

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 9, 2009

Board Item: V-E-11

Water Service Agreement with Denver Federal Center and Emergency Interconnect Agreement with Denver Federal Center and Green Mountain Water and Sanitation District

Action by Consent

Action

Information

The Denver Federal Center (DFC) located in Jefferson County has been a potable water customer of Denver Water since 1941 when a contract was entered into with the US Government for the construction of a single 12-inch water main in Kipling Street for the "Denver Ordnance Plant". Since that time, the one square mile DFC site has grown significantly and become a large office campus that houses many different agencies of the Federal Government.

Water service through the single water main has been provided by Denver Water to DFC under several utility service contracts and annual purchase orders which have long been outdated and not representative of the service being provided. Although several attempts have been made to revise the contractual relationship, none have succeeded. The DFC is now undergoing a major utility renovation and has also been selling vacant land that is not needed for ongoing government use. The largest such sale to date is the St. Anthony hospital site on the western edge of the Federal Center which will be served by Green Mountain Water and Sanitation District ("Green Mountain"). As part of the utility upgrades, a more reliable water supply with multiple points of connection is necessary. A new Water Service Agreement has been negotiated with representatives of the General Services Administration and an Emergency Interconnect Agreement is proposed to allow Green Mountain to provide limited service to DFC if necessary.

The proposed new water service agreement is a modified version of a standard master meter agreement. Differences from a standard Water Service Agreement are substantial and include:

1. DFC will continue to own, operate and maintain its own private water system on DFC property. Denver Water will not review plans or require compliance with Denver Water Engineering Standards for this portion of the water system. The DFC will be responsible for water quality on-site.
2. Denver Water will own the off-site water mains providing service to DFC. These will be constructed under separate agreement. DFC will reimburse Denver Water for maintenance expenses incurred on these two water mains.
3. DFC's historic water consumption will serve as the basis for establishing an annual consumption limit for which no System Development Charge will be assessed for water use at the DFC. Annual consumption in excess of that amount will be subject to payment of SDC.
4. DFC is located within the Combined Service Area and it may transfer excess property to other distributors for water service.
5. All previous agreements will be terminated.
6. The Emergency Interconnect Agreement will authorize Green Mountain to serve outside its contract service area in case of an emergency that interrupts service from Denver Water facilities supplying the DFC.

8/31/09

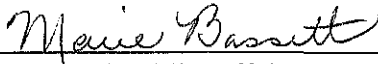
Revised by Legal 8/31/2009

Recommendation:

It is recommended that the Board approve the Water Service Agreement and Emergency Interconnect Agreement.

Approvals:


Respectfully submitted,



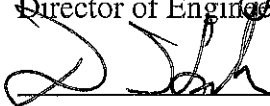
Director of Public Affairs



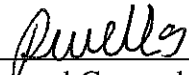
H. J. Barry, Manager



Director of Engineering



Director of Planning



General Counsel