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South Metro Water Supply Authority Passes Resolution Opposing Proposition 101, Amendment 60 and Amendment 61

Three Measures Will Lead to Increased Rates for Water Users

Greenwood Village, Colo., July 12, 2010 - South Metro Water Supply Authority (SMWSA), a public entity of 14 cooperating water providers in Douglas and Arapahoe counties, passed a resolution at its June board meeting unanimously opposing Amendment 60 and 61, and Proposition 101.

The resolution reads, in part, that the “three measures appearing on the November 2010 statewide ballot would significantly impair the ability of Colorado’s state and local governments to provide their most basic level of services, including water projects.”

“As water providers, our job is to be sure that water flows to homes, farms and businesses. Buying water, building infrastructure to transport and store water, and treating water takes money. We often rely on the bonding process to pay for water and the cost associated with maintaining the flow of water to users. If Amendments 60 and 61, and Proposition 101, pass, the net effect will be higher costs of water for all users,” said Rod Kuharich, Executive Director of SMWSA.

Amendment 60 would end water entities ability to fund large scale water projects, while maintaining reasonable customer rates. For example, multimillion dollar water projects, such as new water treatment facilities, water pipelines or construction of new reservoirs, rely on issuing bonds over a 20- to 30-year period of time. Amendment 60 would cap that time-period to just 10 years. The effect of reducing the time-period is higher monthly costs for all end users, including homeowners, businesses and agricultural entities.

“Our concern is that these measures effectively make Colorado the only state in the nation without the authority to issue debt, and it could have the effect of drying up our ability to insure the future flow of water,” says Kuharich.

Amendment 60 also requires water entities to pay property tax. The property tax would also lead to higher water rates, as water entities are forced to pass along the increased cost to consumers.

“SMWSA members estimate that over time, our end users will see their rates increase. Aurora Water estimates that their residents would see a 15 percent hike in their water bills,” says Kuharich. “At a time when our economy is still struggling, it doesn’t make sense to force everyone pay substantially more for the basic necessity of water.”

SMWSA’s members include: Arapahoe County Water and Wastewater District, Castle Pines North Metropolitan District, Centennial Water and Sanitation District, Cottonwood Water and Sanitation District, East Cherry Creek Valley Water and Sanitation District, Inverness Water and Sanitation District, Meridian Metropolitan District, Parker Water and Sanitation District, Pinery Water and Wastewater District, Rangeview Metropolitan District, Roxborough Park Metropolitan District, Stonegate Village Metropolitan District, Town of Castle Rock, and Castle Pines Metropolitan District.

About South Metro Water Supply Authority

South Metro Water Supply Authority (SMWSA) is the south-metro region’s leader in water development and distribution. Formed in August 2004, SMWSA is an experienced and knowledgeable regional water entity that plans, develops and sources renewable water for Douglas and Arapahoe Counties in Colorado. SMWSA’s mission is to foster long-term reliable and affordable water supplies in the South Denver-metro region through water conservation, reuse, renewable source acquisitions, regional structural and non-structural projects, funding mechanisms and integrated use of resources.

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