



KERN BOARD REGULAR MEETING

June 11, 2016 – 6:30 p.m. or immediately following the regular meeting

Town Board Chambers

301 Walnut Street, Windsor, CO 8055

The Town of Windsor will make reasonable accommodations for access to Town services, programs, and activities and will make special communication arrangements for persons with disabilities. Please call (970) 674-2400 by noon on the Thursday prior to the meeting to make arrangements.

AGENDA

1. Call to Order
2. Roll Call of Directors Present
3. Approval of Minutes of May 9, 2016 Board of Directors Meeting – K. Eucker
4. Approval of Bills – D. Moyer
5. Resolution 2016-KB02 - A Resolution Approving the 2016 Revision to the Kern Reservoir and Ditch Company Bylaws – I. McCargar
6. Resolution 2016-KB03 - A Resolution Approving the 2016 Kern Reservoir Operating Agreement Between the Kern Reservoir and Ditch Company and New Cache La Poudre Irrigating Company – I. McCargar
7. Communications
8. Adjourn



KERN BOARD REGULAR MEETING

May 9, 2016 – 6:30 p.m. or immediately following the regular meeting
Town Board Chambers
301 Walnut Street, Windsor, CO 8055

The Town of Windsor will make reasonable accommodations for access to Town services, programs, and activities and will make special communication arrangements for persons with disabilities. Please call (970) 674-2400 by noon on the Thursday prior to the meeting to make arrangements.

MINUTES

1. Call to Order

Ms. Melendez called the meeting to order at 6:31 p.m.

2. Roll Call of Directors Present

Kristie Melendez
Myles Baker
Christian Morgan
Ken Bennett
Brenden Boudreau
Ivan Adams

Also Present:

Town Manager
Town Attorney
Town Clerk/Assistant to Town Manager
Communications/Assistant to Town Manager
Chief of Police
Director of Engineering
Director of Public Works
Director of Planning
Director of Parks, Recreation and Culture
Manager of Communications
Deputy Town Clerk

Kelly Arnold
Ian McCargar
Patti Garcia
Kelly Unger
John Michaels
Dennis Wagner
Terry Walker
Scott Ballstadt
Eric Lucas
Katie VanMeter
Krystal Eucker

3. Approval of Minutes of September 28, 2015 Board of Directors Meeting – K. Eucker
Board Member Baker motioned to approve the minutes as presented; Board Member Morgan seconded the motion. Roll call on the vote resulted as follows: Yeas-Baker, Morgan, Bennett, Boudreau, Adams, Melendez; Nays – None. Motion passed.

4. Approval of Bills

Mr. Arnold stated when the Board meets an accumulation of the last 60 days is presented in bill form that have already been paid for by the Town; the Board is ratifying the bills.

Mr. McCargar stated there are two primary supports of Kern. The first being Clearwater Solutions and that firm provides engineering support for the Kern's operations. The second primary supporter is Lawrence, Jones, Custer & Grasmick which is the Kern Board's legal counsel.

Board Member Morgan motioned to approve the bills as presented; Board Member Adams seconded the motion. Roll call on the vote resulted as follows: Yeas-Baker, Morgan, Bennett, Boudreau, Adams, Melendez; Nays – None. Motion passed.

5. Discussion of New Cache la Poudre Irrigating Company Operating Agreement

- Staff presentation: Ian McCargar & Brad Grasmick

Per Mr. McCargar since 1934, the Kern and New Cache la Poudre Irrigating Ditch Company (“New Cache”) have entered into agreements to assure that the No. 2 Canal and Windsor Lake work in harmony. We are negotiating an updated agreement on the Kern’s behalf which, if approved by the Kern Board, will assure the continuation of this cooperative relationship.

Beginning in 1934, the Kern and New Cache entered into agreements for combined operations of the No. 2 Canal and Windsor Lake. The 1934 agreement was updated in 1984, and again in 2002. In each of these cases, the parties recognized that New Cache needs the Kern’s lake as an “equalizer” for its irrigation customers, and Kern needs New Cache to carry water into and out of Windsor Lake. As an “equalizer”, Windsor Lake allows New Cache to better-serve its customers through increased irrigation water availability.

The 2002 agreement contemplated the installation of a Rubicon gate structure downstream in the outlet channel. The Rubicon gate is the mechanical device by which water is both held back and released downstream to New Cache customers. The Town of Windsor paid the cost for installation of the Rubicon gate structure, but New Cache is largely responsible for its day-to-day operations. The Town invested in the Rubicon gate structure primarily to assure Windsor Lake’s role in stormwater management. Windsor Lake is included as a stormwater detention vessel in the Town’s Stormwater Management Plan, and the operation of the Rubicon gate structure is crucial to the lake’s flood prevention function under the Plan.

The proposed 2016 Operating Agreement accomplishes three basic objectives:

1. Expressly grants the Kern “carriage rights” in the No. 2 Canal.
2. Expressly allocates ownership and operational control of the Rubicon gate to New Cache, subject to conditions.
3. Expressly sets up cost-sharing for repair and replacement of the Rubicon gate.

“Carriage rights” are the privileges given by the No. 2 Canal when water not owned by New Cache customers is carried down the Canal. The agreement under negotiation provides that the Kern’s senior water right will travel into Windsor Lake through the No. 2 Canal at no cost to the Kern. The Kern’s junior water right will be assessed a fee in accordance with an agreed protocol. The carriage rights granted under this agreement recognize that the Kern is a shareholder of New Cache water rights, and that Kern is providing New Cache the benefits of “equalization” in Windsor Lake.

Although the 2002 agreement stated that the Town would pay the cost of the Rubicon gate structure, it did not expressly say the Town owned it and did not expressly state which party would have control over it. The agreement under negotiation states that New Cache owns and operates the Rubicon gate, in recognition that on a day-to-day

basis, New Cache should have control over how much water leaves Windsor Lake. This authority is subject to constraints to assure certain lake levels.

The agreement under negotiation establishes a minimum level at which the Windsor Lake will be maintained. There is a natural tension between the lake levels preferred by New Cache and the lake levels preferred by the Kern. New Cache prefers a higher lake level, which translates to greater availability of irrigation water to its customers. Kern prefers a level that recognizes the aesthetic value of the lake as an amenity to the Town's Boardwalk Park, but that does not result in excessive damage to the shoreline or related facilities. Additionally, the Kern prefers a lake level that will accommodate stormwater flows in the event of a heavy rain event. If the lake is kept at too high a level, the lake loses its ability to absorb and later release stormwater flows.

The agreement under negotiation allows for an equal sharing of costs associated with Rubicon gate maintenance and repairs. This cost-sharing recognizes the shared purpose of the Rubicon gate. For New Cache, the Rubicon gate is the tool by which its customers receive water from the lake. For Kern, the Rubicon keeps the lake at an appealing level for recreation and also enables the lake to absorb stormwater in a heavy rain event.

Assuming the Kern Board so instructs, staff will finalize the 2016 agreement for formal adoption at an upcoming Kern Board meeting. The New Cache Board of Directors is on a similar time table. Staff will continue working with New Cache representatives to ready the agreement for formal approval.

Ms. Melendez inquired as to who New Cache is.

Mr. McCargar stated New Cache is a mutual ditch company that owns the canal.

Ms. Melendez inquired if it is a board of individuals or a particular individual that represents New Cache.

Mr. McCargar stated New Cache Irrigating Ditch Company is run by a board of directors and serves primarily irrigation customers as it is not set up to serve the development community.

Ms. Melendez inquired as to the cost share ratio.

Mr. McCargar stated if it is a maintenance item for the Rubicon Gate the Kern and New Cache share equally in the cost.

Ms. Melendez inquired about the lake levels in the agreement.

Mr. McCargar stated in a matter of practice have been able to find a satisfactory answer. Lake levels really relate to overabundance or under abundance that there would be a problem.

Ms. Melendez inquired about Windsor funding the Rubicon Gate but New Cache dictates the operations.

Mr. McCargar stated the agreement from 2002 stated the Town of Windsor would pay for the Rubicon Gate and the Town's accounting system shows the Rubicon

Gate as being owned by the Town. Historically the decision of whether to open that gate or close it has been the decision of New Cache is because it serves their customers.

Ms. Melendez inquired if the Town would want to have a say for whatever purposes.

Mr. McCargar stated that is what the agreement is trying to work out.

6. Election of Officers

- Staff presentation: Ian D. McCargar, Town Attorney

Mr. McCargar stated the bylaws of the Kern Reservoir and Ditch Company say that to be eligible to serve on the Kern Board of Directors, an individual must also be a sitting member of the Windsor Town Board. The reason being the Town of Windsor owns 100% of the stock in the Kern Reservoir and Ditch Company. Each time there is turn over on the Windsor Town Board there is also turn over on the Kern Board of Directors. Everyone that is a member of the Windsor Town Board is eligible to be a member of the Kern Reservoir and Ditch Company Board. Three offices need to be filled on the Kern Reservoir and Ditch Company; President; Vice President and Secretary/Treasurer. Historically the Mayor has served as President, Mayor Pro Tem serves as Vice President and the newest seated Town Board member serves as Secretary/Treasurer.

Board Member Adams motioned to nominate Mayor Melendez as President, Mayor Pro Tem Baker as Vice President and Paul Rennemeyer as Secretary/Treasurer upon seated on the Town Board; Board Member Morgan seconded the motion. Roll call on the vote resulted as follows: Yeas-Baker, Morgan, Bennett, Boudreau, Adams, Melendez; Nays – None. Motion passed.

7. Communications

None

8. Adjourn

Vice President Baker motioned to adjourn; Board Member Bennett seconded the motion. Roll call on the vote resulted as follows: Yeas-Baker, Morgan, Bennett, Boudreau, Adams, Melendez; Nays – None. Motion passed.

The meeting was adjourned at 6:51 p.m.

Deputy Town Clerk, Krystal Eucker



TOWN OF WINDSOR
 301 WALNUT STREET
 WINDSOR, CO 80550
 WWW.WINDSORGOV.COM
 (970) 674-2400
 MON-FRI 8AM TO 5PM

KERN REPORT
MARCH 5, 2016 THUR JUNE 30, 2016

Account Number	Vendor	Description	GL Date	Check No	Amount
06-484-6253-000	WHITNEY IRRIGATION COMPANY	DITCH MANAGEMENT SERVICES - APRIL	04/15/2016	76486	2,085.00
06-484-6253-000	WHITNEY IRRIGATION COMPANY	DITCH MANAGEMENT SERVICES - APRIL	05/05/2016	76682	2,085.00
06-484-6253-000	WHITNEY IRRIGATION COMPANY	DITCH MANAGEMENT SERVICES - APRIL	06/24/2016	77154	2,085.00
Vendor Subtotal for Department:484					6,255.00
06-484-6253-000	CLEAR WATER SOLUTIONS INC	KERN GENERAL WATER 2015	03/25/2016	76260	264.77
06-484-6253-000	CLEAR WATER SOLUTIONS INC	KRDC GENERAL WATER	04/15/2016	76587	1,323.94
06-484-6253-000	CLEAR WATER SOLUTIONS INC	KERN/WCSD RE-4 12-120	04/21/2016	76587	2,755.00
06-484-6253-000	CLEAR WATER SOLUTIONS INC	GENERAL WATER KERN	05/11/2016	76800	916.41
06-484-6253-000	CLEAR WATER SOLUTIONS INC	GENERAL WATER KERN	05/11/2016	76800	1,080.00
06-484-6253-000	CLEAR WATER SOLUTIONS INC	KRDC GENERAL WATER 08-210	06/15/2016	77106	301.41
06-484-6253-000	CLEAR WATER SOLUTIONS INC	KER/WCSD RE-4 12-120	06/15/2016	77106	540.00
Vendor Subtotal for Department:484					7,181.53
06-484-6260-000	XCEL ENERGY	UTILITIES-KERN	03/11/2016	76089	60.41
06-484-6260-000	XCEL ENERGY	UTILITES-KERN	04/14/2016	76493	59.77
06-484-6260-000	XCEL ENERGY	UTILITIES-KERN	05/11/2016	76766	59.94
Vendor Subtotal for Department:484					240.07
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES	03/18/2016	76202	91.00
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES	03/18/2016	76202	75.00
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES	03/18/2016	76202	560.91
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES	04/21/2016	76593	113.50
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES	04/21/2016	76593	610.91
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES	04/21/2016	76593	750.00
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES	04/21/2016	76593	88.00
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES	04/21/2016	76593	375.00
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES	04/21/2016	76593	176.00
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES-KERN	05/19/2016	76879	130.00
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES-KERN	05/19/2016	76879	375.00
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES - GENERAL MATTERS	06/22/2016	77203	260.91
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES - BROE 07CW326	06/22/2016	77203	78.00
01-418-6253-500	LAWRENCE JONES CUSTER GRASMICK	LEGAL SERVICES - 02CW276	06/22/2016	77203	600.00
Vendor Subtotal for Department:418					4,284.23
Total					17,960.83



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<u>Finance Department</u>	
Vendor #	100031
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 1452	Notes:
VENDOR: Whitney Irrigation Company	
DBA (IF OTHER THAN VENDOR)	
Address: 30951 Weld County Road 27 Greeley, CO 80631	
Phone: (970) 686-2338	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
4/1/2016	Eric Lucas	<i>[Signature]</i>	<i>[Signature]</i>

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
01	454	6244	N/A	DITCH MANAGEMENT SERVICE	\$2,085.00
016	484	6253			
				TOTAL	\$2,085.00

POSTED

WHITNEY

IRRIGATION COMPANY

30951 Weld County Road 27
Greeley, Colorado 80631

Phone: 970 686 2338
Fax: 970 686 5746

Invoice

Bill To
Kern Reservoir & Ditch Company Attn: Wade Willis 301 Walnut Street Windsor, CO 80550

Date	Invoice No.
4/1/2016	1452

P.O. No.	Terms

Item	Quantity	Description	Rate	Amount
Ditch Mgmt		Ditch Management Services Per Contract	2,085.00	2,085.00
<p>Please remit payment to:</p> <p>Whitney Irrigation Company C/O Judy Firestien 30951 Weld County Road 27 Greeley, CO 80631</p>				
			Total Due	\$2,085.00



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<i>Finance Department</i>	
Vendor #	100031
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 1453	Notes:
VENDOR: Whitney Irrigation Company	
DBA (IF OTHER THAN VENDOR)	
Address: 30951 Weld County Road 27 Greeley, CO 80631	
Phone: (970) 686-2338	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
5/2/2016	Eric Lucas	<i>[Signature]</i>	

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
06	484	6244	N/A	DITCH MANAGEMENT SERVICE-APRIL	\$2,085.00
<i>06</i>	<i>484</i>				
				:	
				TOTAL	\$2,085.00

POSTED

WHITNEY

IRRIGATION COMPANY

30951 Weld County Road 27
Greeley, Colorado 80631

Phone: 970 686 2338
Fax: 970 686 5746

Invoice

Bill To
Kern Reservoir & Ditch Company Attn: Wade Willis 301 Walnut Street Windsor, CO 80550

Date	Invoice No.
5/2/2016	1453

P.O. No.	Terms

Item	Quantity	Description	Rate	Amount
Ditch Mgmt		Ditch Management Services Per Contract for the Month of April	2,085.00	2,085.00
<p>Please remit payment to:</p> <p>Whitney Irrigation Company C/O Judy Firestien 30951 Weld County Road 27 Greeley, CO 80631</p>				
			Total Due	\$2,085.00



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<u>Finance Department</u>	
Vendor #	100031
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 1454	Notes:
VENDOR: Whitney Irrigation Company	
DBA	
(IF OTHER THAN VENDOR)	
Address: 30951 Weld County Road 27	
Greeley, CO 80631	
Phone: (970) 686-2338	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
6/7/2016	Wade Willis		

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
01	454	6244	N/A	DITCH MANAGEMENT SERVICE-MAY	\$2,085.00
				TOTAL	\$2,085.00

WHITNEY

IRRIGATION COMPANY

30951 Weld County Road 27
Greeley, Colorado 80631

Phone: 970 686 2338
Fax: 970 686 5746

Invoice

Bill To
Kern Reservoir & Ditch Company Attn: Wade Willis 301 Walnut Street Windsor, CO 80550

Date	Invoice No.
6/7/2016	1454

P.O. No.	Terms

Item	Quantity	Description	Rate	Amount
Ditch Mgmt	1	Ditch Management Services Per Contract for the Month of May	2,085.00	2,085.00
<p>Please remit payment to:</p> <p>Whitney Irrigation Company C/O Judy Firestien 30951 Weld County Road 27 Greeley, CO 80631</p>				
			Total Due	\$2,085.00



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

Finance Department	
Vendor #	105551
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 4757	Notes:
VENDOR: Clear Water Solution	

INVOICE DATE	PROCESSED BY	SUPERVISOR SIGNATURE	DEPT. HEAD APPROVAL
01/06/2016	S Swanson	<i>[Signature]</i>	

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
06	484	6253	000	KRDC GENERAL WATER 2015	\$ 264.77
				TOTAL	\$ 264.77

POSTED



clear WATER solutions
water rights • planning • engineering

Clear Water Solutions
8010 South County Road 5
Suite 105
Windsor, CO 80528
970-223-3706

Kern Reservoir & Ditch Co
301 Walnut Street
Windsor, Co 80550
Wade Willis

Invoice number **4757**
Date **01/06/2016**

Project **08-210 KRDC GENERAL WATER RIGHTS SERVICES 2015**

Billing Period: **11/30/15 – 1/03/16**

A detail of the value provided by Clear Water Solutions, Inc. during this billing period is as follows:

Phase A: Decree Accounting
- Decree accounting

Please do not hesitate to contact us with any questions regarding this invoice or your project.

Invoice Summary

Description	YTD Billed	Current Billed
A DECREE ACCOUNTING	11,497.50	180.00
B MISCELLANEOUS	9,592.50	0.00
ADMINISTRATION	1,205.00	17.50
EQUIPMENT, SUPPLIES & GENERAL EXPENSES	1,364.60	67.27
REIMBURSABLE EXPENSES	6.20	0.00
Total	23,665.80	264.77

Decree Accounting

Professional Fees

Description	Hours	Rate	Billed
			Amount
Principal	1.00	180.00	180.00
Description			Prior Billed
ADMINISTRATION			1,187.50
EQUIPMENT, SUPPLIES & GENERAL EXPENSES			1,297.33
Total			2,484.83
			84.77

Invoice total **264.77**

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
4757	01/06/2016	264.77	264.77				



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<u>Finance Department</u>	
Vendor #	105551
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 4811	Notes:
VENDOR: Clear Water Solutions	
DBA	
(IF OTHER THAN VENDOR)	
Address: 8010 S. County Road 5, Ste. 105	
Windsor, CO 80528	
Phone: (970) 223-3706	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
4/6/2016	Eric Lucas	<i>[Signature]</i>	<i>[Signature]</i>

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
06	484	6253	N/A	KRDC GENERAL WATER	\$1,323.94
				TOTAL	\$1,323.94

POSTED



clearWATERsolutions
water rights • planning • engineering

Clear Water Solutions
8010 South County Road 5
Suite 105
Windsor, CO 80528
970-223-3706

Kern Reservoir & Ditch Co
301 Walnut Street
Windsor, Co 80550
Wade Willis

Invoice number **4811**
Date **04/08/2016**

Project **08-210 KRDC GENERAL WATER RIGHTS SERVICES 2016**

Billing Period: 2/29/16 – 4/03/16

A detail of the value provided by Clear Water Solutions, Inc. during this billing period is as follows:

Phase A: Decree Accounting

- Review decree accounting
- Prepare letter to Brad to add irrigated properties (Greenspire)
- Review Exhibit 3 map
- Site visit to observe changes made in properties - 3/21/16
- Create updated 2016/2017 Exhibit 3 map
- Verify dry-up area is not irrigated from 2015 NAIP image
- Reservoir accounting

Please do not hesitate to contact us with any questions regarding this invoice or your project.

Invoice Summary

Description	YTD Billed	Current Billed
A DECREE ACCOUNTING	1,145.00	1,145.00
B MISCELLANEOUS	0.00	0.00
ADMINISTRATION	70.00	70.00
EQUIPMENT, SUPPLIES & GENERAL EXPENSES	108.94	108.94
REIMBURSABLE EXPENSES	0.00	0.00
Total	1,323.94	1,323.94

Decree Accounting

Professional Fees

	Hours	Rate	Billed Amount
Principal	2.00	185.00	370.00
Sr Water Resource Engineer III	7.75	100.00	775.00
Phase subtotal			1,145.00

Description	Prior Billed	Current Billed
ADMINISTRATION	0.00	70.00
EQUIPMENT, SUPPLIES & GENERAL EXPENSES	0.00	108.94
Total	0.00	178.94

Invoice total **1,323.94**

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
4811	04/06/2016	1,323.94	1,323.94				
	Total	1,323.94	1,323.94	0.00	0.00	0.00	0.00

We thank you for your business!



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<u>Finance Department</u>	
Vendor #	105551
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 4834	Notes:
VENDOR: Clear Water Solutions	
DBA	
(IF OTHER THAN VENDOR)	
Address: 8010 S. County Road 5, Ste. 105	
Windsor, CO 80528	
Phone: (970) 223-3706	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
4/6/2016	Eric Lucas	<i>[Signature]</i>	<i>[Signature]</i>

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
06	484	6253	N/A	KERN/WCSD RE-4 12-120	\$2,755.00
				TOTAL	\$2,755.00

POSTED



clearWATERsolutions
 water rights • planning • engineering

Clear Water Solutions
 8010 South County Road 5
 Suite 105
 Windsor, CO 80528
 970-223-3706

Kern Reservoir & Ditch Co
 301 Walnut Street
 Windsor, CO 80550

Invoice number **4834**
 Date 04/06/2016

Project **12-120 KERN/WCSD RE-4
 AUGMENTATION PLAN 2016**

Billing Period: 2/29/16 – 4/03/16

A detail of the value provided by Clear Water Solutions, Inc. during this billing period is as follows:

Phase A: Kern Reservoir & Ditch Company

- Complete and submit January 2016 accounting
- Complete and submit February 2016 accounting
- Draft March 2016 accounting
- Complete 2016/2017 Projection
- Update Exhibit 3
- Create new 2016/2017 Dry Up Map and send to Brad
- Create Release Schedule for Kern for 2016 and send to Wade

Please do not hesitate to contact us with any questions regarding this invoice or your project.

Invoice Summary

Description	Current Billed
KERN RESERVOIR & DITCH COMPANY	
A KERN RESERVOIR & DITCH COMPANY	2,755.00
KERN REIMBURSABLE EXPENSES	0.00
Subtotal	2,755.00
Total	2,755.00

KERN Reservoir & Ditch Company
Kern Reservoir & Ditch Company
 Professional Fees

	Hours	Rate	Billed Amount
Sr Water Resource Engineer III	1.00	100.00	100.00
Sr. Project Manager VIII	14.75	180.00	2,655.00
Phase subtotal			2,755.00
KERN Reservoir & Ditch Company subtotal			2,755.00

Invoice total **2,755.00**

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
4834	04/06/2016	2,755.00	2,755.00				
	Total	2,755.00	2,755.00	0.00	0.00	0.00	0.00

We thank you for your business!



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<u>Finance Department</u>	
Vendor #	105551
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 4864	Notes:
VENDOR: Clear Water Solutions	
DBA (IF OTHER THAN VENDOR)	
Address: 8010 S. County Road 5, Ste. 105 Windsor, CO 80528	
Phone: (970) 223-3706	KRDC EXPENSE
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
5/4/2016	Wade Willis	<i>[Signature]</i>	<i>[Signature]</i>

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
06	484	6253	N/A	KRDC GENERAL WATER 08-210	\$916.41
				TOTAL	\$916.41

POSTED



clearWATERsolutions
water rights • planning • engineering

Clear Water Solutions
8010 South County Road 5
Suite 105
Windsor, CO 80528
970-223-3706

Kern Reservoir & Ditch Co
301 Walnut Street
Windsor, Co 80550
Wade Willis

Invoice number **4864**
Date **05/04/2016**

Project **08-210 KRDC GENERAL WATER RIGHTS SERVICES 2016**

Billing Period: 4/04/16 – 5/01/16

A detail of the value provided by Clear Water Solutions, Inc. during this billing period is as follows:

- Phase A: Decree Accounting
- Decree and reservoir accounting
- Prepare write up on Clammer and Gregory operations

Please do not hesitate to contact us with any questions regarding this invoice or your project.

Invoice Summary

Description	YTD Billed	Current Billed
A DECREE ACCOUNTING	1,973.75	828.75
B MISCELLANEOUS	0.00	0.00
ADMINISTRATION	105.00	35.00
EQUIPMENT, SUPPLIES & GENERAL EXPENSES	161.60	52.66
REIMBURSABLE EXPENSES	0.00	0.00
Total	2,240.35	916.41

Decree Accounting

Professional Fees

	Hours	Rate	Billed Amount
Principal	3.75	185.00	693.75
Sr. Project Manager VIII	0.75	180.00	135.00
Phase subtotal			828.75

Description	Prior Billed	Current Billed
ADMINISTRATION	70.00	35.00
EQUIPMENT, SUPPLIES & GENERAL EXPENSES	108.94	52.66
Total	178.94	87.66

Invoice total **916.41**

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
4864	05/04/2016	916.41	916.41				
	Total	916.41	916.41	0.00	0.00	0.00	0.00

We thank you for your business!



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<i>Finance Department</i>	
Vendor #	105551
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 4856	Notes:
VENDOR: Clear Water Solutions	
DBA (IF OTHER THAN VENDOR)	
Address: 8010 S. County Road 5, Ste. 105 Windsor, CO 80528	
Phone: (970) 223-3706	
Fax:	

KRDC EXPENSE

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
5/4/2016	Wade Willis	<i>W. Willis</i>	<i>J. Sw</i>

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
06	484	6253	N/A	KERN/WCSD RE-4 12-120	\$1,080.00
				TOTAL	\$1,080.00

POSTED



clear WATER solutions
 water rights • planning • engineering

Clear Water Solutions

8010 South County Road 5
 Suite 105
 Windsor, CO 80528
 970-223-3706

Kern Reservoir & Ditch Co
 301 Walnut Street
 Windsor, CO 80550

Invoice number **4856**
 Date **05/04/2016**

Project **12-120 KERN/WCSD RE-4
 AUGMENTATION PLAN 2016**

Billing Period: 4/04/16 – 5/01/16

A detail of the value provided by Clear Water Solutions, Inc. during this billing period is as follows:

- Phase A: Kern Reservoir & Ditch Company
- Coordinated Louden/Kern delivery schedule
 - Meeting with Windsor/WCSD - 4/18/16
 - Update operational spreadsheet for BH Eaton call condition
 - Update call instruction sheet for Wade
 - Complete and submit March 2016 accounting

Please do not hesitate to contact us with any questions regarding this invoice or your project.

Invoice Summary

Description	Current Billed
KERN RESERVOIR & DITCH COMPANY	
A KERN RESERVOIR & DITCH COMPANY	1,080.00
KERN REIMBURSABLE EXPENSES	0.00
Subtotal	1,080.00
Total	1,080.00

KERN Reservoir & Ditch Company
Kern Reservoir & Ditch Company
 Professional Fees

	Hours	Rate	Billed Amount
Sr. Project Manager VIII	6.00	180.00	1,080.00
KERN Reservoir & Ditch Company subtotal			1,080.00

Invoice total 1,080.00

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
4856	05/04/2016	1,080.00	1,080.00				
	Total	1,080.00	1,080.00	0.00	0.00	0.00	0.00

We thank you for your business!



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<i>Finance Department</i>	
Vendor #	105551
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 4898	Notes:
VENDOR: Clear Water Solutions	
DBA (IF OTHER THAN VENDOR)	COMMITTED
Address: 8010 S. County Road 5, Ste. 105 Windsor, CO 80528	JUN 15 2016 CHERYL TURNER
Phone: (970) 223-3706	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
6/1/2016	Wade Willis	<i>Wade Willis</i>	

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
06	484	6253	N/A	KRDC GENERAL WATER 08-210	\$301.41
				TOTAL	\$301.41



clear WATER solutions
water rights • planning • engineering

Clear Water Solutions

8010 South County Road 5
Suite 105
Windsor, CO 80528
970-223-3706

Kern Reservoir & Ditch Co
301 Walnut Street
Windsor, Co 80550
Wade Willis

Invoice number **4898**
Date 06/01/2016

Project **08-210 KRDC GENERAL WATER RIGHTS SERVICES 2016**

Billing Period: 5/02/16 – 5/29/16

A detail of the value provided by Clear Water Solutions, Inc. during this billing period is as follows:

- Phase A: Decree Accounting
- Decree accounting
- Review reservoir levels

Please do not hesitate to contact us with any questions regarding this invoice or your project.

Invoice Summary

Description	YTD Billed	Current Billed
A DECREE ACCOUNTING	2,205.00	231.25
B MISCELLANEOUS	0.00	0.00
ADMINISTRATION	122.50	17.50
EQUIPMENT, SUPPLIES & GENERAL EXPENSES	214.26	52.66
REIMBURSABLE EXPENSES	0.00	0.00
Total	2,541.76	301.41

Decree Accounting

Professional Fees

	Hours	Rate	Billed Amount
Principal	1.25	185.00	231.25

Description	Prior Billed	Current Billed
ADMINISTRATION	105.00	17.50
EQUIPMENT, SUPPLIES & GENERAL EXPENSES	161.60	52.66
Total	266.60	70.16

Invoice total **301.41**

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
4898	06/01/2016	301.41	301.41				
	Total	301.41	301.41	0.00	0.00	0.00	0.00

We thank you for your business!



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<u>Finance Department</u>	
Vendor #	105551
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 4888 8	Notes:
VENDOR: Clear Water Solutions	COMMITTED
DBA (IF OTHER THAN VENDOR)	
Address: 8010 S. County Road 5, Ste. 105 Windsor, CO 80528	JUN 15 2016 CHERYL TURNER
Phone: (970) 223-3706	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
6/1/2016	Wade Willis	<i>Wade Willis</i>	

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
06	484	6253	N/A	KERN/WCSD RE-4 12-120	\$540.00
				TOTAL	\$540.00



*clear***WATER***solutions*
water rights • planning • engineering

Clear Water Solutions

8010 South County Road 5
Suite 105
Windsor, CO 80528
970-223-3706

Kern Reservoir & Ditch Co
301 Walnut Street
Windsor, CO 80550

Invoice number **4888**
Date **06/01/2016**

Project **12-120 KERN/WCSD RE-4
AUGMENTATION PLAN 2016**

Billing Period: 5/02/16 – 5/29/16

A detail of the value provided by Clear Water Solutions, Inc. during this billing period is as follows:

Phase A: Kern Reservoir & Ditch Company
- Complete and submit April 2016 accounting

Please do not hesitate to contact us with any questions regarding this invoice or your project.

Invoice Summary

Description	Current Billed
KERN RESERVOIR & DITCH COMPANY	
A KERN RESERVOIR & DITCH COMPANY	540.00
KERN REIMBURSABLE EXPENSES	0.00
	Subtotal 540.00
	Total 540.00

KERN Reservoir & Ditch Company
Kern Reservoir & Ditch Company
 Professional Fees

	Hours	Rate	Billed Amount
Sr. Project Manager VIII	3.00	180.00	<u>540.00</u>
KERN Reservoir & Ditch Company subtotal			540.00

Invoice total **540.00**

Aging Summary

Invoice Number	Invoice Date	Outstanding	Current	Over 30	Over 60	Over 90	Over 120
4888	06/01/2016	540.00	540.00				
	Total	<u>540.00</u>	<u>540.00</u>	0.00	0.00	0.00	0.00

We thank you for your business!



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

Finance Department	
Vendor #	100552
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 492196124	Notes: KERN BILL
VENDOR: Xcel Energy	ACCT# 53-0029078-2
DBA: (IF OTHER THAN VENDOR)	
Address: PO BOX 9477 MPLS, MN 55484-9477	
Phone:	KERN
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
03/03/16	S Swanson		DM

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
06	484	6260	000	UTILITIES - KERN-NON POTABLE WATER	\$60.41
				107A CHIMNEY PARK DR-UNIT KERN	
				1A MAIN ST UNIT KERN	
				561 E GARDEN DR	
				10A E Garden Dr 53-0877549-9	
				DEC 2015 CHGS	
				TOTAL	\$60.41

POSTED



MAILING ADDRESS	ACCOUNT NUMBER	DUE DATE
TOWN OF WINDSOR KERN 301 WALNUT ST WINDSOR CO 80550-5141	53-0029078-2	03/23/2016
	STATEMENT NUMBER	STATEMENT DATE
	492196124	03/03/2016
		AMOUNT DUE
		\$60.41

QUESTIONS ABOUT YOUR BILL?

See our website: xcelenergy.com
 Email us at: Customerservice@xcelenergy.com
 Please Call: 1-800-481-4700
 Hearing Impaired: 1-800-895-4949
 Fax: 1-800-311-0050
 Or write us at: XCEL ENERGY
 PO BOX 8
 EAU CLAIRE WI 54702-0008

ACCOUNT BALANCE

Previous Balance	As of 01/26	\$60.69
Payment Received	Check 02/16	-\$60.69 CR
Balance Forward		\$0.00
Current Charges		\$60.41
Amount Due		\$60.41

PREMISES SUMMARY

PREMISES NUMBER	PREMISES IDENTIFIER	PREMISES DESCRIPTOR	CURRENT BILL
304241524	107A N CHIMNEY PARK DR UNIT KERN		\$15.37
304241529	1A MAIN ST UNIT KERN		\$14.92
304241530	561 E GARDEN DR		\$15.10
304331438	10A E GARDEN DR		\$15.02
Total			\$60.41

INFORMATION ABOUT YOUR BILL

Thank you for your payment.

Convenience at your service - Pay your bills electronically-fast and easy with Electronic Funds Transfer. Call us at 1-800-481-4700 or visit us at www.xcelenergy.com.

RETURN BOTTOM PORTION WITH YOUR PAYMENT • PLEASE DO NOT USE STAPLES, TAPE OR PAPER CLIPS



Please help our neighbors in need of energy assistance by contributing to Energy Outreach Colorado. To participate, check the box in the lower left corner and mark your contribution amount on the back of this payment stub using blue or black ink.

ACCOUNT NUMBER	DUE DATE	AMOUNT DUE	AMOUNT ENCLOSED
53-0029078-2	03/23/2016	\$60.41	

Please see the back of this bill for more information regarding the late payment charge.
 Make your check payable to XCEL ENERGY

MARCH						
S	M	T	W	T	F	S
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

AB 02 000816 06904 B 10 A



TOWN OF WINDSOR
 KERN
 301 WALNUT ST
 WINDSOR CO 80550-5141

XCEL ENERGY
 P.O. BOX 9477
 MPLS MN 55484-9477



31 53032316 00290782 0000000604100000006041

000816 1/4



8



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

Finance Department	
Vendor #	100552
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 496262853	Notes: KERN BILL
VENDOR: Xcel Energy	ACCT# 53-0029078-2
DBA: (IF OTHER THAN VENDOR)	
Address: PO BOX 9477 MPLS, MN 55484-9477	
Phone:	KERN
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
04/05/16	S Swanson		<i>DM</i>

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
06	484	6260	000	UTILITIES - KERN-NON POTABLE WATER	\$59.77
				107A CHIMNEY PARK DR-UNIT KERN	
				1A MAIN ST UNIT KERN	
				561 E GARDEN DR	
				10A E Garden Dr 53-0877549-9	
				DEK 2015 CHGS	
				PAID	
				TOTAL	\$59.77



MAILING ADDRESS	ACCOUNT NUMBER	DUE DATE
TOWN OF WINDSOR KERN 301 WALNUT ST WINDSOR CO 80550-5141	53-0029078-2	04/25/2016
	STATEMENT NUMBER	STATEMENT DATE
	496262853	04/05/2016
		AMOUNT DUE
		\$59.77

QUESTIONS ABOUT YOUR BILL?

See our website: xcelenergy.com
 Email us at: Customerservice@xcelenergy.com
 Please Call: 1-800-481-4700
 Hearing Impaired: 1-800-895-4949
 Fax: 1-800-311-0050

Or write us at: XCEL ENERGY
 PO BOX 8
 EAU CLAIRE WI 54702-0008

ACCOUNT BALANCE

Previous Balance	As of 02/25	\$60.41
Payment Received	Check 03/18	-\$60.41 CR
Balance Forward		\$0.00
Current Charges		\$59.77
Amount Due		\$59.77

PREMISES SUMMARY

PREMISES NUMBER	PREMISES IDENTIFIER	PREMISES DESCRIPTOR	CURRENT BILL
304241524	107A N CHIMNEY PARK DR UNIT KERN		\$15.10
304241529	1A MAIN ST UNIT KERN		\$14.75
304241530	561 E GARDEN DR		\$15.10
304331438	10A E GARDEN DR		\$14.82
Total			\$59.77

INFORMATION ABOUT YOUR BILL

Thank you for your payment.

Convenience at your service - Pay your bills electronically-fast and easy with Electronic Funds Transfer. Call us at 1-800-481-4700 or visit us at www.xcelenergy.com.

RETURN BOTTOM PORTION WITH YOUR PAYMENT • PLEASE DO NOT USE STAPLES, TAPE OR PAPER CLIPS



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

Finance Department	
Vendor #	100552
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 499812913	Notes: KERN BILL
VENDOR: Xcel Energy	ACCT# 53-0029078-2
DBA: (IF OTHER THAN VENDOR)	
Address: PO BOX 9477 MPLS, MN 55484-9477	KRDG EXPENSE
Phone:	KERN
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
05/03/16	S Swanson		DM

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
06	484	6260	000	UTILITIES - KERN-NON POTABLE WATER	\$59.94
				107A CHIMNEY PARK DR-UNIT KERN	
				1A MAIN ST UNIT KERN	
				561 E GARDEN DR	
				10A E Garden Dr 53-0877549-9	
				POSTED	
				TOTAL	\$59.94



MAILING ADDRESS	ACCOUNT NUMBER	DUE DATE
TOWN OF WINDSOR KERN 301 WALNUT ST WINDSOR CO 80550-5141	53-0029078-2	05/23/2016
	STATEMENT NUMBER	STATEMENT DATE
	499812913	05/03/2016
		AMOUNT DUE
		\$59.94

QUESTIONS ABOUT YOUR BILL?

See our website: xcelenergy.com
 Email us at: Customerservice@xcelenergy.com
 Please Call: 1-800-481-4700
 Hearing Impaired: 1-800-895-4949
 Fax: 1-800-311-0050
 Or write us at: XCEL ENERGY
 PO BOX 8
 EAU CLAIRE WI 54702-0008

ACCOUNT BALANCE

Previous Balance	As of 03/25	\$59.77
Payment Received	Check 04/19	-\$59.77 CR
Balance Forward		\$0.00
Current Charges		\$59.94
Amount Due		\$59.94

PREMISES SUMMARY

PREMISES NUMBER	PREMISES IDENTIFIER	PREMISES DESCRIPTOR	CURRENT BILL
304241524	107A N CHIMNEY PARK DR UNIT KERN		\$15.29
304241529	1A MAIN ST UNIT KERN		\$14.61
304241530	561 E GARDEN DR		\$15.06
304331438	10A E GARDEN DR		\$14.98
Total			\$59.94

INFORMATION ABOUT YOUR BILL

Thank you for your payment.

Convenience at your service - Pay your bills electronically-fast and easy with Electronic Funds Transfer. Call us at 1-800-481-4700 or visit us at www.xcelenergy.com.

RETURN BOTTOM PORTION WITH YOUR PAYMENT • PLEASE DO NOT USE STAPLES, TAPE OR PAPER CLIPS

1294

001862 1/3





301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<u>Finance Department</u>	
Vendor #	106424
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 48250	Notes:
VENDOR: Lawrence Jones Custer Grasmick LLP	
DBA:	
Address: 5245 Ronald Reagan Blvd., Ste 1 Johnstown, CO 80534	KRDC EXPENSE
Phone: 970-622-8181	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
03/07/2016	Megan Walter		

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
01	418	6253	500	BROE 07CW326	91.00
				TOTAL	91.00

POSTED

LAWRENCE JONES CUSTER GRASMICK LLP

Attorneys at Law
5245 Ronald Reagan Blvd., Suite 1
Johnstown, CO 80534

Invoice submitted to:
Kern Reservoir and Ditch Company
301 Walnut Street
Windsor, CO 80550

March 07, 2016

In Reference To: Broe 07CW326

*Invoice #*48250

Professional Services

	<u>Hours</u>	<u>Amount</u>
2/10/2016 WK Look for draft decree in file; Email Brad requesting draft decree.	0.10	13.00
2/11/2016 WK Review the latest draft decree send out by Great Western and compare it to comments previously drafted; Email my analysis to Brad.	0.60	78.00
For professional services rendered	0.70	\$91.00
Previous balance		\$25.00
2/10/2016 Payment - thank you. Check No. 75924		(\$25.00)
Total payments and adjustments		(\$25.00)
Balance due		\$91.00

PLEASE MAKE CHECKS PAYABLE TO LAWRENCE JONES CUSTER GRASMICK LLP.

PLEASE NOTE THE NEW TELEPHONE NUMBER (970)622-8181.

DUE UPON RECEIPT. 1.5% PER MONTH INTEREST CHARGED ON ALL PAST DUE BILLS. REFLECTS ONLY PAYMENTS AND CHARGES THROUGH ABOVE DATE.



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

Finance Department	
Vendor #	106424
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 48251	Notes:
VENDOR: Lawrence Jones Custer Grasmick LLP	
DBA:	
Address: 5245 Ronald Reagan Blvd., Ste 1 Johnstown, CO 80534	KRDC EXPENSE
Phone: 970-622-8181	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
03/07/2016	Megan Walter		

BUDGET LINE ITEM				DESCRIPTION	TOTAL
FUND	DEPT.	FUNCTION	PROJECT		
01	418	6253	500	05CW226	75.00
TOTAL					75.00

POSTED

LAWRENCE JONES CUSTER GRASMICK LLP

Attorneys at Law
5245 Ronald Reagan Blvd., Suite 1
Johnstown, CO 80534

Invoice submitted to:
Kern Reservoir and Ditch Company
301 Walnut Street
Windsor, CO 80550

March 07, 2016

In Reference To: 05CW226

*Invoice #*48251

Professional Services

	<u>Hours</u>	<u>Amount</u>
2/29/2016 BG Telephone conference with Ian regarding FRE; respond to Zach's email regarding amending Water Lease and setting meeting.	0.30	75.00
For professional services rendered	0.30	\$75.00
Previous balance		\$25.00
2/10/2016 Payment - thank you. Check No. 75924		(\$25.00)
Total payments and adjustments		(\$25.00)
Balance due		<u>\$75.00</u>

PLEASE MAKE CHECKS PAYABLE TO LAWRENCE JONES CUSTER GRASMICK LLP.

PLEASE NOTE THE NEW TELEPHONE NUMBER (970)622-8181.

DUE UPON RECEIPT. 1.5% PER MONTH INTEREST CHARGED ON ALL PAST DUE BILLS. REFLECTS ONLY PAYMENTS AND CHARGES THROUGH ABOVE DATE.



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<i>Finance Department</i>	
Vendor #	106424
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 48252	Notes:
VENDOR: Lawrence Jones Custer Grasmick LLP	
DBA:	
Address: 5245 Ronald Reagan Blvd., Ste 1 Johnstown, CO 80534	KRDC EXPENSE
Phone: 970-622-8181	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
03/07/2016	Megan Walter		

BUDGET LINE ITEM				DESCRIPTION	TOTAL
FUND	DEPT.	FUNCTION	PROJECT		
01	418	6253	500	General Matters	560.91
TOTAL					560.91

POSTED

LAWRENCE JONES CUSTER GRASMICK LLP

Attorneys at Law
5245 Ronald Reagan Blvd., Suite 1
Johnstown, CO 80534

Invoice submitted to:
Kern Reservoir and Ditch Company
301 Walnut Street
Windsor, CO 80550

March 07, 2016

KERN

In Reference To: General

Invoice #48252

Professional Services

	<u>Hours</u>	<u>Amount</u>
2/23/2016 BG Participate in Kern monthly meeting; Participate in meeting with New Cache regarding agreement.	2.20	550.00
For professional services rendered	2.20	\$550.00
Additional Charges :		
2/23/2016 Mileage to meeting regarding New Cache agreements.		10.91
Total costs		\$10.91
Total amount of this bill		\$560.91
Previous balance		\$25.00
2/10/2016 Payment - thank you. Check No. 75924		(\$25.00)
Total payments and adjustments		(\$25.00)
Balance due		\$560.91

PLEASE MAKE CHECKS PAYABLE TO LAWRENCE JONES CUSTER GRASMICK LLP.

PLEASE NOTE THE NEW TELEPHONE NUMBER (970)622-8181.



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<i>Finance Department</i>	
Vendor #	106424
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 48302	Notes:
VENDOR: Lawrence Jones Custer Grasmick LLP	
DBA:	
Address: 5245 Ronald Reagan Blvd., Ste 1 Johnstown, CO 80534	KRDC EXPENSE
Phone: 970-622-8181	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
04/06/2016	Megan Walter		

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
01	418	6253	500	AUG Plan 02CW301	113.50
				TOTAL	113.50

POSTED

LAWRENCE JONES CUSTER GRASMICK LLP

Attorneys at Law
5245 Ronald Reagan Blvd., Suite 1
Johnstown, CO 80534

Invoice submitted to:
Kern Reservoir and Ditch Company
301 Walnut Street
Windsor, CO 80550

April 06, 2016

In Reference To: Aug Plan 02CW301

Invoice #48302

Professional Services

	<u>Hours</u>	<u>Amount</u>
3/31/2016 BG Review Annual updated dry-up and 3-year projection; prepare letter to parties and file the same with the court.	0.40	100.00
For professional services rendered	0.40	\$100.00
Additional Charges :		
3/31/2016 ICCES Filing Fees: Annual updated dry-up and 3-year projection		13.50
Total costs		\$13.50
Total amount of this bill		\$113.50
Balance due		\$113.50

PLEASE MAKE CHECKS PAYABLE TO LAWRENCE JONES CUSTER GRASMICK LLP.

PLEASE NOTE THE NEW TELEPHONE NUMBER (970)622-8181.

DUE UPON RECEIPT. 1.5% PER MONTH INTEREST CHARGED ON ALL PAST DUE BILLS. REFLECTS ONLY PAYMENTS AND CHARGES THROUGH ABOVE DATE.



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

Finance Department	
Vendor #	106424
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 48303	Notes:
VENDOR: Lawrence Jones Custer Grasmick LLP	
DBA:	
Address: 5245 Ronald Reagan Blvd., Ste 1 Johnstown, CO 80534	KRDC EXPENSE
Phone: 970-622-8181	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
04/06/2016	Megan Walter		

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
01	418	6253	500	02CW276	610.91
TOTAL					610.91

POSTED

LAWRENCE JONES CUSTER GRASMICK LLP

Attorneys at Law
5245 Ronald Reagan Blvd., Suite 1
Johnstown, CO 80534

Invoice submitted to:
Kern Reservoir and Ditch Company
301 Walnut Street
Windsor, CO 80550

April 06, 2016

In Reference To: 02CW276

Invoice # 48303

Professional Services

	<u>Hours</u>	<u>Amount</u>
3/21/2016 BG Review New Cache Agreement and email same to Wade, Dennis, and Ian.	1.40	350.00
3/22/2016 BG Telephone conference with Don Frick; Prepare for and attend meeting with New Cache.	1.00	250.00
For professional services rendered	2.40	\$600.00
Additional Charges :		
3/22/2016 Mileage: Travel to meeting in Windsor.		10.91
Total costs		\$10.91
Total amount of this bill		\$610.91
Balance due		\$610.91

PLEASE MAKE CHECKS PAYABLE TO LAWRENCE JONES CUSTER GRASMICK LLP.

PLEASE NOTE THE NEW TELEPHONE NUMBER (970)622-8181.

DUE UPON RECEIPT. 1.5% PER MONTH INTEREST CHARGED ON ALL PAST DUE BILLS. REFLECTS ONLY PAYMENTS AND CHARGES THROUGH ABOVE DATE.



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<i>Finance Department</i>	
Vendor #	106424
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 48290	Notes:
VENDOR: Lawrence Jones Custer Grasmick LLP	
DBA:	
Address: 5245 Ronald Reagan Blvd., Ste 1 Johnstown, CO 80534	KRDC EXPENSE
Phone: 970-622-8181	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
04/06/2016	Megan Walter		

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
01	418	6253	500	05CW226	750.00
TOTAL					750.00

POSTED

LAWRENCE JONES CUSTER GRASMICK LLP

Attorneys at Law
5245 Ronald Reagan Blvd., Suite 1
Johnstown, CO 80534

Invoice submitted to:
Kern Reservoir and Ditch Company
301 Walnut Street
Windsor, CO 80550

April 06, 2016

In Reference To: 05CW226

Invoice # 48290

Professional Services

	<u>Hours</u>	<u>Amount</u>
3/2/2016 BG Email correspondence with Ian regarding meeting with FRE.	0.10	25.00
3/9/2016 BG Review email and attachments from Zach Miller and draft email to Ian regarding suggested response to Zach's requests.	0.90	225.00
3/10/2016 BG Review and respond to email from Ian regarding our position with FRE.	0.20	50.00
3/21/2016 BG Review FRE Lease and participate in meeting with Zach Miller.	1.80	450.00
For professional services rendered	3.00	\$750.00
Previous balance		\$75.00
3/22/2016 Payment - thank you. Check No. 76202		(\$75.00)
Total payments and adjustments		(\$75.00)
Balance due		<u>\$750.00</u>

PLEASE MAKE CHECKS PAYABLE TO LAWRENCE JONES CUSTER GRASMICK LLP.

PLEASE NOTE THE NEW TELEPHONE NUMBER (970)622-8181.



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<i>Finance Department</i>	
Vendor #	106424
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 48289	Notes:
VENDOR: Lawrence Jones Custer Grasmick LLP	
DBA:	
Address: 5245 Ronald Reagan Blvd., Ste 1 Johnstown, CO 80534	KRDC EXPENSE
Phone: 970-622-8181	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
04/06/2015	Megan Walter		

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
01	418	6253	500	BROE 07CW326	88.00
				TOTAL	88.00

POSTED

LAWRENCE JONES CUSTER GRASMICK LLP

Attorneys at Law
5245 Ronald Reagan Blvd., Suite 1
Johnstown, CO 80534

Invoice submitted to:
Kern Reservoir and Ditch Company
301 Walnut Street
Windsor, CO 80550

April 06, 2016

In Reference To: Broe 07CW326

*Invoice #*48289

Professional Services

	<u>Hours</u>	<u>Amount</u>
3/2/2016 WK Discussed with Brad, sent email with comments to proposed decree.	0.10	13.00
3/31/2016 BG Review comment letter to Broe and revise same.	0.30	75.00
For professional services rendered	0.40	\$88.00
Previous balance		\$91.00
3/22/2016 Payment - thank you. Check No. 76202		(\$91.00)
Total payments and adjustments		(\$91.00)
Balance due		<u>\$88.00</u>

PLEASE MAKE CHECKS PAYABLE TO LAWRENCE JONES CUSTER GRASMICK LLP.

PLEASE NOTE THE NEW TELEPHONE NUMBER (970)622-8181.

DUE UPON RECEIPT. 1.5% PER MONTH INTEREST CHARGED ON ALL PAST DUE BILLS. REFLECTS ONLY PAYMENTS AND CHARGES THROUGH ABOVE DATE.



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<u>Finance Department</u>	
Vendor #	106424
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 48291	Notes:
VENDOR: Lawrence Jones Custer Grasmick LLP	
DBA:	
Address: 5245 Ronald Reagan Blvd., Ste 1 Johnstown, CO 80534	KRDC EXPENSE
Phone: 970-622-8181	
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
04/06/2016	Megan Walter		

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
01	418	6253	500	General Matters	375.00
				TOTAL	375.00

POSTED

LAWRENCE JONES CUSTER GRASMICK LLP

Attorneys at Law
5245 Ronald Reagan Blvd., Suite 1
Johnstown, CO 80534

Invoice submitted to:
Kern Reservoir and Ditch Company
301 Walnut Street
Windsor, CO 80550

April 06, 2016

In Reference To: General

Invoice #48291

Professional Services

	<u>Hours</u>	<u>Amount</u>
3/22/2016 BG Prepare for and participate in monthly meeting.	1.50	375.00
For professional services rendered	1.50	\$375.00
Previous balance		\$560.91
3/22/2016 Payment - thank you. Check No. 76202		(\$560.91)
Total payments and adjustments		(\$560.91)
Balance due		\$375.00

PLEASE MAKE CHECKS PAYABLE TO LAWRENCE JONES CUSTER GRASMICK LLP.

PLEASE NOTE THE NEW TELEPHONE NUMBER (970)622-8181.

DUE UPON RECEIPT. 1.5% PER MONTH INTEREST CHARGED ON ALL PAST DUE BILLS. REFLECTS ONLY PAYMENTS AND CHARGES THROUGH ABOVE DATE.

LAWRENCE JONES CUSTER GRASMICK LLP

Attorneys at Law
5245 Ronald Reagan Blvd., Suite 1
Johnstown, CO 80534

Invoice submitted to:
Kern Reservoir and Ditch Company
301 Walnut Street
Windsor, CO 80550

June 7, 2016

In Reference To: General

Invoice #48632

Professional Services

	<u>Hours</u>	<u>Amount</u>
5/9/2016 BG Attend Kern Board meeting/work session.	0.50	125.00
5/10/2016 BG Review email from Ian regarding New Cache Agreement and discuss same with him.	0.20	50.00
5/16/2016 BG Review Cease and Desist Order and emails from Ian and Wade regarding same; Email Wade regarding impact of decree terms regarding well meters.	0.30	75.00
For professional services rendered	1.00	\$250.00
Additional Charges :		
5/3/2016 Brad's mileage to and from meeting in Windsor.		10.91
Total costs		\$10.91
Total amount of this bill		\$260.91
Balance due		\$260.91

PLEASE MAKE CHECKS PAYABLE TO LAWRENCE JONES CUSTER GRASMICK LLP.

PLEASE NOTE THE NEW TELEPHONE NUMBER (970)622-8181.

(970)622-8181



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

<i>Finance Department</i>	
Vendor #	106424
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 48631	Notes:
VENDOR: Lawrence Jones Custer Grasmick LLP	
DBA:	
Address: 5245 Ronald Reagan Blvd., Ste 1 Johnstown, CO 80534	KRDC EXPENSE
Phone: 970-622-8181	KRDC EXPENSE
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
06/07/2016	Megan Walter		

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
01	418	6253	500	BROE 07CW326	78.00
	COMMITTED				
	JUN 22 2016			TOTAL	78.00

Megan Walter

LAWRENCE JONES CUSTER GRASMICK LLP

Attorneys at Law
5245 Ronald Reagan Blvd., Suite 1
Johnstown, CO 80534

Invoice submitted to:
Kern Reservoir and Ditch Company
301 Walnut Street
Windsor, CO 80550

June 7, 2016

In Reference To: Broe 07CW326

Invoice #48631

Professional Services

	<u>Hours</u>	<u>Amount</u>
5/17/2016 WK Revised letter to Dave Brower, sent letter with table to Dave Brower.	0.60	78.00
For professional services rendered	0.60	\$78.00
Previous balance		\$130.00
5/24/2016 Payment - thank you. Check No. 76879		(\$130.00)
Total payments and adjustments		(\$130.00)
Balance due		\$78.00

PLEASE MAKE CHECKS PAYABLE TO LAWRENCE JONES CUSTER GRASMICK LLP.

PLEASE NOTE THE NEW TELEPHONE NUMBER (970)622-8181.

DUE UPON RECEIPT. 1.5% PER MONTH INTEREST CHARGED ON ALL PAST DUE BILLS. REFLECTS ONLY PAYMENTS AND CHARGES THROUGH ABOVE DATE.



301 Walnut Street
 Windsor, CO 80550
 Office 970-674-2400
 Fax 970-674-2456

Finance Department	
Vendor #	106424
Obligation #	

PAYMENT REQUEST

INVOICE NUMBER: 48633	Notes:
VENDOR: Lawrence Jones Custer Grasmick LLP	
DBA:	
Address: 5245 Ronald Reagan Blvd., Ste 1 Johnstown, CO 80534	KRDC EXPENSE
Phone: 970-622-8181	KRDC EXPENSE
Fax:	

INVOICE DATE	PROCESSED BY	SUPERVISOR APPROVAL	DEPT. HEAD APPROVAL
06/07/2016	Megan Walter		

BUDGET LINE ITEM					
FUND	DEPT.	FUNCTION	PROJECT	DESCRIPTION	TOTAL
01	418	6253	500	02CW276	600.00
COMMITTED					
JUN 22 2016				TOTAL	600.00

Megan Walter

LAWRENCE JONES CUSTER GRASMICK LLP

Attorneys at Law
5245 Ronald Reagan Blvd., Suite 1
Johnstown, CO 80534

Invoice submitted to:
Kern Reservoir and Ditch Company
301 Walnut Street
Windsor, CO 80550

June 7, 2016

In Reference To: 02CW276

*Invoice #*48633

Professional Services

	<u>Hours</u>	<u>Amount</u>
5/3/2016 BG Review revised agreement from Don Frick and forward same to Ian, Dennis, and Wade; Email Don regarding question in his draft of agreement; Prepare for and attend meeting with New Cache regarding Kern/NewCache Operating Agreement.	1.90	475.00
5/13/2016 BG Finalize draft of New Cache agreement and email same to Don Frick.	0.20	50.00
5/31/2016 BG Review email from Ian regarding status of New Cache Agreement; Telephone conference with Don Frick and follow up email to Ian.	0.30	75.00
For professional services rendered	2.40	\$600.00
Previous balance		\$375.00
5/24/2016 Payment - thank you. Check No. 76879		(\$375.00)
Total payments and adjustments		(\$375.00)
Balance due		<u>\$600.00</u>

PLEASE MAKE CHECKS PAYABLE TO LAWRENCE JONES CUSTER GRASMICK LLP.

PLEASE NOTE THE NEW TELEPHONE NUMBER (970)622-8181.

(970)622-8181

MEMORANDUM

TO: Kern Reservoir and Ditch Company Board

FROM: Ian McCargar, Town Attorney; Brad Grasmick, Kern General Counsel

DATE: July 11, 2016

SUBJECT: Agenda Item 5; Kern Reservoir and Ditch Company Bylaws adoption

Summary: We are unable to confirm whether the Kern Reservoir and Ditch Company took official action to adopt revisions to its bylaws in 2011. In order to assure clear Board governance, we are recommending formal adoption at this time.

Full discussion: Following the Town of Windsor's acquisition of all 100 shares of Kern Reservoir and Ditch Company, Kern and Town counsel worked up a revision of the Kern's Bylaws to take into account the sole ownership of the Kern's stock by the Town. Neither the Town Clerk's Office nor Kern general counsel can confirm whether formal action was taken to adopt the revised Bylaws. Counsel has reviewed and updated the Bylaws for consideration this evening.

Specific Action Recommended: Upon motion duly seconded, adopt the attached July 11, 2016, Kern Reservoir and Ditch Company Bylaws.

Attachments:

July 11, 2016, Kern Reservoir and Ditch Company Bylaws

Resolution Approving the 2016 Revision to the Kern Reservoir and Ditch Company Bylaws

KERN RESERVOIR AND DITCH COMPANY

RESOLUTION NO. 2016-KB02

A RESOLUTION APPROVING THE 2016 REVISION TO THE KERN RESERVOIR AND DITCH COMPANY BYLAWS

WHEREAS, Kern Reservoir and Ditch Company (“Kern”) is a duly-constituted Colorado non-profit corporation with offices in the Town of Windsor, County of Weld, State of Colorado; and

WHEREAS, the Kern’s affairs are managed by its Board of Directors pursuant to Bylaws approved and adopted by official action of the Board of Directors; and

WHEREAS, the Kern’s General Counsel has revised the Kern’s Bylaws to better-reflect sole shareholder status of the Town of Windsor; and

WHEREAS, in order to assure the orderly conduct of Kern business, counsel is recommending that the 2016 Bylaws revision be formally adopted by the Board of Directors.

NOW, THEREFORE, BE IT RESOLVED BY THE KERN RESERVOIR AND DITCH COMPANY BOARD OF DIRECTORS AS FOLLOWS:

1. The attached Amended Bylaws of Kern Reservoir and Ditch Company (July 11, 2016) is hereby approved.
2. All prior actions of the Kern Reservoir and Ditch Company are hereby affirmed.
3. The Kern’s Secretary shall maintain a copy of the Bylaws on a permanent basis, and a copy shall be maintained by Kern General Counsel.

Upon motion duly made, seconded and carried, the foregoing Resolution was adopted this 11th day of July, 2016.

KERN RESERVOIR AND DITCH COMPANY

ATTEST:

Kristie Melendez, President

Paul Rennemeyer,
Secretary/Treasurer

AMENDED BYLAWS
OF
KERN RESERVOIR AND DITCH COMPANY
A Colorado Non-Profit Corporation
AS OF July 11, 2016

ARTICLE I
OFFICES

The principal offices of the corporation in the State of Colorado shall be located at 301 Walnut Street, Windsor, Weld County, Colorado 80550. The corporation may have such other offices, either within or without the State of Colorado, as the board of directors may designate or as the business of the corporation may from time to time require.

The registered office of the corporation shall be maintained at 301 Walnut Street, Windsor, State of Colorado.

The address of the registered office may be changed from time to time by the board of directors.

ARTICLE II
SHAREHOLDERS

1. Annual Meeting.

The annual meeting of the shareholders shall be held on the second Monday in the month of January in each year, at the hour of 7:00 p.m. (or as soon thereafter as the Windsor Town Board meeting for such evening is concluded), for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday in the State of Colorado, such meeting shall be held on the fourth Monday in the month of January at 7:00 p.m. (or as soon thereafter as the Windsor Town Board meeting is concluded).

2. Special Meetings.

Special meetings of the shareholders, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the president or board of directors, and shall be called by the president at the request of the Town Manager for the Town of Windsor, or by no fewer than two (2) directors in office at the time the special meeting is called.

3. Place of Meeting.

All shareholder meetings shall take place within Windsor Town Hall, 301 Walnut Street, Windsor, Colorado.

4. Notice of Meeting.

After the organizational meeting, written or printed notice stating the place, day and hour of the every meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than two (2) nor more than thirty (30) days before the date of the meeting, by electronic mail, personal delivery or regular U.S. mail, by or at the direction of the president, or the secretary or the officer or persons calling the meeting, to each shareholder of record entitled to vote at such meeting, except if the authorized capital stock is to be increased, at least thirty (30) days' notice shall be given. If mailed, such notice shall be deemed to be delivered when deposited, in the United States mail, addressed to the shareholder at his address as it appears on the stock transfer books of the corporation, with postage thereon prepaid.

For so long as the Town of Windsor is the sole holder of the corporation's shares, notice pursuant to this section shall be deemed sufficient if given to the Windsor Town Manager in the manner specified in this section.

5. Record Date.

The record date, for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, shall be the date on which notice of the meeting is mailed.

6. Voting Lists.

The officer or agent having charge of the stock transfer books for shares of the corporation shall make, at least ten (10) days before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting, or any adjournment thereof, arranged in alphabetical order, with the address of, and the number of shares held by each, which list, for a period of ten days prior to such meeting, shall be kept on file at the principal office of the corporation and shall be subject to inspection by any shareholder at any time during usual business hours. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder during the whole time of the meeting. The original stock transfer book shall be *prima facie* evidence as to who are the shareholders entitled to examine such list or transfer books or to vote at any meeting of shareholders.

7. Quorum.

At any meeting of shareholders, a majority of the outstanding shares of the corporation entitled to vote, represented outstanding shares of the corporation entitled to vote, represented in person or by proxy or by proxy, shall constitute a quorum at a meeting of the shareholders. If less than said number of the outstanding shares is represented at a shareholder meeting, a majority of the shares so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally notified. The shareholders present at a duly organized meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum.

For so long as the Town of Windsor is the sole holder of the corporation's shares, a majority of the Windsor Town Board shall constitute a quorum for purposes of this section.

8. Proxies.

At all meetings of shareholders, a Board member may vote by proxy executed in writing by another Board member, so long as such other Board member appoints only one proxy for such meeting. Such proxy shall be filed with the Secretary before or at the time of the meeting. No proxy shall be valid after the shareholder meeting is adjourned.

9. Voting of Shares.

Each outstanding share entitled to vote shall be entitled to one vote upon each matter submitted to a vote at a meeting of shareholders. Fractional shares shall be entitled to a corresponding fractional vote. No share for which assessments are delinquent may be voted.

10. Voting of Shares by Certain Holders.

A majority of the Windsor Town Board present at any shareholder meeting, in its representative capacity of the sole holder of the corporation's shares, shall be entitled to vote upon each matter submitted to a vote at a meeting of shareholders.

**ARTICLE III
BOARD OF DIRECTORS**

1. General Powers.

The business and affairs of the corporation shall be managed by its board of directors. The directors shall in all cases act as a board, and they may adopt such rules and regulations for the conduct of their meetings and the management of the corporation, as they may deem proper, not inconsistent with these by-laws and the laws of this State.

2. Number, Tenure and Qualifications.

(a) The number of directors of the corporation shall be the same number as serving upon the Town Board of the Town of Windsor, who shall be elected or appointed as hereinafter provided. For so long as the Town of Windsor is the sole holder of the corporation's shares, the members of the Windsor Town Board shall serve as the corporation's board of directors. All members of the board of directors shall be deemed elected by the Kern shareholders upon election or appointment to serve as Windsor Town Board members.

(b) Upon the termination of a director's service on the Windsor Town Board, his or her service shall likewise terminate as a director of the Kern.

(c) Each director shall hold office until his or her successor is elected and qualified as herein provided.

3. Regular Meetings.

Regular meetings of the board of directors shall be held on the second Monday of odd-numbered calendar months, either before or after the Windsor Town Board meeting falling on the second Monday of each odd-numbered calendar month.

4. Special Meetings.

A special meeting of the board of directors may be called by or at the request of the president or any two (2) directors. All special meetings of the board of directors called in accordance with this Section 4 shall take place in Windsor Town Hall, 301 Walnut Street, Windsor, Colorado.

5. Notice.

Notice of any special meeting shall be given at least three days in advance by written notice delivered by electronic mail, personal delivery or regular U.S. mail, mailed to each director at the address customarily used for Town of Windsor business. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Any director may waive notice of any meeting by notifying the Town Clerk of such waiver. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at any regular or special meeting of the board of directors shall be specified in the notice of such meeting.

6. Quorum.

A majority of the number of directors in office shall constitute a quorum for the transaction of business at any meeting of the board of directors. If less than a majority is present at a meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

7. Manner of Acting.

The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors.

8. Vacancies.

The sole manner by which a board of director vacancy may occur shall be a vacancy in a director's seat on the Windsor Town Board. In the event a director's seat is vacated pursuant to this Section 8, the seat shall remain vacant until the former director's seat on the Windsor Town Board has been filled as provided in Section 3.7 of the Town of Windsor Home Rule Charter. The person elected or appointed to take office in accordance with such Section 3.7 shall hold office on the board of directors for the unexpired term of his or her predecessor.

**ARTICLE IV
OFFICERS**

1. Number.

The officers of the corporation shall be a president, vice-president and secretary/treasurer, each of whom shall be elected by the board of directors during the board of directors meeting immediately following any municipal election or Windsor Town Board appointment at or under which new Windsor Town Board Members are elected or appointed. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each officer shall hold office until his successor shall have been duly elected and qualified.

2. Election and Term of Office.

Upon election to the corporation's board of directors as set forth herein, each officer shall hold office until his successor shall have been duly elected and qualified.

3. Vacancies.

The sole manner by which an officer vacancy may occur shall be a vacancy in that officer's seat on the Windsor Town Board. In the event an officer's seat is vacated pursuant to this Section 3, the seat shall remain vacant until a successor is appointed by the board of directors at a regular or special meeting. The person appointed to take office

in accordance with this section 3 shall hold office on the board of directors for the unexpired term of his or her predecessor.

4. President.

The president shall be the principal executive officer of the corporation, and, subject to the control of the board of directors, shall in general supervise and control all of the business and affairs of the corporation. He or she shall, when present, preside at all meetings of the shareholders and of the board of directors. He or she may sign, with the Secretary or any other proper officer of the corporation authorized by the board of directors, certificates for shares of the corporation, any deeds, mortgages, bonds, contracts, or other instruments which the board of directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the board of directors or by these by-laws to some other officer or agent of the corporation, or shall be required by law to be otherwise signed or executed; or in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the board of directors from time to time. He or she shall also assure that competent persons act as superintendent and ditch rider of this company and establish and set headgates and provide for proper delivery of water to Kern shareholders.

5. Vice-President.

The vice-president shall assist the president and have all duties and responsibilities of the president when the president is absent, unable to serve or as requested in writing by the president.

6. Secretary/Treasurer.

The secretary/treasurer shall: (a) keep the minutes of the shareholders' meetings and of the board of directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these by-laws as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal, is duly authorized; (d) keep the post office address of each shareholder which shall be furnished to the secretary/treasurer by such shareholder; (e) sign with the president or a vice president, certificates for shares of the corporation, the issuance of which shall have been authorized by resolution of the board of directors; (f) have general charge of the stock transfer books of the corporation; (g) in general perform all duties as from time to time may be assigned to him or her by the president or by the board of directors; (h) keep a record of income and expenses, if any, of the corporation.

7. Compensation of Officers.

The officers of the corporation shall serve without compensation.

ARTICLE V EMPLOYEES

1. Discretion.

The board of directors may recommend that the corporation employ any employees as deemed necessary or prudent including but not limited to a manager, superintendent or secretary. Employees serving the corporation shall not be disqualified by virtue of Town employment.

2. Superintendent.

The superintendent of the reservoir and ditches shall be employed by the Town as required and upon such terms as the Town Manager shall establish. The superintendent, subject to the supervision and control of the Town Manager, shall manage the reservoir, ditches and real property of the corporation, and attend to the distribution of waters to those entitled thereto. The superintendent shall be knowledgeable concerning the operation of the corporation's systems, applicable court decrees and various contracts that pertain to the operation of the reservoir and ditches.

3. Recording Secretary.

The Town Clerk shall serve as the recording secretary, and shall perform duties as established by the board of directors.

ARTICLE VI CONTRACTS, LOANS, CHECKS AND DEPOSITS

1. Contracts.

The board of directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

2. Loans.

No loans shall be contracted on behalf of the corporation and no evidences of indebtedness shall be issued in its name unless authorized by a resolution of the board of directors. Such authority may be general or confined to specific instances.

3. Checks, Drafts, Etc.

All checks, drafts or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation shall be executed on

behalf of the corporation by the Town of Windsor in such manner as shall from time to time be determined and directed by resolution of the board of directors.

4. Deposits.

All funds of the corporation, if any, not otherwise employed shall be deposited from time to time to such banks, trust accounts, or other depositories held by the corporation as the board of directors may direct.

**ARTICLE VII
CERTIFICATES FOR SHARES AND THEIR TRANSFER**

1. Certificates for Shares.

Certificates representing shares of the corporation shall be in such form as shall be determined by the board of directors. Such certificates shall be signed by the president or a vice-president and by the secretary or an assistant secretary. All certificates for shares shall be consecutively numbered or otherwise identified. The name and address of the person to whom the shares represented thereby are issued, with the number of shares and the date of issue, shall be entered on the stock transfer books of the corporation. All certificates surrendered to the corporation for transfer shall be canceled and no new certificates shall be issued until the former certificate for a like number of shares shall have been surrendered and canceled, except that in case of a lost, destroyed, or mutilated certificate a new one may be issued therefor upon such terms and indemnity to the corporation as the board of directors may prescribe.

2. Transfer of Shares.

(a) Upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the corporation to issue a new certificate to the person entitled thereto, and cancel the old certificate; every such transfer shall be entered on the transfer book of the corporation which shall be kept at its principal office.

(b) The corporation shall be entitled to treat the holder of record of any share as the holder in fact thereof, and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such share on the part of any other person whether or not it shall have express or other notice thereof, except as expressly provided by the laws of this State.

3. Capital Stock.

The capital stock shall consist of 100 shares having no par value.

ARTICLE VIII

ASSESSMENT OF STOCK

1. Power.

The corporation shall have the power to make an assessment on the capital stock, to be levied *pro rata* on the shares of the stock payable in money for any of the purposes of the corporation.

2. Making Assessment.

No such assessment shall be made unless a question of making the assessment shall be first submitted to the shareholders of the corporation at a regular meeting or at a special meeting called for that purpose, and a majority of the stock present, represented either by the owner in person or by proxy, voting thereon shall vote in favor of making such assessments; and if said shareholders fail to hold any such meeting, fail to obtain a quorum or fail to make or authorize any assessment by the last Saturday in March in any year, the directors shall have the power to make any such assessment at any regular or special meeting called therefor for that year. The board of directors shall determine the date by which any assessment shall be paid. If any assessments or any part thereof are not paid by the date due, an interest charge may be levied upon such assessment from the first date of delinquency or an interest charge may be levied at such rate as determined by the board of directors, all of the foregoing being in addition to the other remedies provided in these Bylaws. For so long as the Town of Windsor is the sole holder of the corporation's shares, any special assessment made pursuant to this Section 2 shall be deemed null and void in the event that the Windsor Town Board does not appropriate sufficient funds for the purpose of satisfying such special assessment during the year within which the special assessment is imposed.

ARTICLE IX RUNNING CHARGES

The board of directors may annually, by resolution, fix a charge upon each share of stock in such an amount as will be necessary to pay the running expenses of the ditch for the year, and any other claims against the company not otherwise provided for. Such charge, when so fixed by the board, shall be paid in the manner, and within the time, as designated in such resolution. For so long as the Town of Windsor is the sole holder of the corporation's shares, any running charge fixed pursuant to this Article IX shall be null and void in the event that the Town of Windsor does not appropriate sufficient funds for the purpose of satisfying such running charges during the year within which the running charges are fixed.

ARTICLE X COMPANY OPERATIONS

1. Distribution of Water.

The water impounded in the reservoir of the Kern Reservoir and Ditch Company, with the exception of foreign water, shall be distributed *pro rata* to those stockholders who are not delinquent in the payment of assessments. Each stockholder of the company shall have the privilege of using storage space in the reservoir of the company not otherwise filled with water, by impounding therein water pertaining to such stockholder's holding of shares of stock in The New Cache La Poudre Irrigating Company or other supply, provided, however, no stockholder shall use the reservoir of this company for such impounding of said water to an extent greater than his *pro rata* interest in this corporation as indicated by his holding of stock, at times when other stockholders desire to have similar privilege. Such privilege on account of holding of stock in said other company or other supply shall be exercised only by stockholders in this company not delinquent in payment of assessments.

The superintendent shall distribute the water impounded by the company *pro rata* among its stockholders and in addition shall distribute water from stock in said other company or other source of supply of stockholders herein according to the respective rights as aforesaid, and shall not distribute any water to stockholders delinquent in payment of assessments.

2. Foreign Water.

As used in these bylaws, "foreign water" is any water which is (a) not owned by the Kern Reservoir and Ditch Company stockholders, or (b) not owned, leased or otherwise controlled by the Town of Windsor, or (c) not part of the Clammer and Gregory agreement of 1905, and (d) not water owned by the New Cache La Poudre Irrigation or Reservoir stockholders that are not stockholders of the Kern Reservoir and Ditch Company. Foreign water can only be run if there is capacity in the ditch and reservoir as determined by the superintendent and there is an agreement with the Town of Windsor or the Kern Reservoir and Ditch Company to run the water in the system.

3. Running Charges for Foreign Water.

Running charges for foreign water to be set annually by the board of directors. These charges will be billed annually in arrears on or before October 1st of each year and become delinquent November 1st of same. A 12% per month late payment assessment will be added to all unpaid foreign water running charges.

ARTICLE XI INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES AND AGENTS

Each director, officer, employee or agent of the corporation (and his heirs, executors and administrators) shall be indemnified by the corporation against expenses reasonably incurred by or imposed upon him or her in connection with or arising out of any action, suit or proceeding in which he or she may be involved or to which he may be made a party by

reason of his or her being or having been a director, officer, employee or agent of the corporation or at its request, of any other corporation of which it is a shareholder or creditor and from which he or she is not entitled to be indemnified (whether or not he continues to be a director or officer at the time of imposing or incurring such expenses), to the fullest extent permitted by the laws of Colorado, as they exist or may hereafter be amended, including in circumstances in which indemnification is otherwise discretionary under Colorado law, in accordance with and subject to the limitations which may be contained in the bylaws of the corporation from time to time in effect. The foregoing right of indemnification shall not be exclusive of other rights to which he may be entitled under applicable State statute.

**ARTICLE XII
FISCAL YEAR**

The corporation shall operate on a calendar year basis.

**ARTICLE XIII
SEAL**

The board of directors may provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation and the state of incorporation and the word, "SEAL".

**ARTICLE XIV
WAIVER OF NOTICE**

Unless otherwise provided by law, whenever any notice is required to be given to any shareholder or director of the corporation under the provisions of these by-laws or under the provisions of the Articles of Incorporation, a waiver thereof in writing, signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

**ARTICLE XV
AMENDMENTS**

These by-laws may be altered, amended or repealed and new by-laws may be adopted by a vote of the shareholders representing a majority of all the shares issued and outstanding, at any annual shareholders' meeting or at any special shareholders' meeting when the proposed amendment has been set out in the notice of such meeting. Additionally, the by-laws may be altered, amended or repealed and new by-laws may be adopted by a majority vote of the directors present at any board meeting at which a quorum is present, provided, however, the board of directors may not adopt a by-law or amendment thereof changing the authorized number of directors.

**ARTICLE XVI
USE OF WATER**

The water carried in and by this corporation shall be used exclusively for its adjudicated, or otherwise lawful, uses. No officer, director or shareholder of the corporation shall sell, lease or give away to any person not a shareholder, any of the water of the corporation without the prior written approval of a majority of the board of directors.

ARTICLE XVII RULES AND REGULATIONS

The board of directors may make additional rules and regulations not inconsistent with the laws of the State of Colorado or the Articles of Incorporation or the Bylaws of this corporation as deemed necessary for the benefit of this corporation. Any rules and regulations adopted by the directors shall be annexed to the Bylaws and shall include the date of adoption by the board of directors.

The above and foregoing Amended By-laws were adopted and approved by the shareholders this 11th day of July, 2016.

Paul Rennemeyer, Secretary

MEMORANDUM

TO: Kern Reservoir and Ditch Company Board

FROM: Ian McCargar, Town Attorney; Brad Grasmick, Kern General Counsel

DATE: July 11, 2016

SUBJECT: Kern Reservoir Operating Agreement (2016)

Summary: Since 1934, the Kern and New Cache la Poudre Irrigating Ditch Company (“New Cache”) have entered into agreements to assure that the No. 2 Canal and Windsor Lake work in harmony. We have negotiated the attached updated Agreement on the Kern’s behalf which, if approved by the Kern Board, will assure the continuation of this cooperative relationship. The New Cache Board of Directors approved the 2016 Agreement at its June, 2016, meeting. The Agreement is presented this evening for Kern Board approval.

History and context: Beginning in 1934, the Kern and New Cache entered into agreements for combined operations of the No. 2 Canal and Windsor Lake. The 1934 agreement was updated in 1984, and again in 2002. In each of these cases, the parties recognized that New Cache needs the Kern’s lake as an “equalizer” for its irrigation customers, and Kern needs New Cache to carry water into and out of Windsor Lake. As an “equalizer”, Windsor Lake allows New Cache to better-serve its customers through increased irrigation water availability.

The 2002 agreement contemplated the installation of a Rubicon gate structure downstream in the outlet channel. The Rubicon gate is the mechanical device by which water is both held back and released downstream to New Cache customers. The Town of Windsor paid the cost for initial installation of the Rubicon gate structure, but New Cache is largely responsible for its day-to-day operations. The Town invested in the Rubicon gate structure primarily to assure Windsor Lake’s role in stormwater management. Windsor Lake is included as a stormwater detention vessel in the Town’s Stormwater Management Plan, and the operation of the Rubicon gate structure is crucial to the lake’s flood prevention function under the Plan.

2016 Operating Agreement: The attached 2016 Operating Agreement accomplishes three basic objectives, which will be treated in detail below:

- Expressly grants the Kern “carriage rights” in the No. 2 Canal.
- Expressly allocates ownership and operational control of the Rubicon gate to New Cache, subject to conditions.
- Expressly sets up cost-sharing for repair and replacement of the Rubicon gate.

Kern Carriage Rights. “Carriage rights” are the privileges given by the No. 2 Canal when water not owned by New Cache customers is carried down the Canal. The 2016 Agreement provides that the Kern’s senior water right will travel into Windsor Lake through the No. 2 Canal at no

cost to the Kern. The Kern's junior water right will be carried under certain priorities and assessed a fee in accordance with an established New Cache protocol. The carriage rights granted under this agreement recognize that the Kern is a shareholder of New Cache water rights, and that Kern is providing New Cache the benefits of equalization in Windsor Lake.

Ownership and control of the Rubicon gate. Although the 2002 agreement stated that the Town would pay the cost of the initial Rubicon gate structure, it did not expressly say the Town owned it and did not expressly state which party would have control over it. The 2016 Agreement states that New Cache owns and operates the Rubicon gate, in recognition that on a day-to-day basis, New Cache should have control over how much water leaves Windsor Lake. This authority is subject to constraints to assure certain lake levels are maintained.

The 2016 Agreement establishes a minimum level at which the Windsor Lake will be maintained. There is a natural tension between the lake levels preferred by New Cache and the lake levels preferred by the Kern. New Cache prefers a higher lake level, which translates to greater availability of irrigation water to its customers. Kern prefers a level that recognizes the aesthetic value of the lake as an amenity to the Town's Boardwalk Park, but that does not result in excessive damage to the shoreline or related facilities. Additionally, the Kern prefers a lake level that will accommodate stormwater flows in the event of a heavy rain event. If the lake is kept at too high a level, the lake loses its ability to absorb and later release stormwater flows. The parties have arrived at an acceptable compromise lake level, with room for variation attributable to stormwater and New Cache demands.

Cost-sharing. The 2016 Agreement allows for an equal sharing of costs associated with Rubicon gate maintenance and repairs. This cost-sharing recognizes the shared purpose of the Rubicon gate. For New Cache, the Rubicon gate is the tool by which its customers receive water from the lake. For Kern, the Rubicon keeps the lake at an appealing level for recreation and also enables the lake to absorb stormwater in a heavy rain event.

Fiscal Impact: The non-potable irrigation fund contains budget allocations sufficient to meet the demands of this new arrangement. No significant financial impact is anticipated.

Recommendation: Upon motion duly seconded, staff recommends approval of the attached 2016 Agreement. Simple majority of those participating required.

Attachments:

Resolution Approving the 2016 Kern Reservoir Operating Agreement between the Kern Reservoir and Ditch Company and New Cache La Poudre Irrigating Company

Kern Reservoir Operating Agreement (2016)

KERN RESERVOIR AND DITCH COMPANY

RESOLUTION NO. 2015-KB03

A RESOLUTION APPROVING THE 2016 KERN RESERVOIR OPERATING AGREEMENT BETWEEN THE KERN RESERVOIR AND DITCH COMPANY AND THE NEW CACHE LA POUUDRE IRRIGATING COMPANY

WHEREAS, Kern Reservoir and Ditch Company (“Kern”) is a duly-constituted Colorado non-profit corporation with offices in the Town of Windsor, County of Weld, State of Colorado; and

WHEREAS, Kern and the New Cache la Poudre Irrigating Company (“New Cache”) have a long history of cooperation in the operation of Kern Reservoir (“Windsor Lake”); and

WHEREAS, representatives of the Kern and New Cache has spent considerable time negotiating revisions to the various prior operating agreements, the purpose of which is to update, improve and reaffirm the terms of cooperation with respect to the operation of Windsor Lake ; and

WHEREAS, staff has presented the attached copy of the Kern Reservoir Operating Agreement (2016) (“Agreement”), which is incorporated herein by this reference as if set forth fully; and

WHEREAS, the New Cache Board of Directors approved the Agreement at its June, 2016, regular meeting, and the Kern Board of Directors has concluded that it should take like action to finalize the formal adoption of the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE KERN RESERVOIR AND DITCH COMPANY BOARD OF DIRECTORS AS FOLLOWS:

1. The attached Kern Reservoir Operating Agreement (2016) is hereby approved.
2. The President is hereby authorized to execute the Agreement on behalf of Kern.
3. The Company Superintendent is authorized to carry out the terms of the Agreement as set forth therein.

Upon motion duly made, seconded and carried, the foregoing Resolution was adopted this 11th day of July, 2016.

KERN RESERVOIR AND DITCH COMPANY

ATTEST:

Kristie Melendez, President

Paul Rennemeyer, Secretary/Treasurer

KERN RESERVOIR OPERATING AGREEMENT
(2016)

This Agreement entered into this 8th day of JUNE, 2016, is made by and between the New Cache la Poudre Irrigating Company ("New Cache"), and the Kern Reservoir and Ditch Company ("Kern"). New Cache and Kern are sometimes referred to herein as the "parties".

RECITALS

WHEREAS, New Cache manages and operates the Greeley Canal No. 2 (*a/k/a* the Union Colony Canal No. 2 or the New Cache la Poudre Ditch) which takes its supply of water from the Cache la Poudre River at a point located in the SE ¼ of the NE ¼ of Section 11, Township 6 North, Range 68 West, 6th P.M., in Larimer County, Colorado; and

WHEREAS, Kern is the owner of that certain reservoir known as Kern Reservoir (*a/k/a* Windsor Lake) located in Section 16, Township 6 North, Range 67 West, 6th P.M., in Weld County, Colorado, the principal source of supply for which is the Cache la Poudre River via the Greeley Canal No.2; and

WHEREAS, the Kern and New Cache previously entered into a contract dated August 25, 1934 (the "1934 Agreement") whereby Kern granted to New Cache the right to use Kern Reservoir for the purpose of equalizing the flow of water carried in the Greeley Canal No. 2, and New Cache agreed to divert and carry for the benefit of the water right decreed to Kern Reservoir by the Larimer County District Court in Civil Action No. 2031 (the "Kern Priority 1 water") for irrigation purposes; and

WHEREAS, the 1934 Agreement was amended in part by a contract dated August 31, 1982 (the "1982 Supplement"); which, among other things, recognized the carriage by New Cache for Kern of water rights other than the Kern Priority 1 water; and

WHEREAS, on or around 2003 the capacity of Kern Reservoir was enlarged at Kern's initiation and expense; and

WHEREAS, Kern has obtained a decree for a conditional water right for said enlargement in Case No. 02CW276, district court, Water Division 1 (the "Kern Junior Right"); and;

WHEREAS, in 2003, certain improvements were undertaken to the outlet of Kern Reservoir pursuant to a multi-party agreement dated November 1, 2002, to which Kern and New Cache were parties ("2003 Improvements"); and

WHEREAS, the express purpose of the 2003 Improvements was to facilitate the implementation of the Town of Windsor's Master Stormwater Drainage Plan; and

WHEREAS, the Town of Windsor now owns all of the shares in Kern; and

original
received
6/13/16


WHEREAS, the Kern Priority 1 water was changed in Case No. 02CW301 to include municipal uses within the service area of the Town of Windsor, including augmentation, recreation and irrigation; and

WHEREAS, the additional uses of the Kern Priority 1 water decreed by District Court, Water Division 1, in Case No. 02CW301, and the enlargement of Kern Reservoir have caused and will continue to cause changes to the operation of Kern Reservoir from historical operations; and

WHEREAS, New Cache has appropriated new water rights and increased its use of Kern Reservoir such that New Cache's use of Kern to run additional water sources have caused and will continue to cause changes to the operation of, and accounting for, Kern Reservoir from historical operations; and

WHEREAS, Kern is a shareholder in New Cache; and

WHEREAS, the parties desire to enter into this Agreement to facilitate the continued beneficial use of Kern Reservoir as a joint use facility for the parties.

NOW, THEREFORE, in consideration of the mutual covenants and agreements, the sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. Carriage Rights. In addition to all of the rights granted in the 1934 Agreement and the 1982 Supplement, which rights are hereby reaffirmed by the parties, the parties grant each other the following rights:
 - a. Greeley Canal No. 2. New Cache hereby agrees to divert and carry for the benefit of Kern, and its shareholders, water diverted pursuant to the following water rights, when available and subject to the terms of the 1934 Agreement, the 1982 Supplement and this Agreement: (1) the Kern Priority 1 water for use for the purposes set forth in the decree entered in Case No. 02CW301, district court, Water Division 1; and (2) the Kern Junior Right.
 - b. Kern Reservoir. Kern hereby agrees to allow New Cache to use Kern Reservoir for equalizing flow of water in the Greeley Canal No. 2 diverted pursuant to water rights now owned or hereafter acquired by New Cache and/or its affiliate companies including the Cache la Poudre Reservoir Company and the Lower Poudre Augmentation Company, including water carried by New Cache which is owned or leased by its stockholders and has historically been delivered by New Cache for irrigation uses under the No. 2 Canal (collectively referred to herein as "New Cache Water"). New Cache and/or its affiliates shall only equalize its water within Kern Reservoir during the months of April-October. If and when New Cache and/or its affiliates begin equalizing water derived from water rights acquired hereafter, New Cache shall be responsible to Kern for any and all additional costs associated with use of Kern Reservoir and its facilities. For

purposes of this Agreement, such flow equalization shall refer to the temporary retention of water in Kern Reservoir for periods not to exceed 72 hours.

2. Terms of Carriage of Kern Junior Right. Attached hereto and designated Exhibit A is the New Cache policy concerning the use of system capacity in the Greeley No. 2 Canal entitled "Policy Concerning the Use of System Capacity" (hereinafter "New Cache's Capacity Policy"). New Cache's Capacity Policy which generally recognizes a first and preferential right to use of capacity in the Greeley Canal No. 2 to the Company and its stockholders for the carriage of waters historically carried therein as well as water diverted pursuant to the water rights decreed in Consolidated Case Nos. 01CW201/01CW288 and 04CW343 (the "01CW201 Rights"). The parties have recognized that, because the 01CW201 Rights and the Kern Junior Right are expected to be in priority and available for diversion generally at the same time, New Cache's Capacity Policy would effectively prevent the carriage of the Kern Junior Right in the Greeley Canal No. 2. However, for purposes of this Agreement only and based upon the consideration contained herein, New Cache agrees that in addition to operating under New Cache's Capacity Policy, New Cache will divert water pursuant to the Kern Junior Right under the following conditions which would otherwise be prohibited under the New Cache Capacity Policy:
 - a. The parties agree to coordinate times and amounts of diversions pursuant to the 01CW201 Rights and the Kern Junior Right at times when it is mutually agreeable and in the best interest of the parties to divert such rights. To this end, the parties agree to work cooperatively to identify times during the non-irrigation season during which the Kern Junior Right is in priority and New Cache does not wish to utilize some or all of the capacity in the No. 2 Canal and to endeavor to use such times to run the Kern Junior Right. Further, to provide Kern with some additional certainty, the parties agree that at times when: (1) there is sufficient capacity in the Greeley Canal No. 2 in excess of that capacity which is then being utilized to divert and/or carry New Cache System Water (as that term is defined in the New Cache Carriage Policy) exclusive of the carriage of water under the 01CW201 Rights, and (2) both the 01CW201 Rights and the Kern Junior Right are in priority and entitled to divert at the Cache la Poudre River, then New Cache may divert up to 200 cfs under its 01CW201 Rights and agrees to divert and deliver all available flows which are within the capacity of the Greeley Canal No. 2 to carry and in excess of the amount diverted under the 01CW201 Rights to Kern Reservoir under the Kern Junior Right, provided there is then capacity in Kern Reservoir and Kern is otherwise legally allowed to divert water under the Kern Junior Right, provided there is then capacity in Kern Reservoir and Kern is otherwise legally allowed to divert water under the Kern Junior Right.
 - b. New Cache has a surcharge fee per acre-foot of water which is set by New Cache each year for New Cache stockholders (hereinafter the "Surcharge Fee"). Kern agrees to pay New Cache an amount equal to the Surcharge Fee for each acre-foot of water delivered by New Cache to storage in Kern Reservoir for Kern under the Kern Junior Right. If the Surcharge Fee is discontinued by New Cache in the

future, Kern shall continue to pay New Cache an amount equal to the average Surcharge Fee from the Five (5) preceding years while the parties negotiate regarding a reasonable methodology to determine future carriage fees; however, Kern shall never be required to pay more for the running of the Kern Junior Right than the amount New Cache charges its stockholders. Such fees shall be payable annually on or before December 1st of each year based on the amount of water carried annually between December 1 of the previous year until November 30 of the current year.

- c. Kern does hereby indemnify and agrees to hold New Cache harmless of and from any claims or cause of action by third parties against New Cache due to the existence or execution of this Agreement or arising out of the diversion of water pursuant to the Kern Junior Right into the Greeley Canal No. 2, the carriage of such water in said canal or the release of said water into Kern Reservoir. New Cache does hereby indemnify and agrees to hold Kern harmless of and from any claims or cause of action by third parties against Kern due to the existence or execution of this Agreement or arising out of the diversion of water by New Cache and the release and temporary detention of said water in Kern Reservoir. Nothing herein shall be construed as an undertaking of the Town of Windsor, nor any waiver of the Town of Windsor's protections and immunities as a governmental entity under the Colorado Constitution or the Colorado Governmental Immunity Act. The parties acknowledge that the Town of Windsor is a separate and distinct entity which holds a controlling interest in Kern stock. Nothing herein shall be construed as a waiver of the Town of Windsor's protections and immunity under the Colorado Constitution and the Governmental Immunity Act.

3. Expenses, Operation and Maintenance of Kern Reservoir and corresponding facilities. Except as provided in Paragraphs 3.a-3.e below or otherwise specified herein, each party shall be responsible for ½ of the costs associated with the maintenance, replacement, repair or improvement of Kern Reservoir and its corresponding facilities and associated expenses unless any replacement or improvement is for the exclusive benefit or at the exclusive request of one of the parties hereto, in which case, that party shall pay for said replacement or improvement. Unless an emergency exists, the party performing the work shall provide the other party with advance notice and shall give the other party an opportunity to approve of the work prior to it being performed. The parties specifically agree to divide the maintenance, replacement, repair and improvement obligations for the structures shown on Exhibit B as follows:

- a. The parties shall each be responsible for ½ of the expenses associated with the maintenance, repair or replacement of the control structure (a/k/a "Rubicon Gate" and the New Cache old outlet gates. New Cache shall be responsible for operation and performance of all work on the control structure and the old outlet gates.

- b. Kern shall be responsible for the maintenance of the Kern Reservoir dam and spillway, the shoreline and areas within the high water line of the Kern Reservoir, the Kern Lateral outlet, the old inlet facilities, the Regional Pump station, the recreational facilities associated with Kern Reservoir and all costs associated therewith.
 - c. New Cache shall be responsible for the maintenance of the bypass channel and the new inlet/outlet channel and all costs associated therewith, except that consistent with historical practice New Cache shall not have an obligation for disposal of debris or other material following removal from the bypass channel or the new inlet/outlet channel. At its option, Kern may dispose of the debris or other materials at its sole cost.
 - d. Kern shall be responsible for the maintenance of any recreational facilities.
 - e. Kern shall be responsible for the maintenance of the culvert from Lake Osterhout to Kern Reservoir under Highway 392.
 - f. The parties agree to communicate regarding maintenance and operational matters on an ongoing basis, and not less than once before June 1 of each calendar year.
4. Kern Reservoir Operating Protocol. The parties agree to jointly operate Kern Reservoir in accordance with the following operational constraints:
- a. Coordination on Reservoir Levels. Subject to the other terms of this Agreement, Kern and New Cache shall limit their combined rates and amounts of releases during every April 1 through October 31 (or until New Cache makes its final irrigation run whichever is sooner) period so as to prevent the total amount of water in Kern Reservoir from falling below a gauge height of 23 feet (being the minimum amount of water necessary to deliver a full head of water into the Greeley Canal No. 2).
 - b. Preferred Operating Level. The limitations described above in Paragraph 4.a are intended to maintain water levels in Kern Reservoir within a preferred operating level during the irrigation season, April 1 through October 31, which has been agreed by the parties to be between staff gauge heights 23 feet and 25.5 feet. If Kern desires to or does in fact withdraw water from Kern Reservoir such that the storage of water sources available to Kern would fall below gauge height 18.5 (being the bottom elevation of the New Cache outlet works) at any time during the irrigation season and New Cache will therefore be unable to release the entirety of its water from Kern Reservoir to the Greeley No. 2 Canal, then Kern, will (a) communicate the same to New Cache and make available additional water to be delivered by New Cache for storage in Kern Reservoir in coordination with New Cache, or, in the event that Kern has made all reasonable attempts to make such water available and is unable to do so, and (b) Kern shall pay New Cache the fair market rental value for the amount of water New Cache is unable to release

from Kern Reservoir. If Kern provides water for storage in Kern under this paragraph, New Cache shall deliver said water to Kern Reservoir free of monetary charge. Nothing herein shall be construed so as to require the Town of Windsor to deliver supplies of water to Kern Reservoir that is needed by the Town of Windsor in order to provide water for use by its citizens and customers. Furthermore, subject to the terms of this paragraph, nothing herein shall preclude Kern from making releases from Kern Reservoir as necessary to comply with any and all water court decrees, administrative orders or other contractual obligations and Kern shall be entitled to make releases from Kern Reservoir at its discretion at any time consistent with all water court decrees, administrative orders or other contractual obligations.

- c. Maximum Operating Level. The parties shall not deliver water to Kern Reservoir which would increase the level of water in the reservoir above a gauge height of 25.5 feet. Any deliveries of water to Kern Reservoir above a gauge height of 25.5 feet shall be released within 72 hours. The purpose of said restrictions is to allow for temporary detention and release of designed stormwater inflows into Kern Reservoir. Should improvements be made to Kern Reservoir or to the No. 2 Canal that would allow for storage in Kern Reservoir at a level greater than 25.5 feet, the maximum operating level set forth in this paragraph may be modified by the parties by subsequent written notice provided the other party does not object within 30 days of receipt of such written notice.
- d. Daily Maximum Kern Releases November-March. Combined daily maximum withdrawals from Kern Reservoir by Kern during every November 1 through March 31 period shall be limited the volume of water then in storage in Kern Reservoir attributable to Kern sources in excess of the volume of storage at a gauge height of 18.5 feet (being the bottom elevation of the New Cache outlet works) plus the volume of water which Kern is then entitled to divert pursuant to the Kern Priority 1 water right or other water Kern has available which it can release for storage in Kern prior to April 1.
- e. Allocation of Evaporation. Consistent with historical practice, all evaporation of water from Kern Reservoir during periods when New Cache is utilizing the reservoir for flow equalization purposes shall be borne by New Cache. At all other times, evaporation of water from Kern Reservoir shall be deducted from Kern sources then in storage in the reservoir.
- f. Allocation of Seepage water into the No. 2 Canal. Each party has claimed and appropriated seepage water running into the Greeley Canal No. 2 from points up-ditch of the Rubicon Gate located in the SE ¼ of the NE ¼ of Section 16, T6 North, Range 67 West of the 6th P.M., Weld County, Colorado. Diversion and carriage of such seepage water which accrues to the Greeley Canal No.2 shall be subject to the limitations set forth herein, including but not limited to the flow rates and volumes specified in Paragraph 2.a above. Kern shall be entitled to all seepage, runoff and storm water flows accruing directly to Kern Reservoir,

including those waters delivered via the Clammer and Gregory Seepage Ditch and the pipeline and conduit below Highway 257, as well as all seepage, runoff and storm water flows stored in Kern Reservoir for longer than 72 hours when Kern's rights to said waters are in priority.

- g. Temporary Modifications to Operating Constraints. The operational constraints in this Paragraph 4 may be temporarily waived upon the prior mutual agreement of the parties or their respective designated representatives.
5. Kern Reservoir Accounting. Kern shall be responsible for maintaining records of and accounting for all inflows, outflows, and storage of water in Kern Reservoir pursuant to Paragraph 17.6 of the decree entered in Case No. 02CW301, district court, Water Division 1. New Cache shall assist in the preparation of said accounting at times New Cache is running water into or out of the Reservoir by providing, either directly or by allowing Kern to install radio telemetry on the appropriate measuring devices, the following data to Kern and/or its designated representative on at least a biweekly basis: (1) daily diversions from the Cache la Poudre River into the Greeley Canal No.2 by water right; (2) daily releases from the Cache la Poudre Reservoir (a/k/a Timnath Reservoir) to the Greeley Canal No. 2; (3) daily releases from Windsor Reservoir to the Greeley Canal No. 2; and (4) daily flow in the Greeley Canal No. 2 measured at the current measurement structure located in the SE ¼ of the NE ¼ of Section 16, Township 6 North, Range 67 West by water right. New Cache shall be solely responsible for accounting for its water run in the No. 2 Canal and into and out of Kern Reservoir under this Agreement and for reporting the same to the Division Engineer to the extent required by the Division Engineer.
6. Additional Structures. The parties have discussed the need for additional measuring and/or flow control structures including but not limited to a new measuring structure to be located in the Kern Reservoir bypass channel of the Greeley Canal No. 2 located along and adjacent to the northern boundary of Kern Reservoir. Such additional structures may be required in the future for the administration of water in Kern Reservoir. Costs for the design, construction, operation and maintenance of such additional structures which may be required by Division Engineer for Water Division 1 or his designated representative, or by any decree or order of the Division 1 Water Court, for the administration of water in Kern Reservoir shall be paid for by the party being required to install such additional structures. If a structure is paid for by one party, the other party shall not use said structure unless and until that party reimburses the other party for a proportionate share of the expenses associated with the structure to be calculated based on the average amount of water each party runs into Kern Reservoir. In the event that the parties mutually agree that an additional structure and/or modification to an existing structure would be mutually beneficial to the parties, the parties agree to negotiate in good faith on an equitable apportionment of costs associated therewith. No additional structures and/or modifications to existing structures shall be made to the Greeley Canal No. 2 by Kern without the prior express written consent by New Cache. No additional structures and/or modifications to existing structures shall be made to Kern Reservoir by New Cache without the prior express written consent by Kern.

7. Construction. This Agreement is not intended to supersede or amend any term or provision of the 1934 Agreement or the 1982 Supplement, but to the extent this Agreement conflicts with or is inconsistent with the provisions of any such oral or written prior agreement including the 1934 Agreement and the 1982 Supplement, then to such extent this Agreement supersedes and amends such provisions of any and all such prior agreements.
8. Flood Protocol. Kern Reservoir is integrated into a State of Colorado approved storm water detention facility and is utilized as such. The operations of Kern Reservoir are subject to an existing State-approved flood operating protocol; however, Kern is in the process of reviewing and seeking revisions of said protocol. At times it may be necessary to release water from Kern Reservoir to the Greeley Canal No. 2 in accordance with the flood protocol developed for Kern Reservoir and approved by the State of Colorado in association with its dam safety program. New Cache agrees to operate the control structure (a/k/a the "Rubicon Gate") in accordance with the approved flood protocol. New Cache shall be provided a copy of any proposed flood protocol or changes to an existing flood protocol and an opportunity to comment thereon prior to being required to operate the control structure pursuant thereto. The parties anticipate that the flood protocol that is ultimately adopted will not materially impair New Cache's normal operations of the Rubicon Gate. If the flood protocol that is ultimately approved for Kern Reservoir materially impairs New Cache's normal operations, then the parties agree to amend this Agreement to address the flood protocol and its effects on the operation of Kern Reservoir and the Rubicon Gate and the corresponding impacts to each party hereto.
9. Recreation. Notwithstanding the allocation of responsibility and lease revenue set forth in Section 5 of the 1982 Supplement, the parties agree that Kern shall have the sole right to all revenue derived from recreational use of Kern Reservoir. New Cache hereby waives any claim to any share of such revenue, both past and future.
10. Force Majeure. Subject to the terms and conditions in this Paragraph, no party to this Agreement shall be liable for any delay or failure to perform under this Agreement due solely to conditions or events of force majeure, as that term is specifically defined herein; provided that: (A) the non performing party gives the other party prompt written notice describing the particulars of the occurrence of the force majeure; (B) the suspension of performance is of no greater scope and of no longer duration than is required by the force majeure event or condition; and (C) the non-performing party proceeds with reasonable diligence to remedy its inability to perform and provides weekly progress reports to the other party describing the actions taken to remedy the consequences of the force majeure event or condition. As used herein force majeure shall mean any delay or failure of a party to perform its obligations under this Agreement caused by events beyond the party's reasonable control, and without the fault or negligence of the party, including, without limitation (A) changes in state or federal law or administrative practice concerning, water rights administration, water quality or stream flow requirements, (B) changes in state water rights administrative practice concerning the use of the Greeley No. 2 Canal or Kern Reservoir or other structures required for performance of this

Agreement, (C) acts of God, (D) sudden actions of the elements such as floods, earthquakes, hurricanes, or tornadoes, (E) sabotage, (F) vandalism beyond that which can be reasonably prevented by the party, (G) terrorism, (H) war, (I) riots, (J) fire, (K) explosion, (L) severe cold or hot weather, (M) snow, (N) other extreme weather conditions, (O) blockades, (P) insurrection, (Q) strike, slow down or labor disruptions (even if such difficulties could be resolved by conceding to the demands of a labor group); (R) actions by federal, state, municipal, or any other government or agency (including but not limited to, the adoption or change in any rule or regulation or environmental constraint imposed by federal, state or local government bodies) but only if such requirements, actions, or failures to act prevent or delay performance, (S) inability, despite due diligence, to obtain required licenses, permits or approvals, and, (T) changes of law relating to financial obligations, revenues and budgetary matters concerning Colorado local governments and their enterprises.

11. C-BT. The parties expressly recognize that consistent with prior practices and under the 1982 Supplement, New Cache will continue to deliver Colorado-Big Thompson Project water to Kern Reservoir for Kern shareholders, for irrigation use, whether directly or after storage in Kern Reservoir, by such stockholders. Any carriage of Colorado-Big Thompson Project water to Kern Reservoir for the benefit of Kern and/or its stockholders in addition to that water contemplated in the 1982 Supplement shall be subject to the New Cache Capacity Policy.
12. Free River. Any water that is stored in Kern Reservoir during times there is not a call for water on the Cache la Poudre River shall belong to Kern. This paragraph 12 shall not be construed to impair New Cache's right to use Kern Reservoir for equalization purposes as contemplated herein.
13. 2002 Agreement. To the extent that there were, or are, any rights, interest or obligations by and between Kern, The Town of Windsor and New Cache under that certain agreement known as the Lot, Outlet Structure and Weir Structure Agreement dated November 1, 2002, the parties agree that said rights and obligations are hereby extinguished and of no further force and effect.
14. Non-Assignment. The parties may not assign, license, sublet or otherwise transfer or convey to any other person or entity, this Agreement or the rights and obligations under this Agreement without the written permission of the other party which shall not be unreasonably withheld. This Section shall not, however, apply to the Town's assumption of the rights and duties herein as a result of the dissolution of the Kern Reservoir and Ditch Company, should such dissolution occur.
15. Modification. This Agreement shall be modified by writing only, which writing must be signed by all parties in order to be effective.
16. Term. The term of this Agreement shall be perpetual, or until terminated by the mutual written agreement of the parties.

17. Recording. This Agreement shall be recorded with the clerk and recorder of Weld County, Colorado.

18. Effective Date. This Agreement shall be effective on the last date it is signed by the parties.

IN WITNESS WHEREOF, The New Cache La Poudre Irrigating Company has, by the authority of its Board of Directors, caused this Agreement to be executed by its President and attested by its Secretary, and the Kern Reservoir and Ditch Company has, by the authority of its Board of Directors, caused this Agreement to be executed by its President and attested by its Secretary.

DATED the date and year first written above.

Kern Reservoir and Ditch Company

By: _____
Kristie Melendez, President

ATTEST:

Paul Rennemeyer, Secretary

The New Cache La Poudre Irrigating Company

By:  _____
Mike Hungenberg, President

ATTEST:

 _____
Kenton Brunner, Secretary