? ☐ Yes ☐ No									
9a Type of entity (check only one box). Caution: If 8a is "Yes," see the instructions for the correct box to check. ☐ Sole proprietor (SSN) ☐ Estate (SSN of decedent) ☐ Partnership ☐ Plan administrator (TIN) ☐ Corporation (enter form number to be filed) ☐ Trust (TIN of grantor) ☐ Personal service corporation ☐ Military/National Guard ☒ State/local government ☐ Church or church-controlled organization ☐ Farmers' cooperative ☐ Federal government ☐ Other nonprofit organization (specify) ☐ REMIC ☐ Indian tribal governments/enterprises ☐ Other (specify) Group Exemption Number (GEN) if any									
9b If a corporation, name the state or foreign country (if applicable) where incorporated		State	Foreign country						
10 Reason for applying (check only one box) ☐ Started new business (specify type) ☐ Hired employees (Check the box and see line 13.) ☐ Compliance with IRS withholding regulations ☐ Other (specify) ☒ Banking purpose (specify purpose) Special District - Authority ☐ Changed type of organization (specify new type) ☐ Purchased going business ☐ Created a trust (specify type) ☐ Created a pension plan (specify type)									
11 Date business started or acquired (month, day, year). See instructions. September 29, 2026		12 Closing month of accounting year							
13 Highest number of employees expected in the next 12 months (enter -0- if none). If no employees expected, skip line 14. <table><tr><td>Agricultural</td><td>Household</td><td>Other</td></tr><tr><td>0</td><td>0</td><td>0</td></tr></table>		Agricultural	Household	Other	0	0	0	14 If you expect your employment tax liability to be \$1,000 or less in a full calendar year and want to file Form 944 annually instead of Forms 941 quarterly, check here. (Your employment tax liability will generally be \$1,000 or less if you expect to pay \$5,000 or less, \$6,536 or less if you're in a U.S. territory, in total wages.) If you don't check this box, you must file Form 941 for every quarter ☐	
Agricultural	Household	Other							
0	0	0							
15 First date wages or annuities were paid (month, day, year). Note: If applicant is a withholding agent, enter date income will first be paid to nonresident alien (month, day, year)									
16 Check one box that best describes the principal activity of your business. ☐ Construction ☐ Rental & leasing ☐ Transportation & warehousing ☐ Health care & social assistance ☐ Wholesale—agent/broker ☐ Real estate ☐ Manufacturing ☐ Finance & insurance ☒ Other (specify) N/A ☐ Accommodation & food service ☐ Wholesale—other ☐ Retail									
17 Indicate principal line of merchandise sold, specific construction work done, products produced, or services provided. N/A									
18 Has the applicant entity shown on line 1 ever applied for and received an EIN? ☐ Yes ☒ No If "Yes," write previous EIN here									
Third Party Designee	Complete this section only if you want to authorize the named individual to receive the entity's EIN and answer questions about the completion of this form.								
	Designee's name		Designee's telephone number (include area code)						
	Address and ZIP code		Designee's fax number (include area code)						
Under penalties of perjury, I declare that I have examined this application, and to the best of my knowledge and belief, it is true, correct, and complete.			Applicant's telephone number (include area code)						
Name and title (type or print clearly) Martin Lind, Board President			Applicant's fax number (include area code)						
Signature		Date							

**RESOLUTION
OF THE BOARD OF DIRECTORS OF
WATERDANCE NON-POTABLE WATER ACTIVITIES AUTHORITY**

DESIGNATING AUTHORIZED SIGNERS ON AUTHORITY BANK ACCOUNTS

WHEREAS, the WaterDance Non-Potable Water Activities Authority, is a contractual authority and a political subdivision and public corporation of the State of Colorado; and

WHEREAS, pursuant to § 32-1-1001(1)(a) and (i), C.R.S., the Authority is authorized to enter into contracts and to designate agents and employees to act on behalf of the Authority in financial matters; and

WHEREAS, the Authority maintains one or more bank accounts necessary for the management and administration of Authority funds and operations; and

WHEREAS, the Board has previously designated, or now desires to designate, certain individuals as Authorized Signers on the Authority's bank accounts, and any prior authorizations inconsistent herewith are hereby superseded; and

WHEREAS, the Board desires to authorize and designate Authorized Signers to sign or endorse the payment or withdrawal of funds from the Authority's bank accounts, and to provide them with full administrative rights related to the account, including but not limited to, check signing authority, account closure authority, wire transfer authority, ACH authority, and change of address authority; and

WHEREAS, the Board finds that the authorization of designated signers is necessary and in the best interests of the Authority to ensure the efficient and lawful management of Authority funds.

NOW, THEREFORE, the Board hereby RESOLVES as follows:

1. **Designation of Authorized Signers.** The Board designates the following as signatories on the Authority's bank accounts (collectively, the "**Authorized Signers**"). Such designation shall authorize each individual to sign checks on behalf of the Authority and access Authority banking information as they deem necessary including being able to receive information related to the bank account(s), perform transactions, and make necessary updates to options and account attributes. Authorized Signers are authorized to sign or endorse, on behalf of the Authority, any order for the payment or withdrawal of funds from the Authority's bank accounts.

1. Martin Lind
2. Gary Kerr
3. Garrett Scallon

ADOPTED OCTOBER 15, 2026.

AUTHORITY:

**WATERDANCE NON-POTABLE WATER
ACTIVITIES AUTHORITY**, a contractual authority
and political subdivision and public corporation of the
State of Colorado

By: _____
Officer of the Authority

Attest:

By: _____