



## Legislation Details (With Text)

**File #:** 20-013      **Version:** 1      **Name:**  
**Type:** Consent Agenda      **Status:** Agenda Ready  
**File created:** 12/27/2019      **In control:** Town Council  
**On agenda:** 1/14/2020      **Final action:**  
**Title:** A Resolution of the Board of Trustees of the Town of Erie, Acting By And Through Its Erie Water Activity Enterprise, ("Erie") Approving the Phase 1 Agreement ("Agreement") with the Northern Integrated Supply Project ("NISP" or the "Project") for the Funding of NISP Phase 1 Activities, in the Amount of \$3,250,000

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Resolution, 2. Agreement

Date	Ver.	Action By	Action	Result
1/14/2020	1	Town Council		

**SUBJECT: CONSENT AGENDA**

A Resolution of the Board of Trustees of the Town of Erie, Acting By And Through Its Erie Water Activity Enterprise, ("Erie") Approving the Phase 1 Agreement ("Agreement") with the Northern Integrated Supply Project ("NISP" or the "Project") for the Funding of NISP Phase 1 Activities, in the Amount of \$3,250,000

**DEPARTMENT:** Public Works

**PRESENTER:** Todd Fessenden, Public Works Director

**FISCAL INFORMATION:**

Cost as Recommended: \$3,250,000  
Balance Available: \$5,033,068 (with supplemental approval)  
Budget Line Item Number: 500-70-110-603500-100007  
New Appropriation Required: No

**STAFF RECOMMENDATION:** Approve the Resolution authorizing the Mayor or Town Administrator to execute the Agreement and authorizing staff to expend said funds for this purpose.

**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 NISP. Currently, Erie is participating in NISP for a permitted firm yield of 6,500-acre feet of water per year 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 17 years to cooperatively pursue the Project. NISP is intended to provide a new water supply to meet part of Erie's anticipated future water demands, and it is an important project necessary to meet those demands. In coordination with water

resources and legal consultation, Erie staff 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. NISP provides a good opportunity to acquire a large portion of Erie's future water supply and enhance flexibility within the NCWCD system along with Erie's CBT and Windy Gap Units.

NISP is a very substantial water project consisting of 2 large reservoirs and related facilities. Numerous planning, design, regulatory, and other activities for NISP have been completed to date, and the work continues.

This Agreement would fund "Phase 1" pre-construction activities, which include acquisition of real property for NISP reservoir sites and associated facilities as well as water rights or agreements for the use of water. The water rights or rights to use water would support an important water exchange component of NISP. Phase 1 contributions also would fund operation, maintenance, and improvement costs of the acquired assets. There is no specific timeframe for the completion of the Phase 1 activities. In addition, the Agreement also serves as an "allotment contract" by defining Erie's current rights and obligations in NISP, which will likely be further defined in future allotment contracts with NCWCD. The Agreement generally allows Erie to transfer portions of its current participation in the Project to other entities.

Each participant in NISP will enter into the same form of agreement as Erie's Agreement. The participants' individual funding contributions for Phase 1 are based on their current participation levels in NISP and are shown on Exhibit A to the Agreement.

Staff was significantly involved in determining the amount of Phase I funding and the form of the attached Agreement.

Staff recommends that the Board of Trustees authorize this Agreement, which commits Erie to contribute a total of \$3,250,000 for the NISP Phase 1 activities, based on Erie's current participation level in NISP.

#### **ATTACHMENTS:**

- a. Resolution
- b. NISP Phase 1 Agreement