

March 12, 2025

Mr. Jared Dains, P.E.

Applegate Group, Inc.

1490 West 121st Avenue, Suite 100

Denver, CO 80234

Re: Extension of Greeley Pit Substitute Water Supply Plan

(WDID 0302545, Plan ID 2965)

Greeley Pit, DRMS Permit No. M-1977-151 (WDID 0303034)

Section 36, T6N, R66W and Section 31, T6N, R65W, 6th P.M.

Water Division 1, Water District 3, Weld County

Contact Information for Mr. Dains: 303-452-6611; JaredDains@applegategroup.com

Dear Mr. Dains:

In accordance with Condition of Approval No. 1 of the 2024 Greeley Pit SWSP approval, you have provided a signed one-year lease extension with the City of Loveland. The lease extension provides for a total of 31.7 acre-feet of replacement water to be delivered during the period of November 1, 2025 through March 31, 2026. A copy of the lease extension letter and proposed monthly schedule of deliveries is attached to this letter. The proposed delivery schedule matches the amount of replacement water proposed to be provided by Loveland as shown in Table 5 of the approved SWSP. Therefore, the substitute water supply plan is hereby extended through March 31, 2026. Any request for renewal of this substitute water supply plan should be submitted to this office no later than February 1, 2026. If you have any questions, please contact me at this office.

Sincerely,

1. Fully

Kate Fuller

Water Resources Engineer

Attachments: Lease extension letter

Ec: Michael Hein, Assistant Division Engineer, Michael.Hein@state.co.us
810 9th Street, Suite 200, Greeley, CO 80631; 970-352-8712
Mark Simpson, Water Commissioner, Water District 3, Mark.Simpson@state.co.us
Jean Lever, Water Commissioner, Water District 4, Jean.Lever@state.co.us
Alec Hernandez, Water Commissioner, Water District 2, Alec.Hernandez@state.co.us
Louis Flink, Tabulation/Diversion Records Coordinator, Louis.Flink@state.co.us
Priscila Bajadali, Accounting Coordinator, Priscila.Bajadali1@state.co.us
Division of Reclamation, Mining and Safety, Peter.Hays@state.co.us



WATER LEASE INVOIVE

The City of Loveland, Colorado hereby agrees to lease to R.M. Hiner Construction Company, Inc. ("Renter") the following water for November 2025 through March, ending March 31, 2026.

Description: An amount of water not to exceed 31.7 acre-feet (AF) of water to act as a temporary augmentation source to replace groundwater depletions associated with the gravel pit mining operations at the Greeley Pit (M-1977-151, WDID 0303034), located at 2220 'O' Street near the north side of Greeley, Colorado, off the Cache la Poudre River (see Figure 1).

In exchange for use of the water *as* set forth herein, Renter shall pay to the City the City's short term raw water augmentation or replacement lease rate per acre-foot. For November and December 2025, the lease rate is \$550 per acre-foot. For January, February, and March 2026, Renter shall pay the 2026 lease rate as established by the Loveland City Council, typically in October 2025. Once the 2026 lease rate is established, the City shall invoice Renter for the full amount due for the full lease. No water shall be delivered until the invoice is fully paid by Renter.

Monthly Augmentation Credit/Release Schedule:

Month	Nov-25	Dec-25	Jan-26	Feb-25	Mar-25	Total
Volume	8.9	6.2	4.6	5.3	6.7	31.7

All values in ac-ft

This lease may be executed by electronic signature in accordance with C.R.S 24-71.3-101 *et seq.* In the event the City *has* an urgent need for water, as determined in the sole discretion of the City, or if the City desires to sell or transfer the shares to a third party, the City may unilaterally terminate this Water Lease without cause. The City will endeavor to give Lessee thi1ty (30) days' notice of such termination, but shall not be required to do so. The Lessee shall not rent, sublet, or otherwise convey to any person or entity the right to use the leased water. The City grants no interest in the leased water to the Lessee other than as explicitly set forth in this one page annual lease agreement. Lessee shall make no claims to any rights, title, or interest in the leased water to the Lesse. Delivery of water by the City under this Water Lease shall be on an "as is" basis only, and the City neither expressly nor impliedly warrants or guarantees the quality of the water or the quantity of water that will be yielded from the shares leased to Lessee.

200 North Wilson Avenue, Loveland, CO 80537 | 970.962.3000 | TDD 970.962.2620 | cityofloveland.org/LWP

Signed by the City and effective this day of <u>February</u>2025.

This lease may be executed by electronic signature in accordance with C.R.S 24-71.3-101 et seq.

Renter: R.M. Hiner Construction Co., Inc. 2220 'O' Street Greeley, CO 80631 (719) 668-3467

By:

Co/Owner-Sec/Treasurer Title: February 12, 2025

City of Loveland, Colorado

Department of Water & Power 200 N Wilson Ave. Loveland, CO 80537 (970) 962-2620

By: <u>Ryan Van Pole</u> Ryan Van Pelt, Engineer II

Loveland Water & Power

