

**GREELEY CITY COUNCIL AND
GREELEY WATER & SEWER BOARD
JOINT RESOLUTION NO. 52, 1998**

A JOINT RESOLUTION OF THE GREELEY CITY COUNCIL AND GREELEY WATER & SEWER BOARD FOR THE ESTABLISHMENT OF A WATER BANK TO PROVIDE COMPETITIVELY PRICED RAW WATER TO INDUSTRIAL USERS IDENTIFIED AND SELECTED BY CITY COUNCIL.

WHEREAS, the City of Greeley desires to maintain a competitive market to attract industries to the Greeley area which will provide desirable jobs and/or other economic benefits to the City; and

WHEREAS, raw water is a significant component of the total development cost, particularly where acceptable agricultural water is not available on the proposed development site to be upgraded to municipal use; and

WHEREAS, the City Council desires the ability to provide raw water to identified and selected industrial customers at a price which will maintain Greeley's competitive market with other Northern front range cities; and

WHEREAS, the City of Greeley and the Water & Sewer Board desire to maintain its existing level of water supply for drought protection; and

WHEREAS, the City Council and Water & Sewer Board desire to establish a water bank to purchase, acquire, hold, and sell, water to selected industrial users for that water not required by the City of Greeley to meet its existing level of drought protection.

NOW THEREFORE, BE IT JOINTLY RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREELEY, COLORADO, AND THE GREELEY WATER & SEWER BOARD AS FOLLOWS:

1. Water Bank Established. The Director of the Water & Sewer Department is authorized to establish a water bank to be used by City Council to assist selected industrial users secure acceptable, competitively priced raw water, for the user's raw water requirements dedicated to the City. The Director is authorized to purchase and hold water stock acceptable for municipal use until such time as directed by City Council for subsequent resale to selected industrial users.

2. Availability Restrictions. The water purchased and held in the water bank shall be available for subsequent resale to selected industrial users only if the City has adequate existing water supplies to meet the prospective water requirements in the event of a 100 year drought. The Water & Sewer Department shall determine the requirements for water supply in the event of a 100 year drought. If the Water & Sewer Board determines, based upon additional studies, that the City requires additional drought protection, any water stock within

the water bank shall immediately be made available to existing rate payers only, and all prospective and uncompleted resale purchases to industrial users will cease, until such time as the appropriate level of drought protection is reestablished pursuant to staff recommendation and Board determination.

3. Purchase Requirements. The Director of Water & Sewer is authorized to purchase water stock for the water bank only if said water stock, 1) meets all applicable engineering standards defined in City of Greeley ordinances, resolutions or otherwise; 2) is acceptable to the Water & Sewer Board; and 3) is capable of being readily changed in use to municipal purposes in accordance with those standards and requirements determined by the Water Court pursuant to the Greeley water decree.

4. Water Stock Balance/Replacement Stock. The water bank shall maintain, subject to funding and availability, a balance of 500 acre feet of water, or other amount as designated by resolution of the Greeley Water & Sewer Board. Acre foot equivalents are defined by Water Board resolution and are to be used to make the determination of the aggregate amount of water stock currently available within the water bank inventory. When water stock is withdrawn from the bank, the Director of the Water & Sewer Department shall replace water stock to the level required pursuant to this resolution as soon as appropriate water stock and funds are available.

5. Purchase and Resale Price. The Water & Sewer Director shall, in his discretion, purchase acceptable water stock at the best possible price. In the event water stock is purchased by periodic payments, the Water & Sewer Board Director and Director of Finance shall establish a payment period and interest rate acceptable to the City of Greeley and Water & Sewer Department. All principal and interest rate payments shall be included in the total cost of the water stock purchased. Water stock offered for resale to identified and selected industrial users by the City Greeley Council shall not be sold at a price lower than the total cost of purchase of said water stock.

6. Designated Account. All water stock in the water bank shall be distinguished from existing water supplies. The water bank shall be managed as separate account. Should the balance of the water stock in the water bank be insufficient to meet the projected demand of any identified and selected industry user, other water supplies and stock purchased by rate-payers or dedicated by developers will not be available to meet any shortfall of the raw water requirements for the selected industry.

7. This Resolution shall become effective immediately upon passage.

PASSED AND ADOPTED, SIGNED AND APPROVED this 4th day of August, 1998.


ATTEST:

CITY OF GREELEY, COLORADO

Betsy D. Holder
City Clerk

By: Steven Chelton
Mayor

ATTEST:


Leonard Wiest, Secretary

GREELEY WATER & SEWER BOARD

By: 
Richard A. Boettcher, Chairman

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