

EXHIBIT E

Staff Report Dated September 19, 2006

Date	Agenda No.	Subject
09/19/06	7(a)	Resolution Authorizing an Intergovernmental Agreement between the City of Littleton, the Platte Canyon Water and Sanitation District and the Roxborough Water and Sanitation District Regarding Construction and Ownership of a Sanitary Sewer Interceptor and a Storm Sewer Facilities Conveyance Agreement

Initiated By:	City Staff, the Platte Canyon Water and Sanitation District and the Roxborough Water and Sanitation District
Action Proposed:	Approve Resolution to Enter into an Intergovernmental Agreement and Facilities Conveyance Agreement
Presented By:	Charles Blosten, Public Services Director

INTRODUCTION

The purpose of this communication is to present to city council a resolution authorizing an Intergovernmental Agreement (IGA) between the City of Littleton, Colorado Sewer Utility Enterprise, acting through City Council as its' governing body (city), the Platte Canyon Water and Sanitation District (Platte Canyon) and the Roxborough Water and Sanitation District (Roxborough) to provide funding for construction and establish ownership of a sanitary sewer interceptor along the west side of the South Platte River. The resolution also authorizes a Facilities Conveyance Agreement for a public storm sewer installed by Roxborough within the city.

HISTORY AND FACTS

The city provides wastewater service to properties within eight sanitation districts located outside the city limits. Sewer service to those districts is authorized by a Sewer Service Agreement with the city. Each agreement stipulates the city will accept wastewater from the district into an interceptor sewer that is owned and operated by the city. The interceptor sewer conveys wastewater to the Littleton/Englewood Wastewater Treatment Plant for required treatment. The city presently accepts wastewater from Platte Canyon into our sewer interceptor on the east side of the South Platte River, near West Crestline Avenue. Platte Canyon owns and operates a sewage lift station on the west side of the river, which pumps wastewater beneath the river and up into the city's sewer interceptor. The area of Littleton west of the river is generally north of Bowles Avenue to Berry Avenue and west of the River to Lowell Boulevard which is not served by the Platte Canyon Water and Sanitation District. The Platte Canyon sewer connects to their lift station, as authorized by Platte Canyon's Sewer Service Agreement. Littleton makes an annual payment to Platte Canyon for operation, maintenance and the future replacement of the lift station, based on it's percentage of flow through the facility.

On September 7, 2004, the city signed a Sewer Service Agreement with Roxborough to provide conveyance and treatment of that district's wastewater. Roxborough Park community is located south of the Chatfield Reservoir and east of the South Platte River. This fall, Roxborough is scheduled to begin construction of a new gravity sewer line along the west side of the South Platte River, from State Highway C-470 and eventually connect to the city's 54" interceptor sewer located just west of Santa Fe Drive at Zuni Street. The Roxborough sewer line will cross under the river to the west side then proceed south to the Roxborough Park. This gravity flow sewer will pass by Platte Canyon's sewage lift station.

Date	Agenda No.	Subject
09/19/06	7(a)	Resolution Authorizing an Intergovernmental Agreement between the City of Littleton, the Platte Canyon Water and Sanitation District and the Roxborough Water and Sanitation District Regarding Construction and Ownership of a Sanitary Sewer Interceptor and a Storm Sewer Facilities Conveyance Agreement

Platte Canyon and the city asked Roxborough to consider allowing the inflow sewer to the lift station to be connected to the proposed Roxborough gravity sewer. In order to do so, the Roxborough sewer needed to be enlarged from the lift station north to the city's interceptor. By making this connection, the lift station will no longer be necessary and could be removed by Platte Canyon.

This proposed IGA will establish each party's cost share for design and construction of an enlarged Roxborough sewer and designate ownership of the sewer line in Littleton.

This past summer, Roxborough relocated the existing storm sewer in the Belleview Avenue / Zuni Street intersection, to eliminate a conflict with Roxborough's proposed gravity sewer. The storm sewer provides drainage runoff control of the frontage road and the business properties south of Belleview Avenue and west of Santa Fe Drive to the river. This storm sewer should be owned and operated by the city as the public street drains to the river via this storm sewer. Appropriate drainage easements have been or will be dedicated to the city. The Facilities Conveyance Agreement will establish the city's ownership of the existing storm sewer.

FINANCIAL DETAILS

The cost of Roxborough's enlarged pipeline, from Platte Canyon's lift station sewer to the connection with the city's 54" sewer interceptor, is to be shared by Roxborough, Platte Canyon and the city based on the percentage of flow generated by properties within the boundary of each entity. The percentages break down is as follows:

Roxborough	46.4%
Platte Canyon	46.2%
Littleton	7.4%
TOTAL	100%

Littleton makes an annual operations and maintenance payment to Platte Canyon for our share of the costs of operating the existing lift station. Those annual payments from 1977 through 2005, for the years where documentation could be found, total \$97,635. Converting this total to an equivalent amount in 2005 dollars (based on 3% annual inflation), it yields a total of \$157,170 which converts to an annual payment of \$6,287 (in 2005 dollars).

Roxborough has paid for the entire \$171,622 cost to relocate the city's storm sewer at West Belleview Avenue and South Zuni Street, to be covered under the Facilities Conveyance Agreement.

LEGAL OPINION

The City Attorney has reviewed the IGA, Facilities Conveyance Agreement and the Resolution and all have been approved as to form.

Date	Agenda No.	Subject
09/19/06	7(a)	Resolution Authorizing an Intergovernmental Agreement between the City of Littleton, the Platte Canyon Water and Sanitation District and the Roxborough Water and Sanitation District Regarding Construction and Ownership of a Sanitary Sewer Interceptor and a Storm Sewer Facilities Conveyance Agreement

CONFLICTS AND/OR COMPLICATIONS

The standard Sewer Service Agreement executed with each district states the city will accept untreated sewage from the district properties. The Sewer Service Agreement also designates a point of connection for each district. Compliance with this provision does not allow Platte Canyon to connect their sewer to the Roxborough sewer, but requires the point of connection to be a line owned and operated by the city. Under the proposed IGA, the city will accept ownership of the sewer to be constructed by Roxborough, once all bonds and financing costs have been paid by Roxborough. To facilitate possible additional, future connections to the sewer, the city will ultimately accept ownership of the gravity sewer to be constructed by Roxborough north of C-470.

In return for the city assuming future costs of operation and maintenance of that sewer, Roxborough has agreed to pay the entire amount of Littleton's initial share of gravity flow sewer construction costs, estimated to be approximately \$129,500. So the city's cost as a result of entering into this IGA, will be zero. Littleton has been paying an average of \$6,287 each year to Platte Canyon for the city's share of the lift station O&M costs. Once the Platte Canyon sewer bypasses their lift station and connects to the Roxborough sewer, this annual fee payment will be reduced to zero. The cost of maintaining the Roxborough gravity sewer is estimated to be less than the current amount paid by the city for the Platte Canyon lift station.

The existing Platte Canyon lift station is about 28 years old. It is approaching the end of its service life, and in the near future may need to be completely replaced. The existing Sewer Service Agreement would require the city to pay a portion of the cost to replace the lift station. If Platte Canyon sewer connection to the Roxborough sewer is not made, Platte Canyon will eventually have to proceed with the replacement of the lift station facility. Littleton's cost share for that work could exceed \$50,000. This amount would be in addition to normal lift station O&M costs.

CONCLUSION AND RECOMMENDATIONS

Staff recommends approval of both Agreements.

Date	Agenda No.	Subject
09/19/06	7(a)	Resolution Authorizing an Intergovernmental Agreement between the City of Littleton, the Platte Canyon Water and Sanitation District and the Roxborough Water and Sanitation District Regarding Construction and Ownership of a Sanitary Sewer Interceptor and a Storm Sewer Facilities Conveyance Agreement

SUGGESTED MOTION

I move that the resolution authorizing an Intergovernmental Agreement between the City of Littleton, Colorado Sewer Utility Enterprise, acting through City Council as its' governing body, the Platte Canyon Water and Sanitation District and the Roxborough Water and Sanitation District, and also a Facilities Conveyance Agreement be approved and the Council President be authorized to affix his signature thereto.

Moved by: _____

Seconded by: _____

Yes _____ No _____ Absent _____

fb\word\roxc cc