

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 25, 2012

Board Item: 2A2

**Intergovernmental Agreement  
between Denver Water and the City of Aurora  
regarding WISE Partnership Deliveries**

Action by Consent

Action

Information

The Water, Infrastructure, and Supply Efficiency Partnership (WISE) is a regional water supply project under which Denver Water and the City of Aurora will provide available reusable water from return flows to members of the South Metro Water Authority. The WISE water supply will be permanent, but the supply itself will be variable and interruptible. This variability in WISE deliveries reflects the inconsistency in the volume of available reusable water from year to year. The interruptibility of deliveries is based on Denver Water and Aurora reserving the right to use the water and system capacity for their own purposes.

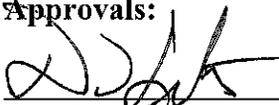
The first step in finalizing the WISE Project is the proposed IGA between Denver Water and Aurora governing the parties' respective obligations. Denver Water and Aurora commit jointly to supply to the Authority 100,000 acre-feet of water over successive ten-year periods, an average of 10,000 acre-feet per year, each entity assuming responsibility for one-half of the delivery obligation. Aurora will be responsible for the operational and financial aspects of WISE, collecting and treating water through its Prairie Waters Project (PWP) and billing the Authority. Denver Water will contribute volumes of water and will be paid for its water by Aurora. The next step to finalize WISE will be the execution later this year of the Water Delivery Agreement between Denver Water, Aurora and the Authority.

Denver Water will acquire reserve capacity PWP infrastructure, which will create the ability to move water into Denver Water's system from the north in emergency circumstances. Denver Water's use is limited to 50% of PWP's capacity, up to 25 million gallons per day (MGD), during the nonpeak months of October through April. When Denver Water uses PWP capacity, it will pay Aurora for the use of the system. Denver Water will pay to Aurora \$5 million for the reservation of capacity, which will serve as a credit against the cost of the water when the reserve capacity is used.

Recommendation:

It is recommended that the Board approve the attached Intergovernmental Agreement with the City of Aurora.

**Approvals:**



David Little, Director of Planning

Respectfully submitted,



James S. Lochhead, CEO/Manager



Patricia L. Wells, General Counsel