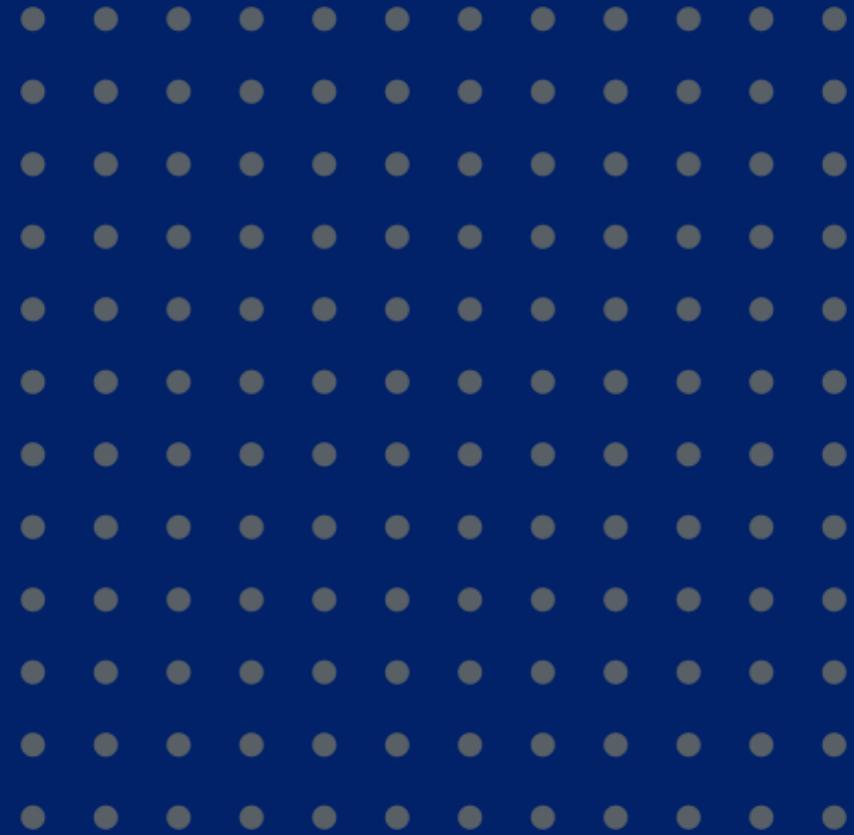


Goza Water Trade



June 2023



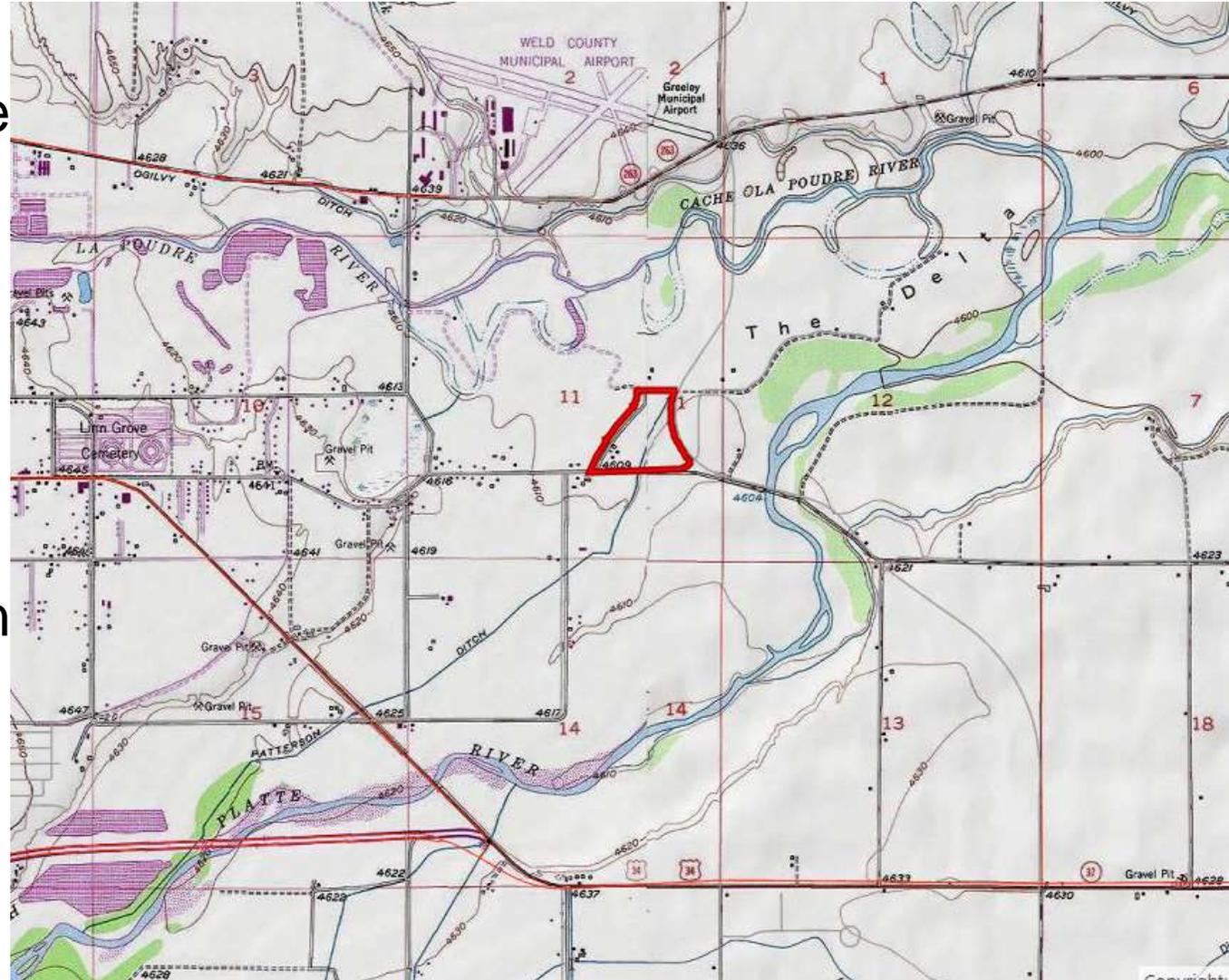
Overview

- The Agreement contemplates a water rights trade between the City of Greeley and Calven Goza
 - Greeley trades 3 shares of The Delta Irrigation Company (The Patterson Ditch)
 - Greeley receives 4.5 shares of Cache La Poudre Reservoir Company and 3 shares of New Cache Irrigation
 - No dry-up is being exchanged in the trade
 - Cashless transaction



Background

- Greeley acquired 3 shares of the Patterson Ditch with the Purchase of the Dill Farm in 1978
 - Dill Farm was originally planned to be a wastewater solids processing site
 - It is unknown the last time the Patterson shares were used for Irrigation
- Calven Goza owns land in the Patterson Ditch system and is looking to acquire more shares



Benefits of the Water Trade

- Effectively acquiring New Cache below market
 - Will not affect an already limited 2023 Acquisition budget
- There is future use for New Cache in the Greeley non-pot system;
 - Can be used in the non-pot system without dry up
 - Opportunity to acquire dry-up as development takes place north of the Poudre
- No future need for the Patterson ditch shares
 - Trading an asset with limited-to-no usability
 - The Patterson diverts water from the South Platte east of the City

Next Step and Due Diligence

- 45 days due diligence
- Closing on or before 59 days of mutual execution of the contract or by mutual agreement of the Parties at an alternate date and time.
- Goza and Greeley will inspect water rights
 - Title Review
 - Historical consumptive use analysis
- City Council ordinance required to authorize disposition



Staff Recommendation

- Staff recommends the acquisition of 4.5 shares of Cache La Poudre Reservoir Company and 3 shares of New Cache La Poudre Irrigation Company in exchange of 3 shares of The Delta Irrigation Company (The Patterson Ditch)
- Staff recommends the Water and Sewer Board approve and recommend to City Council the disposition of 3 shares of The Delta Irrigation Company (The Patterson Ditch)

Goza Water Trade

Questions?