

**Colorado Water Resources
and
Power Development Authority**

BOARD MEETING MINUTES

February 1, 2024

Call to Order

Chair Steve Vandiver called the meeting to order at 2:00 p.m. in the VI Conference Room of the Hyatt Regency Aurora-Denver Hotel, located at 13200 E. 14th Place, Aurora, Colorado, 80011, and via video and audio tele-conferencing.

Board Member Identification and Declaration of a Quorum

Board members present: Steve Vandiver (Chair), Chris Treese (Vice-Chair), Mike Fabbre (Secretary/Treasurer), George Corkle, Lucas Hale, Patti Wells, Bruce Whitehead, Eric Wilkinson, and Karen Wogsland. A quorum was declared with nine Board members present.

Approval of Consent Agenda

Chair Vandiver announced that the following items were placed on the Consent Agenda for Board consideration at the Project Finance Committee meeting: Agenda item 7(a) Drinking Water Revolving Fund loan applications for the Town of Limon, Resolution No. 24-02, and the Town of Rockvale, Resolution No. 24-03; Agenda item 8(a) Water Pollution Control Revolving Fund loan application for the Town of Hugo, Resolution No. 24-04. After hearing no comments, a motion was made to approve the Consent Agenda, as presented.

Motion: Chris Treese
2nd: George Corkle
Vote: Motion carried

Following the vote, Chair Vandiver invited representatives from the Consent Agenda applicants to address the Board, if desired. Greg Tacha, Town Manager from the Town of Limon, thanked the Board for its consideration and loan approval. Dannah Koeniger (Consulting Engineer for the Town of Limon, Town of Rockvale and Town of Hugo) also thanked the Board for its support for communities like Limon, Rockvale and Hugo. Ms. Koeniger also thanked the Board on the Town of Rockvale's behalf for the loan approval and the Design & Engineering Grant and principal forgiveness that will help to make the Town's project more affordable. Dr. Lora Bledsoe, Mayor of the Town of Hugo, also echoed appreciation for the Board and noted that the Town of Hugo is under an emergency sewer situation due to aging infrastructure that has resulted in back-ups and other problems. Ms. Koeniger noted that the Town's leadership has shifted from addressing emergency situations to a proactive approach to reduce future issues. The Town of Hugo recently completed a Preliminary Engineering Report ("PER") for its sewer system that resulted in the current wastewater loan application and will soon be conducting a PER to address its drinking water system and may be submitting a future DWRP loan application utilizing the same proactive approach.

Approval of Minutes – December 1, 2023

The December 1, 2023, Minutes were presented for approval. Director Wilkinson suggested that the Approval of the Consent Agenda section be amended to include recommendations from the Board Program Work Session. After hearing no further comments, a motion was made to approve the Minutes of December 1, 2023, as amended.

Motion: Eric Wilkinson
2nd: Patti Wells
Vote: Motion carried

Introduction of Guests

Chair Steve Vandiver asked all guests in attendance to introduce themselves and state their affiliation for the record.

Following the introductions, Chair Vandiver noted that Christine Arbogast of Kogovsek & Associates was in attendance and would be providing a report following the other agency reports and noted that due to a full Agenda he requested efficient reports from those who were presenting.

Other Agency Reports

Report of Colorado Water Conservation Board (“CWCB”)

Kirk Russell, Finance Section Chief, referred to the written report and noted that the CWCB Board held its last meeting in Denver, Colorado on January 29th and 30th. At that meeting, the Board approved one new loan to the Grandview Canal Irrigation Company for Grandview Canal Improvements. This brings the CWCB’s total new loans for the current fiscal year to eight loans totaling approximately \$175 million. In an average year, the Board will approve approximately twenty loans totaling approximately \$40-\$50 million. Mr. Russell noted that available federal grant money may be impacting the CWCB’s loan program, based on the low number of loans funded to date. CWCB staff submitted its small project loan report to the General Assembly on January 15th, detailing the thirteen loans made in calendar year 2023 for a total of \$38 million. These are loans under \$10 million that are approved by the CWCB without legislative action. A copy of the report was included in the Board materials. The CWCB Board also approved a \$20 million Non-Reimbursable Investment request for the Colorado River Water Conservation District’s Shoshone Water Rights Permanency and it will be included in the 2024 CWCB’s Projects Bill. The approval includes a provision that the CWCB provide an approval vote confirming closing conditions of the purchase and sale agreement before the funds are released. Mr. Russell confirmed that December 1, 2023, was the application deadline for the most recent round of Water Plan Grants, which will be considered at the March 2024 Board meeting. Seventy-three Water Plan Grant applications were submitted totaling approximately \$23 million in requests for the approximate \$16 million in available funding. The CWCB staff will prioritize the requests to determine the entities that will receive the grant funding. Additionally, approximately \$24 million in FY 22/23 Prop DD revenue will be appropriated in the 2024 Projects Bill and available for grant distribution in FY 24/25. The Board will decide the breakdown of moneys for grant category approvals in May 2024. Projections for the current FY 23/24 revenues are similar at approximately \$24 million. Additionally, the current projection for CWCB’s allocation of Severance Tax Perpetual Base Fund for FY 23/24 is between \$46 million and \$54 million. Next year’s projection remains similar at approximately \$50 million. The CWCB Board will meet next on March 13th and 14th in the Denver Metro area. Mr. Russell provided a listing of all 2024 anticipated Board meetings in his written report. Following the agency report, the Board briefly discussed various components of the Shoshone Water Rights Permanency project.

Report of Water Quality Control Division (“WQCD”)

Ron Falco, Safe Drinking Water Program Manager, referred to the written agency report and noted that the Division’s Test and Fix Water for Kids program is continuing to implement requirements under HB22-1358. Remediation is underway for grade school and childcare facilities. Also, the program is now in the middle school testing phase. The program’s lead results dashboard on the Division’s website provides the latest up-to-date information. Mr. Falco confirmed that the required annual report for this program was submitted to the state legislature on time. Mr. Falco also welcomed and congratulated Alex Hawley, the Division’s new Unit Manager for the Grants and Loans Program, filling the position vacated by Mark Henderson when he assumed the Section Manager position vacated by Mike Beck’s departure. A contract update was provided, noting that the contract with Colorado Rural Water Association was renewed to provide continued support for the Source Water Protection Planning and Wildland Fire Decision Support projects. Mr. Falco also highlighted the coaching and training activities completed over the last couple of months in 2023. The Division’s coaching and training activities reached over 650 operators across 430 water systems during 2023. Mr. Falco also noted the improved performance that resulted from these

coaching and training activities. Cybersecurity in the water and wastewater sector will be an important topic for both Federal and state agencies in 2024 and beyond. Mr. Falco concluded the agency report with an announcement that the 50th anniversary of the safe Drinking Water Act will be held this year with various events commencing.

Report of Department of Local Affairs (“DOLA”)

Cynthia Thayer, Local Government Services Director, referred to the provided agency report and noted that the new Local Government Financial Analyst, Monica Munoz-Revelo, joined DOLA in January and publicly welcomed her. The most recent water and sewer applicants for the Energy and Mineral Impact Assistance Fund (“EIAF”) Program were provided in the agency’s written report. Awards will be made during February and March. The next application deadline will be April 1st. Tier I and Tier II applications will be accepted and there is an estimated \$30 million in grants available. As previously reported, severance tax and Federal Mineral Lease (“FML”) projections remain volatile so future application dates and fund availability for the next fiscal year is yet to be determined. Ms. Thayer announced that the agency report this month included a brief update on the DOLA/CWCB Water and Land Use Planning Primer program. This program will support DOLA’s role in providing support and guidance to local governments. Ms. Thayer noted that Federal representatives from the Water Infrastructure Finance and Innovation Act (“WIFIA”) reached out to the WQCD to offer a potential joint WIFIA SRF workshop to be held in March with staff from DOLA, WQCD, WIFIA and the Authority. A follow-up report will be provided at a future Board meeting. The agency report concluded with a brief update on the Small and Rural Communities Technical Services Program, noting three potential projects in the Drinking Water Program. These projects will likely utilize the full \$25,000 budgeted Drinking Water allocation. Additional information will be provided at the March Board meeting.

Report of Christine Arbogast on Congressionally Directed Spending (“CDS”)

Christine Arbogast of Kogovsek & Associates provided an update on the CDS issue and confirmed that FY 2024 appropriations are still undetermined. The two Committee Chairs in the House and Senate agreed on the 302(b) allocations that go to the subcommittees. The 302(b) allocations establish the cap on spending for each of the appropriation bills. Now the two groups can begin compromising between the House and Senate bills and reach a final resolution. There isn’t a large amount of time before the next Continuing Resolution (“CR”) runs out. The first deadline is March 1st and the second is March 8th. The second CR deadline is where EPA’s allocation for the State Revolving Fund money is included. Ms. Arbogast noted that the House of Representatives cut SRF funding by almost 50% while the Senate maintained steady funding. Final allocations will be forthcoming, but history has shown that the Senate typically prevails. If an agreement can’t be reached, other options include an additional short-term CR, or possibly a year-long CR. Additionally, Ms. Arbogast noted the President’s 2025 budget is expected to be released the first week in February; however, given the 2024 budget isn’t resolved, it’s unlikely the 2025 budget will be finalized. On the issue of containing the negative impacts of CDS on the SRF Programs, Ms. Arbogast reported that Senators Michael Bennet and John Hickenlooper have been actively involved in bringing this matter to the forefront by engaging in letter writing campaigns and ongoing discussions with Appropriations Committee staff. The most recent meeting with a lead staffer for the Appropriations Chair, Senator Patty Murray, didn’t go as well as hoped. There were several suggestions provided to address the CDS issue and the simple option of removing the SRFs from eligibility for earmarking wasn’t received well. CDS seems to be popular with legislators as they like directing money to communities for water projects. It was also noted that in the House of Representatives, it’s the only account in the Interior and Environment subcommittee that is eligible for earmarks. After discussing several alternatives, the lead staffer suggested the option of restoring the \$3 billion in funding. This option wouldn’t fully address the earmarking issue, so the idea of meeting with several representatives from water entities directly affected by this issue to brainstorm and discuss alternate ideas was offered. This opportunity would allow the staff to fully understand the potentially dire impacts of CDS on the SRF Programs. In conclusion, Ms. Arbogast stated

this issue continues to be an uphill battle and the next steps are to see how events play out in the coming months. Ms. Arbogast will return to the Board with any new updates, if applicable. Chair Vandiver thanked Ms. Arbogast for her efforts and appreciated her tenacity in making CDS a priority and recommended Ms. Arbogast continue her work as deemed appropriate. Ms. Arbogast responded that it is her practice not to bill if there is no additional work to be completed, but she is still seeking a resolution, if even a partial one, to the CDS issue.

Public/Board Member Comments – Chair Vandiver invited public and/or Board member comments, and Director Whitehead welcomed former Authority Chair Bob Wolff, and representatives from Southwestern Water Conservation District to the meeting. He also extended thanks to the Board from Elaine Chick, Water Information Program (“WIP”) Manager, for its support over the years. Ms. Chick is asking for an increase in financial support for the WIP to continue the program’s important work within the water community throughout the state. The reason for this request is due to the program suffering some financial losses last year resulting in an operational loss for the year. An additional ~~\$300~~ contribution from program participants is requested and will be matched by Southwestern Water Conservation District to bolster the program’s work. Mr. McLaughlin added that Ms. Chick did reach out to him for a contribution increase but didn’t specify an amount. Although this amount is within Mr. McLaughlin’s purview, he would like to receive general input from the Board before approving the increase. Hearing no objections to the proposed increase, Mr. McLaughlin agreed to the suggested increase of \$300.

Report of the Chair – Chair Vandiver noted it has been a busy cycle since the December Board meeting, including several Committee meetings, and thanked both the Board and staff for its participation in the various events. Chair Vandiver also noted that the March Board meeting is going to be quite busy with a number of credits to review and other various items. Finally, the Chair’s report concluded with an announcement of Executive Director Keith McLaughlin’s recent 26-year work anniversary, celebrated on January 16th. This is a huge milestone to recognize, and Chair Vandiver thanked Mr. McLaughlin for his many years of service, particularly in the past few years serving as Executive Director. The Board echoed its appreciation with a round of applause.

Report of the Treasurer – Treasurer Fabbre referred to the various financial statements included in the Board materials and reported that since the last Board meeting, neither the Budget & Audit nor Investment Committee met but noted the Investment Policy approval at the last Board meeting with a follow-up review scheduled for late 2024. In addition, FORVIS (the Authority’s auditors) is proceeding with conducting the 2023 audit and Treasurer Fabbre completed a Risk Assessment interview with FORVIS. Treasurer Fabbre then deferred to the Controller, Justin Noll, to complete the treasurer’s report. Mr. Noll reported that financials were provided through October in the Board’s materials and added that staff is still processing transactions for the end of the year. Mr. Noll reported the auditors were on-site the second week in January for interim work and will be back on-site in early March to complete the audit. COLOTRUST rates have stabilized at approximately 5 ½% since September and continue to hold steady. Staff are busy preparing for its March 1st debt service activities. A motion was made to approve the Treasurer’s Report.

Motion: Lucas Hale
2nd: Karen Wogsland
Vote: Motion carried

Report of Executive Director – Keith McLaughlin restated the auditor’s on-site work in preparation of the 2023 audit and his participation in the Risk Assessment interview. Mr. McLaughlin also noted several artificial intelligence (“AI”) webinars he’s attended recently, just to inform the Board that Authority staff is paying close attention to this fast-growing industry trend. Mr. McLaughlin met briefly with WQCD Director, Nicole Rowan, to discuss various items including the reintroduction of liaison meetings in order to ensure that both agencies are on the same page and working to jointly advance the highest priorities. Mr.

McLaughlin also attended a recent CIFA Board meeting and recommended the CIFA Board create a CDS subcommittee that works to coordinate, communicate and elevate the CDS issue at a national level. Mr. McLaughlin also discussed a Capitalization Grant timing issue that was recently resolved with EPA by amending the grant payment schedules. If the funds can't be obligated according to the amended payment schedules, the Authority can transfer the Emerging Contaminants funds between the two SRF Programs, if necessary. Mr. McLaughlin concluded the report with an announcement of several staff anniversaries, including Kevin Carpenter 3 years, Jim Griffiths 14 years (combined), Wesley Williams 11 years, Justin Noll 23 years, Giorgi Gazashvili 1 year and Valerie Lovato 25 years. Ms. Lovato's accomplishments and contributions over the years were separately recognized. Mr. McLaughlin acknowledged how lucky he is to have a long-tenured, dedicated staff, and Vice-Chair Treese opined that a long-tenured, competent staff reflects good leadership.

The Agenda was rearranged to accommodate the potential TABOR opinion and Investor Disclosure Executive Session, and the associated DWRF and WPCRF State Match Resolution 24-01 was deferred until later in the meeting.

Accounting Manager's Report

Controller Justin Noll noted the Internet Systems Acceptable Use Policy Review has been tentatively scheduled for the March Board meeting as MyTech (the Authority's IS consultant) needed additional time for a comprehensive review and suggested changes. Mr. Noll also noted that the aforementioned new computer server was installed and seems to be functioning properly.

Finance Manager's Report

Finance Director Jim Griffiths referred to the February 1, 2024, memorandum in the Board materials regarding the Authority's Interim Loan Program and staff's recommendation to temporarily suspend new interim loan applications within the program. He provided a brief history of the program and noted the program's original intent was to provide "bridge" financing for water projects in Colorado utilizing SRF funds. Mr. Griffiths reviewed various examples of this bridge financing. Staff has noticed some risks recently that have made this program less practicable, including the uncertainty of available long-term replacement financing. Staff would like to pause new loan applications to fully evaluate the program and find a practical solution that is less risky for the Authority. A motion was made to approve the suspension of the interim loan program indefinitely, with direction to staff to revisit if conditions warrant, but no more than one year.

Motion: Chris Treese
2nd: Bruce Whitehead
Vote: Motion carried

Mr. Griffiths also noted that Authority staff is in the process of applying for the Bipartisan Infrastructure Law 2022 Lead Service Line Replacement reallocation. This was the excess funds that were made available from other states not or not fully utilizing its BIL lead funding. The report concluded with an update on the ongoing discussions on the Arkansas Valley Conduit project funding mechanisms.

Office Manager's Report

Office Manager Sabrina Speed announced that the March Board meeting will include an Agenda item addressing the compliance requirement brought forth by HB21-1110 (Colorado Laws for Persons with Disabilities). There are certain requirements that need to be met by July 1, 2024, and the Board will be asked to take action in order to become fully compliant. Ms. Speed also reported the Authority's website has been updated with the Board photos taken last October. The report concluded with a brief update on the recent activities in the 2023 Popular Annual Financial Report and noted that the design phase is almost complete.

Report of Legal Counsel – Karl Ohlsen

Mr. Ohlsen briefly reported on his recent legal activities, including work with Wesley Williams over the holidays on an emergency situation with one of the Authority’s private, not-for-profit entity loan applicants and working with Keith McLaughlin on the Authority’s Code of Ethics and Conflicts of Interest Policy and the Authority’s TABOR matter.

Drinking Water Revolving Fund

Town of Granby Disadvantaged Communities (“DAC”) Business Case

Ian Loffert thanked the Board for its thoughtful and thorough discussion at the Project Finance Committee (“PFC”) on this Agenda item and presented the Town of Granby’s (“Town”) DAC business case. Mr. Loffert clarified staff’s neutral recommendation on this request, noting that staff understood multiple discussions would need to take place to consider this request and didn’t wish to inadvertently guide the Board in any particular direction. Mr. Loffert also noted that this request received a favorable recommendation from the PFC, but it was on a split vote of 3 to 2. The Town has not met the DAC criteria due to the town’s median household income (“MHI”) exceeding the DAC benchmark by a narrow margin. If approved, the Town may receive a Design and Engineering Grant (if funding is available), a reduced interest rate through the DWRP program, and would qualify the Town to potentially receiving BIL principal forgiveness (“PF”) and/or Base DAC PF, if available. Mr. Loffert summarized the discussions held at the PFC as well as the two follow-up emails sent to the Board after the PFC call. Mr. Loffert welcomed Town Manager, Ted Cherry, and Town Engineer, Warren Swanson, and invited them to address the Board and answer any questions. Ted Cherry thanked the Board and Mr. Loffert for consideration of the request to assist the Town with its water treatment facility. After addressing a few clarifying questions from the Board, a motion was made to accept the Town of Granby’s DAC business case and to designate the Town as a DAC, to be fully reviewed at a subsequent time upon loan application. Prior to the vote, Chair Vandiver expressed concern about moving the agreed upon DAC criteria previously set by the Board.

Motion: Eric Wilkinson

2nd: Chris Treese

Vote: Motion carried on a 5-4 vote, Chair Vandiver, Directors Fabbre, Hale and **Whitehead**
Corkle opposed

Status of Projects

Giorgi Gazashvili reported that in 2023, staff attended 46 DWRP pre-qualification meetings, in addition to many other meetings to address affordability and capacity. Additionally, staff processed nineteen DWRP loan applications and Mr. Gazashvili noted the demand for DWRP funding has increased steadily in 2023. Staff processed 161 DWRP draws, or pay requests, totaling approximately \$60 million in 2023. Eight Design & Engineering grants and nine direct loans (three of which were BIL) closed in 2023. Five DWRP loan applications were submitted for consideration at the March Board meeting: City of Greeley (\$20,910,725) and City of Englewood (\$40,000,000) for lead service line replacements; South Adams Water & Sanitation District (\$60,000,000) and Town of Boone (\$1,005,000) for Emerging Contaminants; and Town of Lochbuie (\$8,000,000). There have been no new Planning Grants awarded since the last Board meeting and \$150,000 remains available for 2024. Similarly, no Design & Engineering Grants were awarded since the last Board meeting and the Authority will not award any more Design & Engineering Grants until the 2024 Drinking Water Base Capitalization Grant allotment has been announced. Mr. Gazashvili reported that twenty-three borrower audits are still outstanding, and staff is reaching out to the entities for compliance. There are six BIL DWRP loans outstanding and three more are expected to close shortly. The report concluded with confirmation of 215 outstanding DWRP loans with an approximate loan balance of \$400 million.

Water Pollution Control Revolving Fund

Status of Projects

Wesley Williams reported that staff attended 19 WPCRF pre-qualification meetings in 2023, noting lighter demand than the DWRP Program. Additionally, staff processed 11 WPCRF loan applications last year,

totaling approximately \$36 million. Mr. Williams confirmed that staff awarded six Planning Grants in 2023 and highlighted the \$80,000 transfer to the DWRF Planning Grant Program in December 2023. These combined numbers represent an overall decrease in demand for funding in the WPCRF Program. Staff anticipates four WPCRF loan applications for the March Board meeting: Upper Thompson Sanitation District (\$18,000,000), Niwot Sanitation District (\$18,000,000), Plum Creek Water Reclamation Authority (\$7,000,000) and City of Manitou Springs (\$450,000). Loan capacity remains an issue in the WPCRF Program and receipt of the 2024 Capitalization Grant will be critical. Utilizing the Authority's prioritization model, Niwot Sanitation District and Upper Thompson Sanitation District were the top two applicants that would receive funding consideration. Plum Creek Water Reclamation Authority and the City of Manitou Springs did not prioritize and will not receive funding consideration, at this time. Mr. Williams noted it may be late 2024 before there is funding availability in the WPCRF Program and noted that only DACs are eligible for BIL funding in the WPCRF Program due to the low level of funding. Addressing a previous question from the Board, Mr. Williams announced that approximately \$95 million in governmental agency requests had not received funding because of the decreases in SRF funding due to Congressionally Directed Spending. In 2024, staff expects to receive approximately \$63 million in funding requests for the anticipated \$20 million in available funding.

Small Hydropower Loan Program

Austin Reichel provided a brief review of the terms of the Small Hydropower Loan Program: projects up to 10-megawatts, 30-year maximum loan term, a \$5 million maximum loan amount. There have been no SHLP matching grants awarded, or loan applications submitted yet this year. There are currently six outstanding loans in the SHLP totaling approximately \$6.5 million.

Water Revenue Bond Program

Kevin Carpenter noted that the Water Revenue Bond Program ("WRBP") is a pass-through program for projects not eligible for funding through the SRF Programs and other special cases. There was one WRBP bond issue in 2023, to the City of Sterling, and the City recently made its first loan repayment. There have been no new loan applications submitted thus far in 2024, and staff doesn't anticipate any in the near future. There are currently five outstanding loans in the WRBP, totaling approximately \$52 million.

Long Hollow Dam & Bobby K. Taylor Reservoir

Jim Griffiths noted that there is currently approximately 1,300 AF of water in Bobby K. Taylor Reservoir, as of early January. Director Whitehead added that the current, updated water level is 1,475 AF and also confirmed the compact period is from December 1st through February 15th.

Personnel Committee

Committee Chair Karen Wogsland reported that the Personnel Committee met on January 22nd and that nearly all Board members were in attendance. At that meeting, the Committee reviewed additional changes to the Employee Handbook that were suggested in December, and the near final version was contained in the Board materials. The changes were intended to address numerous changes in employment law and to align the Handbook with current practices. The Code of Ethics and Conflicts of Interest Policy was also reviewed during the Committee meeting. One of the key revisions to the Employee Handbook was the restructuring of contents to improve the readability of the document. The Committee also worked to strengthen the language of the Code of Ethics and Conflicts of Interest Policy and make it a separate, stand-alone policy. Both the red-lined and final versions of each document were provided in the Board materials. Director Wogsland noted that one suggested revision regarding overtime for non-exempt employees wasn't included in the final documents. Director Wogsland noted that Mr. McLaughlin investigated that provision and concluded, via his discussion with Sherman and Howard, that it doesn't apply to the Authority. The Committee unanimously recommended approval of the revised Employee Handbook and stand-alone Code of Ethics and Conflicts of Interest Policy to the full Board. A motion was made to accept the Personnel Committee's recommendation and approve the Employee Handbook, in form, with additional formatting

and immaterial edits permissible by the Executive Director, if necessary. Following the motion but prior to the vote, Director Wilkinson noted one of the formatting edits was on page 21 of 35, where the meals and the alcohol sections should be reversed.

Motion: Bruce Whitehead
2nd: Patti Wells
Vote: Motion carried

A subsequent motion to accept the Personnel Committee's recommendations and approve the Code of Ethics and Conflicts of Interest Policy, in form, with additional formatting and immaterial edits permissible by the Executive Director, if necessary.

Motion: Chris Treese
2nd: Lucas Hale
Vote: Motion carried

Project Finance Committee

Committee Chair Treese referred to the provided Project Finance Committee ("PFC") minutes contained in the Board materials and thanked staff for composing them accurately. Committee Chair Treese also thanked the full Board for its participation in the Committee meeting and noted it helped to move three loan applications successfully to the Consent Agenda. The Town of Granby's Business Case was also thoroughly discussed, and the Board was better prepared for today's decision. It was noted that discussions and split votes are necessary and that the Board shouldn't always unanimously agree with staff's recommendations. Additionally, hard decisions are part of the Board's role and Committee Chair Treese thanked the Board for its participation and thoughtful consideration.

Board Program Work Session

Committee Chair Wilkinson announced that the Board Program Work Session minutes from the November 30, 2023, meeting were included in the Board materials and thanked staff for capturing the thorough review of the discussion.

Legislative Issues and other Business of Interest to the Authority

Mr. McLaughlin noted that he testified on January 26th in the Senate Ag Committee hearing in support of the Authority's SJR 24-004, and the Resolution passed through Committee on a 6-0 vote and was moved to the full Senate and passed on a 35-0 vote. The Resolution will be sent to the House and likely assigned to the Agriculture, Water & Natural Resources Committee for consideration. Mr. McLaughlin also noted that Senate Ag staffers have reached out and scheduled Senate Ag hearings for the reappointments of Directors Vandiver and Fabbre and the appointment of Matthew Shuler on March 7, 2024. The hearings may present a challenge to hold the Board Program Work Session, but Mr. McLaughlin is working to secure a 1:30 pm start time for the hearings to avoid any potential time conflicts. Finally, Mr. McLaughlin directed attention to the three news articles contained in the Board materials that may be of interest.

Chair Vandiver noted that the Board would discuss the TABOR opinion and Investor Disclosure that may require the Board to enter into Executive Session in order to receive legal advice. Mr. Ohlsen clarified that the Board should adjourn into Executive Session to discuss matters pursuant to Colorado Revised Statute, section 24-6-402(4)(b). Specifically, the Authority will request and receive legal advice regarding a TABOR opinion and Investor Disclosure. A motion was made to enter into Executive Session for the purposes set forth above.

Motion: Chris Treese
2nd: Lucas Hale
Vote: Motion carried

Ms. Speed noted for the record that all virtual attendees on the call would be removed at this time.

Mr. Ohlsen stated that the Executive Session was established to receive legal advice on TABOR issues, and pursuant to statute, when you enter into Executive Session, you record it, except to the extent of receiving

legal advice and recommended Mr. McLaughlin to pause the recording for that purpose. Mr. Ohlsen added that if any Board member felt the discussion moved from the stated purpose of the Executive Session, to let Mr. Ohlsen know, and it will be noted on record.

Chair Vandiver announced that it appears that the discussion of the topic that is the subject of the Executive Session has concluded. Unless someone has any additional discussion on the topic, he would entertain a motion to exit the Executive Session. A motion was made to exit out of the Executive Session and resume the regular meeting.

Motion: Lucas Hale
2nd: Patti Wells
Vote: Motion carried

Following the vote, Chair Vandiver noted the current time was 5:10 p.m. and the meeting minutes should continue. The Executive Session was concluded. The participants of the Executive Session were the Authority Board of Directors, Executive Director Keith McLaughlin, legal counsel Karl Ohlsen and bond counsel Jim Marlin. For the record, Chair Vandiver announced if any person who participated in the Executive Session believes that any substantial discussion of any matters not included in the motion to go into Executive Session occurred during the Executive Session, or that any improper action occurred during the Executive Session in violation of the Open Meetings Law, please state their concerns for the record. Seeing none, Chair Vandiver requested legal counsel certify that any unrecorded sections of the Executive Session were related solely to the Board's request for, and receipt of, legal advice related to current and legal positions. Legal counsel certification was provided by the Authority's legal counsel, Karl Ohlsen. The Board meeting continued.

DWRF and WPCRF BIL State Match Resolution No. 24-01

Chair Vandiver introduced Resolution No. 24-01, providing for approval of receipt terms for use of state match funds for BIL program WPCRF and DWRF. Mr. McLaughlin explained that the Resolution allows and authorizes the Authority staff to receive up to \$20 million in state match funds. These funds are derived from the Small Communities Water & Wastewater Grant Fund, authorized by SB23-238. The Water Quality Control Division is willing to convey those funds to the Authority in an amount up to \$20 million for state match purposes. Mr. McLaughlin added that the \$20 million would cover all the required state match for 2024, which is required before the Authority can apply for the current year BIL Capitalization Grants, as well as partially cover 2025. A motion was made to adopt Resolution 24-01.

Motion: George Corkle
2nd: Karen Wogsland
Vote: Motion carried

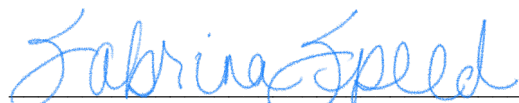
Arrangements for Future Meetings

Chair Vandiver noted that the next three Board meetings, and associated Board Program Work Sessions, were included in the Agenda.

Adjournment

Chair Vandiver adjourned the meeting at 5:14 p.m.

Respectfully submitted,



Sabrina Speed, Assistant Secretary

NOTE-FOR INFORMATION ONLY - COPIES OF THE DOCUMENTS REFERRED TO IN THE TEXT OF THESE MINUTES ARE ON FILE IN THE AUTHORITY OFFICE AND MAY BE OBTAINED BY SUBMITTING A "REQUEST FOR PUBLIC RECORDS." PLEASE CALL SABRINA SPEED AT (303) 830-1550, EXT. 1010, FOR INFORMATION.