



Legislation Details (With Text)

File #: Pres 17-342 **Version:** 1 **Name:** Water Acquisition Fee
Type: Presentation **Status:** Agenda Ready
File created: 6/28/2017 **In control:** City Council
On agenda: 8/14/2017 **Final action:**
Title: Water Acquisition Fee Annual Escalator
Sponsors:
Indexes:
Code sections:
Attachments: 1. Report, 2. Presentation

Date	Ver.	Action By	Action	Result
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Water Acquisition Fee Annual Escalator

Summary and Background Information :

The water acquisition fee escalator was frozen for 2017 and 2018. On January 1, 2019, it returns to 10 percent per year escalation. Staff researched the annual escalation in the price of water rights. On April 17, Council directed staff to engage outside expertise from WestWater Research, LLC. to examine water rights prices for the Denver area.

WestWater Research, LLC. has submitted a report showing South Platte River Basin Denver-area prices. The report also examined indices to see if an index could serve the City as an indicator for future fee escalation. Their conclusion was that no existing index will serve as a good indicator of water price changes. Their report recommends that the escalation rate be set at 7.75% per year and that the City re-examine the fee every three years.

Staff Responsible (Department Head): Roger Tinklenberg, Deputy City Manager

Staff Member Presenting : Roger Tinklenberg, Deputy City Manager

Financial Impact : Limited

Funding Source : Water Acquisition Fee Fund, if study is desired

Staff Recommendation : Council to direct staff to prepare an ordinance setting the annual fee escalator at 7.75 percent for the Water Acquisition Fee.