



# TOWN OF ERIE

645 Holbrook Street  
Erie, CO 80516

## Town Council

**Board Meeting Date: 12/12/2017**

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**File #: 17-454, Version: 1**

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**SUBJECT:** 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, 5 and 6, In the Amount of \$1,300,000; and Setting Forth Details in Relation Thereto.

**DEPARTMENT:** Public Works

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

**FISCAL INFORMATION:**

Cost as Recommended:	\$1,300,000.00 (\$650,000.00 payable in January, 2018 and \$650,000.00 payable in June, 2018)
Balance Available:	\$ N/A
Fund:	N/A
Budget Line Item Number:	N/A
New Appropriation Required:	No

**STAFF RECOMMENDATION:**

Approve agenda item 17-454, 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 15 years to cooperatively pursue the project. NISP is intended to provide a new water supply to meet part of the Town's anticipated future water demands, and it is an important project necessary to meet those demands.

NISP is very substantial project consisting of 2 large reservoirs and all related facilities. Numerous phases of NISP have been completed to date. Most of that work to date has been done to comply with the National Environmental Policy Act (NEPA), to develop a plan to meet State mitigation requirements, and to commence design work and geotechnical investigations. Phase 1 investigated Poudre River and South Platte River water rights and potential reservoir sites in the Poudre Basin. Phase 2 consisted of additional reservoir sites investigations, alternatives analyses, environmental studies, and financial analyses. Phase 3 has commenced and is continuing in the permitting activities with the US Army Corp of Engineers and other agencies, and other

NEPA compliance activities. Phase 3A (2010 - present) consists of additional time for the same activities in Phase 3 and has resulted in a recently approved Mitigation Plan by the State of Colorado. Phase 4 consisted of the preliminary design and the first phase of geotechnical investigation for the Glade Reservoir, the largest reservoir in the project, and has been completed. Phase 5 will consist of the second phase of geotechnical investigation and embankment design advancement for Glade Reservoir, 30% design for the Highway 287 relocation and completion of the Galeton Dam preliminary design. Phase 6 will consist of continuing refinement of the conveyance and delivery system, negotiations concerning the South Platte Water Conservation Project, which consists primarily of Galeton Reservoir, land and easement definition and potential purchase, and potential advancement of time sensitive mitigation activities. The conveyance system is of particular importance to Erie.

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 provides 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. A portion of 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 Fourteenth Interim Agreement between NCWCD and Erie (attached). The participants' contributions for 2018 are shown in Exhibit B to the Agreement.

Staff recommends that the Board of Trustees authorize this Agreement, which commits Erie to contribute a total of \$1,300,000 for its continued participation in Phases 3A, 5 and 6 of the NISP Project in 2018. The total would be paid in two equal installments in January and June, 2018.

**Board Goal:** This serves the Board's goal for Infrastructure - Fund and provide essential infrastructure that corresponds with the planned rate of growth.

#### **ATTACHMENTS:**

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