

CITY OF GREELEY, COLORADO
ORDINANCE NO. __, 2022

AN ORDINANCE AUTHORIZING ENTRY INTO AN INTERGOVERNMENTAL AGREEMENT WITH WEST FORT COLLINS WATER DISTRICT AND DIVESTMENT OF CITY-OWNED WATER RIGHTS REPRESENTED BY SHARES OF CAPITAL STOCK IN THE NORTH POUDE IRRIGATION COMPANY

WHEREAS, the City of Greeley ("City" or "Greeley") is authorized by Section 3-5 of the Greeley City Charter and Section 2-461 of the Greeley Municipal Code to enter into contracts with other governmental entities for the performance of cooperative or joint activities; and

WHEREAS, the City has for several decades provided extraterritorial water service to customers in Larimer County via connections from its Bellvue transmission lines, many of whom are located within the current service area of the West Fort Collins Water District; and

WHEREAS, the aforementioned transmission line taps are located on gravity pipelines that are subject to significant seasonal volume fluctuations and periodic maintenance outages that make it difficult to provide the taps and customers served thereby with consistent pressure and reliable service; and

WHEREAS, Greeley has reached an agreement with the West Fort Collins Water District ("District") whereby the City will transfer to the District thirty-five (35) such customers who are currently connected to the Bellvue transmission lines, in the form of the IGA Concerning Customer Transfer and Interconnect Operations attached hereto and incorporated herein as Exhibit A; and

WHEREAS, the IGA Concerning Customer Transfer and Interconnect Operations contemplates the conveyance by Greeley to the District of nine (9) shares of capital stock in the North Poudre Irrigation Company ("NPIC Water Rights") to satisfy the raw water dedication requirements associated with service to the customers being transferred; and

WHEREAS, the IGA Concerning Customer Transfer and Interconnect Operations also contemplates the construction by the City of municipal interconnect infrastructure between the Greeley and District water supply systems, to offset certain costs allocated in the agreement and to provide each party with an alternate source of potable water in the event of a planned or emergency service disruption; and

WHEREAS, Section 17-4(c) of the Charter for the City of Greeley requires that any sale or exchange of water, including the divestment of water rights previously acquired by the Water and Sewer Department with enterprise funds, be approved by City Council; and

WHEREAS, the City Council may authorize by ordinance the divestment of water rights that are not being used nor held for a governmental purpose; and

WHEREAS, the Water and Sewer Board on June 15, 2022 made a finding that the NPIC Water Rights are not currently being used nor held for a governmental purpose, approved the IGA Concerning Customer Transfer and Interconnect Operations, and recommended the same

action to City Council; and

WHEREAS, the City Council has determined that entry into the IGA Concerning Customer Transfer and Interconnect Operations with the West Fort Collins Water District and divestment of the NPIC Water Rights as contemplated therein, is in the best interests of the citizens of the City of Greeley.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF GREELEY, COLORADO:

Section 1. The City of Greeley, Colorado is authorized to enter into the IGA Concerning Customer Transfer and Interconnect Operations with the West Fort Collins Water District, in the form attached hereto and incorporated herein as Exhibit A.

Section 2. City staff and legal counsel are authorized to make minor revisions to the IGA Concerning Customer Transfer and Interconnect Operations before its execution, provided that the material substance of the agreement remains unchanged.

Section 3. The City Council finds that the NPIC Water Rights are not being used nor held for a governmental purpose and are surplus property unnecessary to retain for any governmental purpose.

Section 4. The City Council authorizes the divestment of the NPIC Water Rights to the West Fort Collins Water District, in accordance with the terms and conditions of the IGA Concerning Customer Transfer and Interconnect Operations.

Section 5. Upon the satisfaction of all relevant terms and conditions of the IGA Concerning Customer Transfer and Interconnect Operations, the City Council authorizes (i) the Mayor to execute deeds conveying the NPIC Water Rights, (ii) the Director of the Water and Sewer Department or his designee to execute all other documents necessary to complete the transactions contemplated, and (iii) City staff and legal counsel to undertake all other necessary and appropriate action to carry out the obligations of the City under the IGA.

Section 6. This Ordinance shall take effect immediately after its final publication.

PASSED AND ADOPTED, SIGNED AND APPROVED ON THIS ____ DAY OF AUGUST 2022.

ATTEST

CITY OF GREELEY, COLORADO

City Clerk

Mayor