



Roxborough's Permanent Water Supply Agreement

Written by Greg Liptak, Roxborough Resident

The City of Aurora has agreed to provide a permanent water supply to the Roxborough Water and Sanitation District. This initial contract is for 90 years (with automatic 90-year renewals). In March of 2010, Aurora Mayor Edward J. Tauer and RWSD General Manager Larry Moore announced a cooperative commitment to accelerate discussions regarding Roxborough's need for a perpetual water agreement. Since that time, staff, lawyers, and water experts hammered out a new Agreement that was formally agreed to by the RWSD's Board of Directors on December 6 and by the Aurora City Council on December 20. The Agreement has been executed by both parties.

At its January 19th meeting, the RWSD Board of Directors discussed the next steps in financing the new water agreement. The initial amount of Roxborough's share of Aurora's infrastructure could be up to **\$27 million**. Earlier, a preliminary analysis indicated the ability of the District to financially support the advantageous new water deal with Aurora. Board President **Phil Scott** said, "There are a lot of financial choices - and a lot of study is needed to determine the best approach."

The solution may include a combination of financing vehicles, rate adjustments, and/or sale of assets. Board Member **Tim Moore** said that a detailed assessment of "Next steps, options, bond rates, etc." will be needed. Meetings with financial institutions, legal experts and others will occur. It is likely that a specific plan for moving forward will be decided upon in the next two or three months. The Board must also consider current and upcoming capital expenditures (to replace existing infrastructure), as well as a sufficient capital reserves to be able to deal with unknown future emergencies."

Said **Larry Moore**, General Manager of RWSD, "There are numerous mechanisms, assets and existing funds available for financing the permanent water agreement. The RWSD Board is proceeding with a financial analysis to structure the most cost-effective solution. While we have a five-year window to determine our plan, it is the Board's desire to develop it within 2011. The District will continue to provide updates to residents as the financial plan develops. You can view the Agreement at **RoxWater.org**."