

Water & Sewer Agenda Summary

Date: June 15, 2022

Key Staff Contact: Sean Chambers, Director

Title: Approve and Recommend to Council West Fort Collins Water District Customer Transfer and Interconnect IGA

Summary: The City has long planned, budgeted and strategized on how to make an orderly transition of old outside city customers who have been receiving water off our Bellvue water transmission lines for decades. These transmission taps are a challenge for our operations as they are close to the WTP, a long way from our certified water distribution operators, and they are located on gravity driven pipelines that have significant seasonal fluctuations and periodic maintenance outages. It is difficult to provide such taps with consistent pressure and reliable service, and at times the obligation to serve them increases the complexity of major maintenance activities and costs the City money to ensure they continue to have clean safe water.

Over the past 18 months, Greeley staff and the W. Ft. Collins Water District (District) have been engaged in a discussion on transferring 35 taps from Greeley to the District, along with ample raw water, and in exchange, the District would take on transferring the customers over, improving infrastructure to connect the properties as needed, and coordinating with the customers, all of which live within the District's service area. To offset costs and provide water supply resiliency to the City and the District, Greeley would agree to construct a municipal interconnect between the Greeley and District systems, to be located east of the Bellvue WTP.

The agreement obligates the City and the District to work in cooperation to manage risk, share certain reasonable project expenses and make the transition of transmission customers from Greeley to the District.

This is a capital project that the Water Enterprise budgeted for and considers a high priority for the continued public health of all customers, and for the best-practice operation of our water treatment and transmission infrastructure.

Recommended Action: Approve and recommend to City Council the IGA and associated divestment of NPIC water rights.

Recommended Motion: "I move that the Board (i) find that the North Poudre Irrigation Company water rights described in the enclosed IGA Concerning Customer Transfer and Interconnect Operation with West Fort Collins Water District are not currently being used nor held for a governmental purpose, (ii) approve the IGA in the form enclosed and authorize the divestment of NPIC water rights described therein, (iii) delegate authority to the Director of Water and Sewer or his designee to make minor amendments to the agreement before execution, provided the material substance remains unchanged, and (iv) recommend the same to City Council."

Attachments:

Area Map

IGA executed by West Fort Collins Water District

Exhibit A to the Agreement