

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: January 28, 2015

Board Item: II-B -1

WISE Water Reservation Agreement among Denver Water, Aurora, the South Metro WISE Authority, and Douglas County

Action by Consent

Action

Information

During negotiations for the WISE Project, Denver and Aurora offered to make available to the South Metro WISE Authority (South Metro), 100,000 acre-feet of water over each 10-year period, for an average delivery of 10,000 acre-feet per year. Due to budgetary constraints, the members South Metro were only able to subscribe to 72,250 acre-feet each 10-years, for an average delivery of 7,225 acre-feet per year. The Douglas County Commissioners (County), realizing the importance of the WISE Project water supply, requested a reservation of the unsubscribed water. The County and the WISE parties entered into an MOU in October 2013 committing to negotiate an option agreement to reserve the unsubscribed water for Douglas County.

The proposed agreement reserves for Douglas County 27,750 acre-feet of WISE Project water per 10-year block, for an average delivery of 2,775 acre-feet per year. The water would be delivered to recipients under the same terms as the previously executed WISE Water Delivery Agreement. The County may exercise its option to make WISE deliveries available for use within existing service areas in Douglas County for the purpose of reducing reliance on non-renewable groundwater. The County has adopted a policy reserving 775 acre-feet for small water users, with the remaining 2,000 acre-feet available to members of the WISE Authority. The reservation option is effective through January 15, 2021. The County will pay a reservation fee of \$97,125 per year to be split equally between Denver Water and Aurora. The other parties all approved the Water Reservation Agreement in 2014.

Recommendation:

It is recommended that the Board approve the WISE Water Reservation Agreement.

Approvals:

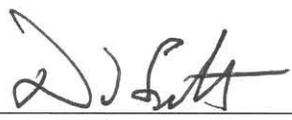
Respectfully submitted,



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