



Lupton Meadows Purchase and Sale Agreement (PSA)

City Council Study Session – June 9, 2026

City Staff Representative:

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Department:

Utilities



Project Location- Zoomed Out





Project Location- Zoomed In





Lupton Meadows Background

- City Council previously provided staff with direction on negotiations related to the Lupton Meadows Reservoir in executive session.
- City and property owner, Platte Land & Water (PLW), entered into a non-binding Letter of Intent (LOI) in 2023 detailing an exchange of water shares, payment of \$119,000 toward design of reservoir improvements, sale of the property and the reservoirs to be exchanged for credits in the City of Brighton water bank.
- City and PLW entered into a non-binding, amended and restated LOI in 2025 in which PLW would also provide Brighton with cash toward the construction of the reservoir improvements as well as the design costs and other real property interest described above in exchange for credits in the City's water bank.



Lupton Meadows Background

- Both the City of Brighton and PLW now wish to enter into a binding Purchase and Sale Agreement related to the property.



Purchase and Sale Agreement (PSA)

PSA details each party's obligations as generally described below:

- Brighton-
 - Provide water credit in the City's water bank for both water shares and storage volume in the reservoirs at a rate determined appropriate by the City and consultants and agreed to by PLW. The base credit amount is 825 acre-feet. This number can be adjusted up or down based on the final reservoir storage volume determined by survey.
- PLW-
 - Deed 132 shares in Lupton Meadows Ditch Company to City.
 - Deed property and existing reservoir improvements, most notably the slurry walls, to City.
 - Provide \$17,000,000 to the City to be used to construct the pump station, embankment protection and spillway improvements at the reservoirs.



Purchase and Sale Agreement (PSA)

- If PLW terminates the agreement as described in the PSA, Brighton has a right of first refusal (ROFR) to still purchase the property. PLW also must pay the City for the remainder of the design costs as termination damages to ensure that Brighton has not invested money into the project that it cannot benefit from.
- If Brighton so chooses to exercise the ROFR, Brighton will reimburse PLW the termination damages.



What's Next?

- Current lessee, BURNCO, is removing soil from the reservoirs to meet the required minimum storage volume in the LOIs and PSA. Soil will be removed in approximately 6 months, at which time the City's consultant can finish the final design.
- Parties will enter into a due diligence phase followed by a series of closings to transfer assets.
- It is anticipated that construction on the reservoir improvements will begin in early 2027 and the reservoir will be usable by the City in 2028.



Key Benefits to Brighton

- Brighton will receive additional water shares in a ditch company that we already have shares in.
- Brighton will be able to better utilize shares that we have already accepted as dedication in the Lupton Meadows system by having storage in the system.
- Brighton increases overall water resource storage, which our long-term water resource model is indicating is required at this time for continued growth.
- Brighton developers will be able to purchase water credits to use toward water dedication for projects in the City.



Key Benefits to Brighton

- Brighton can continue to accept shares in the Lupton Meadows and other nearby ditch systems as water dedication, opening additional opportunities for developers.
- Following utilization of all credits in the water bank from this transaction, Brighton can focus again on water dedication. Water resource models incorporating the Lupton Meadows Reservoir indicate that Brighton should continue to require water dedication for development as the policy has been for many years.



Staff Recommendation

City staff recommend, at a future regular meeting, Council approve a resolution authorizing the City Manager to execute the Purchase and Sale Agreement and documents related thereto.



Thank you for your time.

Questions?

