

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: March 9, 2011

Board Item: V-C-1

Total Service Water Service Agreement – City of Littleton

Action by Consent

Action

Information

Since 1970, the Board has provided water service to City of Littleton under a Total Service contract that contains a unique provision stating that any area annexed by Littleton would automatically become part of Littleton’s contract service area. In 1993, the Board created the Combined Service Area and committed to provide for the water needs of the property within its boundaries. Over the years since 1970, the Board became more concerned about the undefined obligation represented by the annexation provision, and wanted to replace the provision with a more predictable obligation.

On February 15, 2011, the Littleton City Council approved by ordinance a new contract, which is the standard 1993 form of Total Service contract, with some additional provisions that provide consideration for eliminating the annexation provision in the 1970 contract.

- Denver Water will pay \$2.1 million, \$1 million in 2011 and \$1.1 million in 2012.
- Denver Water will pay the costs of converting Geneva Park, which surrounds the Littleton municipal complex, to nonpotable water. This conversion furthers the Board’s conservation goals and will reduce water costs for Littleton.
- Any land annexed by Littleton in the future will be served pursuant to this Total Service Contract.
- 350 acre feet of water will be available to serve land annexed by Littleton that is located outside the Combined Service Area. The agreement acknowledges that any such land is unlikely to be capable of direct physical connection to Denver Water’s distribution system, and so would not be served as a Total Service area.
- For 20 years, Littleton would have the ability to make available 1200 acre feet of water under temporary Denver Water contracts, to property located in Arapahoe or Douglas Counties, whether or not Littleton annexes the property to be served.

Recommendation:

It is recommended that the Board approve the proposed Total Service agreement with the City of Littleton.

Approvals:

[Signature]
for the General Counsel

Respectfully submitted,

[Signature]
James S. Lochhead, CEO/Manager

[Signature]
Director of Public Affairs