



TOWN OF ERIE

645 Holbrook Street
Erie, CO 80516

Town Council

Board Meeting Date: 12/13/2016

File #: 16-476, Version: 1

SUBJECT: CONSENT AGENDA

A Resolution Acting By And Through Its Erie Water Activity Enterprise ("Erie") To Continue Its Participation In The Northern Integrated Supply Project (NISP), Phases 3A and 4, In the Amount of \$650,000; and Setting Forth Details in Relation Thereto

DEPARTMENT: Public Works

PRESENTER: Gary Behlen, Public Works Director

FISCAL INFORMATION:

Cost as Recommended: \$650,000.00 (in January 2017)
Balance Available: \$ 2, 338, 00 (with 2017 budget approval)
Fund: Water
Budget Line Item Number: 500.70.110.603500.100007
New Appropriation Required: No

STAFF RECOMMENDATION: Approve Resolution, authorizing the Mayor or Town Administrator to execute the agreement and authorizing Staff to expend said funds

SUMMARY AND BACKGROUND OF SUBJECT MATTER: The Board of Trustees previously approved agreements with the Northern Colorado Water Conservancy District, acting by and through its Northern Colorado Water Conservancy District Northern Supply Project Enterprise (NCWCD) to participate in the Northern Integrated Supply Project (NISP). The Town of Erie, acting by and through its Erie Water Activity Enterprise ("Erie"), is participating in the project for a permitted firm yield of 6,500-acre feet per year of water for future water demands.

NISP is a water project coordinated by NCWCD to develop additional water resources for 15 participant water providers within northern Colorado. Erie has participated in this group for the past 12 years to cooperatively investigate (Phase I), evaluate (Phase II) and commence permitting activities with the U.S. Army Corp of Engineers (Phase III) for a new water supply to meet part of the Town's anticipated future water demands.

Phase I of NISP investigated Poudre River and South Platte River water rights and potential reservoir sites in the Poudre Basin. Phase II consisted of additional reservoir sites investigations, alternatives analyses, environmental studies, and financial analyses. Phase III has commenced the permitting activities with the US Army Corp of Engineers and other agencies and other National Environmental Policy Act (NEPA) compliance activities. Phase 3A (2010 - present) consists of additional time for the same activities noted in Phase III. Phase IV will consist of the preliminary design and the first phase of geotechnical investigation for the biggest reservoir in NISP, Glade Reservoir as well as updates to unit costs, continued development of the State mitigation plan, continued work on the relocation of Highway 287 and negotiations with ditch companies.

Erie staff, with water resources and legal consultation, has determined that NISP has the potential to provide up to 6,500 acre-feet of firm annual water yield to partially meet Erie's projected, ultimate raw water demand. It could provide a good opportunity to acquire a large portion of Erie's water supply and flexibility within the NCWCD system with Erie's CBT and Windy Gap Units. Water from NISP could be deliverable through the

same facilities that deliver CBT and Windy Gap water from Carter Lake to Erie, so separate facilities for that portion of the water delivery would not necessarily be required. The Town has also met with NCWCD staff several times to discuss participation in a new conveyance system.

Continued participation in NISP by Erie would be pursuant to the Thirteenth Interim Agreement between NCWCD and Erie (attached). The participants' contributions for 2017 are shown in Exhibit B to the Agreement.

Staff recommends that the Board of Trustees authorize this Agreement, which commits Erie to contribute \$650,000 for its continued participation in the Phases 3A and 4 of the NISP Project in 2017.

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ATTACHMENTS:

- a. Thirteenth Interim Agreement with the Northern Colorado Water Conservancy District, Northern Integrated Supply Project Water Activity Enterprise for Participation in the Northern Integrated Supply Project.