

**RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE
WITH SOUTH ADAMS COUNTY WATER AND SANITATION DISTRICT
FOR THE PURCHASE OF WATER RIGHTS**

RESOLUTION 2017-18

WHEREAS, on August 31, 2016 the City of Commerce City (the "City") acquired from the South Adams Water and Sanitation District (the "District") 265 ERUs of 4A water; and

WHEREAS, the District has the opportunity to purchase augmentation water so that 4A water may be pumped from the South Platte River tributary aquifer; and

WHEREAS, the District has offered for sale additional 4A water in order to raise money for the purchase of the augmentation water; and

WHEREAS, the District has offered the additional 4A water at a discounted rate by removing the connection fee at the current time; and

WHEREAS, it is anticipated that the future connection fee will inflate in cost at a lower rate than the inflation in cost of water rights making it better to purchase the connection fees in the future; and

WHEREAS, the City desires to purchase additional water rights for future City facilities and parks; and

WHEREAS, the District has indicated its willingness to apply the discount in price retroactively to the August 31, 2016 purchase of 265 ERUs, thus making it more cost effective to remove the connection fees from the August 31, 2016 purchase and apply the funds to the purchase of additional water ERUs at this time.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COMMERCE CITY, COLORADO AS FOLLOWS:

1. The City Manager or his designee(s) are authorized to negotiate for the purchase of additional 4A water ERUs to be funded out of the Water Acquisition Fund, subject to appropriation.
2. The City Manager or his designee(s) are authorized to negotiate to have the \$1,650 per ERU connection fee in the August 31, 2016 purchase of 4A water be converted to ERUs instead, resulting in an additional 63.8 ERUs.

RESOLVED AND PASSED THIS 6TH DAY OF FEBRUARY, 2017.

CITY OF COMMERCE CITY, COLORADO

BY: _____
Sean Ford, Mayor

ATTEST:

Laura J. Bauer, MMC, City Clerk