

NORTHERN COLORADO WATER CONSERVANCY DISTRICT

RESOLUTION

D-1264-01-16

**CHANGES TO ALLOTMENT CONTRACTS
RESULTING IN OPEN RATE CLASSIFICATION**

WHEREAS, the Board of Directors of the Northern Colorado Water Conservancy District made a determination on April 3, 1959, that any change or revision to an existing allotment contract would result in a modified allotment contract which would require the allottee to pay assessments at a rate to be fixed annually by the Board for each acre-foot unit allocated by the allotment contract; and

WHEREAS, as a result of this Board of Directors determination, any allotment contracts issued before April 3, 1959, are subject to a fixed annual assessment rate of \$1.50 per acre-foot unit (\$2.00 per acre-foot unit if the delivery of the water yielded by the allotment contract would require that water to be released from Boulder Reservoir) and are termed "Fixed Rate Contracts". Contracts issued after April 3, 1959, are subject to the assessments as determined by the Board of Directors' during its annual rate setting process and are termed "Open Rate Contracts"; and

WHEREAS, even though the 1959 determination action prescribed that "any" change to an allotment contract would subject the allotment contract to the assessments determined by the Board of Directors' annual rate setting process, the Board has allowed certain limited changes to allotment contracts to be made without re-classifying the contract from a Fixed Rate Contract to an Open Rate Contract.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE NORTHERN COLORADO WATER CONSERVANCY DISTRICT, as follows:

It is the policy of the Board of Directors that, in the future, either of the two following actions will terminate the fixed-rate provisions of an allotment contract:

1. Any change to a water allotment contract which requires approval by the Board of Directors will terminate the contract's eligibility for the Fixed Rate classification.
2. Any allotment contract assigned to the Inactive Account, in whole or in part, will terminate the contract's eligibility for the Fixed Rate classification.

CERTIFICATE

I, Eric W. Wilkinson, do hereby certify that the above is a true and correct copy of Resolution adopted by the Board of Directors of Northern Colorado Water Conservancy District, at a regular meeting of the Board of Directors held in Berthoud, Colorado, on January 14, 2016.

Secretary