

AGENDA
Wednesday, Oct. 18, 2023
1:00 p.m.
Join on your computer or mobile app
[Click here to join the meeting](#)
Or call in (audio only)
[+1 719-733-3651,,455105248#](#)

- | | | |
|------------------|--|---|
| 1:00 p.m. | 1. Call to Order | Chair Donelson |
| 1:05 p.m. | 2. Invocation and Pledge of Allegiance | Chair Donelson |
| 1:10 p.m. | 3. Executive Session
In accordance with City Charter art. III, § 3-60(d) and its incorporated Colorado Open Meetings Law, C.R.S. § 24-6-402(4)(a), (b) and (e) and Utilities Board Bylaws Rules 10(c)(1), (2), and (5) the Utilities Board, in Open Session, is to determine whether it will hold a Closed Executive Session on one issue. The issue to be discussed involves conferences with the City Attorney's Office and outside counsel for the purpose of receiving legal advice on specific legal questions and instructing negotiators related to a potential settlement agreement which involves water rights and real property interests. | Renee Congdon,
City Attorney's
Office – Utilities
Division Chief |

The City Attorney's Office, on behalf of the Chair of the Utilities Board, shall poll the Utilities Board members, and, upon consent of two-thirds of the members present, may conduct a Closed Executive Session. In the event any Utilities Board member is participating electronically or telephonically in the Closed Executive Session, each Utilities Board member participating electronically or telephonically in the Closed Executive Session shall affirmatively state for the record that no other member of the public not authorized to participate in the electronic Closed Executive Session is present or able to hear the matters discussed as part of the Closed Executive Session. If consent to the Closed Executive Session is not given, the item may be discussed in Open Session or withdrawn from consideration.

2:15 p.m.	4.	<p>Consent Calendar</p> <p>These items will be acted upon as a whole, unless a specific item is called for discussion by a Board Member or a citizen wishing to address the Utilities Board. (Any items called up for separate consideration shall be acted upon following Compliance Reports.)</p> <p>4a. Approval of Utilities Board Meeting Minutes: Sep. 27, 2023.</p>	Chair Donelson
2:20 p.m.	5.	<p>Recognition:</p> <p>American Planning Association Award</p>	Lisa Barbato, Systems Planning and Projects Officer
2:25 p.m.	6.	<p>Customer Comments</p> <ul style="list-style-type: none"> • During the customer comment period, comments are accepted for any topic not on the agenda. • Comments for specific agenda items will be taken following the presentation of the item and the Board’s discussion. • Comments will be limited to three minutes per speaker, per item. • Following the comments from customers that have signed up to speak, an announcement will be made seeking additional comments and the Board will accept all those wishing to comment. 	Chair Donelson
2:30 p.m.	7.	<p>Compliance Reports:</p> <p>I-11 Compensation & Benefits G-9</p> <p>I-10 Treatment of Staff</p> <p>E-2.8 Emergency CEO Succession</p> <p>E-2 CEO Responsibilities</p> <ul style="list-style-type: none"> • Water Outlook • ECA/GCA monitoring 	Travas Deal, Chief Executive Officer
2:35 p.m.	8.	<p>Items Called Off Consent Calendar</p>	
2:40 p.m.	9.	<p>2024 Municipal Government Street Lighting</p> <p><u>Informational presentation</u> regarding proposed City Council approval of a resolution setting the Street Lighting Service Revenue Requirement for calendar year 2024 under City Code section 12.9.105.</p>	Scott Shirola, Pricing and Rates Manager

2:50 p.m.	<p>10. Utilities Policy Advisory Committee (UPAC) Cost Recovery Mechanisms Assignment Update <u>Informational presentation</u> regarding current UPAC assignment. Monthly Board updates were requested by the Finance Committee at its August 2032 meeting.</p>	Scott Shirola, Pricing and Rates Manager
3:15 p.m.	<p>11. Electric Transmission System Overview <u>Vote</u> to approve a motion finding that Utilities’ current policy and practices regarding the construction of overhead and underground electric infrastructure are consistent with Utilities Board Instruction to the CEO I-8 (Asset Protection).</p>	Joe Awad, General Manager of Planning and Engineering
3:45 p.m.	<p>12. Easement acquisition for the Kelker-South Plant Transmission Line <u>Vote</u> to recommend approval of acquisition to Council per Real Estate Manual, per sections 7.1 and 9.6.</p>	Jessica Davis, Land Resource Manager
3:55 p.m.	<p>13. Outside City Water & Wastewater Service & Agreement to Annex <u>Vote</u> whether to recommend approval of extending water service to annexing property if complies with City Code section 12.4.305.</p>	Bryan English, Development Projects Manager
4:10 p.m.	<p>14. Proposed Natural Gas Service Boundary Adjustment <u>Informational presentation</u> regarding proposed City Council approval of natural gas service boundary adjustment under City Charter section 6-70.</p>	Todd Sturtevant, System Extensions Manager
4:25 p.m.	<p>15. Board Member Updates</p>	Board of Directors
4:35 p.m.	<p>16. Summary of Board Actions</p>	Natalie Watts, Strategic Planning and Governance Manager
4:40 p.m.	<p>17. Adjournment</p>	Chair Donelson

MINUTES

Colorado Springs Utilities Board Meeting Wednesday, September 27, 2023

Utilities Board members present via Microsoft Teams or Blue River Conference Room:

Chair Dave Donelson, Vice Chair Yolanda Avila, Mike O'Malley, Randy Helms, Lynette Crow-Iverson, David Leinweber, Brian Risley and Michelle Talarico

Utilities Board Members Excused: Nancy Henjum

Staff members present via Microsoft Teams or Blue River Conference Room: Travas Deal, Renee Adams, Somer Mese, Mike Francolino, Tristan Gearhart, Lisa Barbato, John Hunter, Scott Shirola, Natalie Watts, Crystal Cooley, Andie Buhl, Kenneth Murray and Natalie Lovell

City of Colorado Springs staff members present via Microsoft Teams or Blue River Conference Room: Alex Ryden and Renee Congdon

Citizens present via Microsoft Teams or Blue River Conference Room: Larry Barrett, Gary Burghart, Scott Smith, Chris Meyer, David Watson, Becky Leinwweber, Doug Krieger, Christine Malmborg, Mark Gebhart and Rick Bayley

1. Call to Order

Chair Donelson called the Utilities Board meeting to order at 1:01 p.m. and Ms. Natalie Watts, Strategic Planning and Governance Manager, called the roll.

2. Invocation and Pledge of Allegiance

Mr. Tristian Gearhart, Chief Planning and Financial Officer, delivered the invocation and Chair Donelson led the Pledge of Allegiance.

3. Consent Calendar

3a. Approval of Utilities Board Meeting Minutes: August 16, 2023

3b. UPAC Regular Member Appointment: David Watson

3c. UPAC Alternate Member Appointment: Chris Meyer

3d. UPAC Regular Member Reappointment: Larry Barrett

3e. UPAC Regular Member Reappointment: Gary Burghart

Utilities Board Member Randy Helms moved approval of the Consent Calendar and Board Member Crow-Iverson seconded the motion. The Consent Calendar was unanimously approved.

4. Recognition

- 2023 Mile High Gas and Linemen Rodeo

Ms. Somer Mese, Chief Operations Officer, recognized electric and natural gas employees for their top honors at the 2023 Mile High Gas and Linemen Rodeo. Ms. Mese invited Ms. Crystal Cooley, Gas Construction and Maintenance Manager, and Mr. Kenneth Murray, Electric Construction and Maintenance Manager, to speak more about the rodeo and what our teams accomplished.

Ms. Cooley recognized Mr. Brian Merritt, Mr. Jacob Mitchell, and Mr. Austin Fisk for placing first overall in the gas rodeo. She said the team then competed in the national competition in Springfield, Missouri and placed sixth out of 22 teams and first in the hand dig.

Mr. Murray expressed his appreciation for Mr. Cameron Charlton, Mr. Bo Compton, Mr. Dylan McCain, Mr. Tyler DiMenza, Mr. Branden Morris, Mr. Mason Orist, Mr. John Rombeck, Mr. Josh Snyder, Mr. Cody Strong, Mr. Cody Solberg, Mr. Kyle Couturier, Mr. Jordan Reeger and Mr. Mike Hoberg. He said the journeyman teams took third place in the hurtman rescue event, and our journeymen teams won five awards, including first place overall.

Ms. Mese thanked employees for their commitment to safety, the organization and our customers. Chair Donelson congratulated and expressed his admiration to the employees. Mr. Travas Deal, Chief Executive Officer, and the Utilities Board members echoed their gratitude.

5. Customer Comments

Ms. Becky Leinweber, Executive Director of the Pikes Peak Alliance, Mr. Doug Krieger, retired member of the Colorado Parks and wildlife, Ms. Christine Malmborg, founder of the Dragonfly Paddle Yoga, Mr. Mark Gebhart, volunteer for the division of wildlife, and Rick Bayley, fly fisherman, all expressed concerns and spoke in favor of not closing down any of the recreational areas of the North Slope of Pikes Peak or asked that an alternative entrance be identified.

6. Compliance Reports

- I-7 Water Supply Management
- I-9 Treatment of Customers and Customer Information)
- ER:1-3 Utilities Board Expected Results – Mid-year Scorecard and CEO Performance Results G-4
- E-2 CEO Responsibilities
 - ECA/GCA Monitoring

- Water Outlook

Chair Donelson explained that compliance reports are on the agenda by exception and asked if there were any questions. There were no requests to review any compliance reports.

7. Items Called Off Consent Calendar

There were none.

8. Drake Decommissioning Regulatory Asset

Ms. Natalie Lovell, Accounting Manager, advised that this presentation was for informational purposes only and stated it was in preparation for seeking resolution from City Council in October. This was an informational presentation regarding proposed City Council approval to establish a regulatory asset associated with the decommissioning of the Martin Drake Power Plant.

She reviewed the background of government accounting, benefits, and prior Council action. Ms. Lovell concluded with next steps. The Utilities Board agreed for this item to go to consent at the October 24, 2023, City Council meeting.

9. Outside City Water Service for the Park Vista Estates Enclave

Mr. Bryan English, Project Manager III, said owners of 5180 Topaz Dr. have requested Springs Utilities' water service for single-family residential use. He stated the property is currently served by a well and Springs Utilities provides natural gas and electric service to the property and enclave. Mr. English presented the criteria for the extension of the ordinance and a map of the property. He provided an overview of the application for the water extension ordinance and concluded with the next steps.

Board Member Leinweber expressed concerns for the lack of efficiency on annexing one property at a time. Board Member Risley and Board Member O'Malley recommended that the annexation process be reviewed in depth at a later time.

Board Member Risley moved approval of this item and Board member Talarico seconded the motion. The Utilities Board voted 7-1 to move forward with putting the City Water Service for the Park Vista Estates Enclave on the regular agenda for the Oct. 10, 2023 City Council meeting. Board Member O'Malley opposed the motion.

10. Board Member Updates

Board Member Leinweber discussed the success of the Fishing Derby at Crystal Creek Reservoir. He also provided an update that Colorado Springs Utilities staff came out to his house and flushed his pipes to improve his water quality.

Board Member Risley, Chair of Strategic Planning Committee (SPC), provided updates from SPC to include the overview of the underground vs. overhead transmission lines. He thanked Ms. Lisa Barbato, Chief Systems Planning and Projects Office, and her

team for all the work they did creating a matrix for SPC to use and better keep up with projects. He also recognized Mr. Mike Francolino, Chief of Customer and Enterprise Services Officer, and the customer service team for providing exceptional customer service with the new customer portal.

Board Member Crow-Iverson said she was glad she was able to attend the Southwest Power Pool's Western Grid conference on her trip to D.C. for the Chamber & EDC's D.C. Fly-In last week. She said she learned a lot and it was extremely beneficial for her.

11. Summary of Board Actions

The Utilities Board unanimously agreed to appoint/reappoint the following UPAC members: David Watson as a regular UPAC member, Chris Meyer as an alternate UPAC member, reappoint Larry Barret as a regular UPAC member, and reappoint Gary Burghart as a regular UPAC member.

The Utilities Board unanimously approved to move the Drake Decommissioning Regulatory Asset to consent at the October 24, 2023, City Council Meeting.

The water service extension for the property at Park Vista Estates Enclave annexation was approved to move forward as a regular business item at the October 11, 2023, City Council meeting.

12. Executive session

Ms. Congdon, read the following language to enter Executive Session.

In accordance with City Charter art. III, § 3-60(d) and its incorporated Colorado Open Meetings Law, C.R.S. § 24-6-402(4)(f) and Utilities Board Bylaws Rule 10(c)(6), the Utilities Board, in Open Renee Congdon, City Attorney's Office – Utilities Division Chief 2 of 116 Session, is to determine whether it will hold a Closed Executive Session on one issue. The issue to be discussed is the 2023 midyear performance review of the Chief Executive Officer.

The City Attorney's Office, on behalf of the Chair of the Utilities Board, shall poll the Utilities Board members, and, upon consent of two-thirds of the members present, may conduct a Closed Executive Session. In the event any Utilities Board member is participating electronically or telephonically in the Closed Executive Session, each Utilities Board member participating electronically or telephonically in the Closed Executive Session shall affirmatively state for the record that no other member of the public not authorized to participate in the electronic Closed Executive Session is present or able to hear the matters discussed as part of the Closed Executive Session. If consent to the Closed Executive Session is not given, the item may be discussed in Open Session or withdrawn from consideration.

Ms. Congdon called the roll and polled the Utilities Board. They voted 8 to 0 to enter Executive Session, with Board Member Henjum excused. They took a break at 2:15

p.m. and entered Executive Session at 2:25 p.m. They returned to Open Session at 3:34 p.m.

13. Adjournment

The meeting adjourned at 3:35 p.m.

Board Memo Agenda Item

Staff Report

Date: October 18, 2023
To: Utilities Board
From: Travas Deal, Chief Executive Officer
Subject: Awards and Acknowledgement of Water Conservation Efforts

NARRATIVE:

Desired Action: Information

Executive Summary: The Colorado Springs Utilities Water Conservation Team received:

- 1) 2023 Colorado Honor Award in the category of Growing Water Smart for their work to update the commercial landscape code and policy manual and water efficiency plan. This award recognizes Colorado towns, cities and counties that have made exceptional strides in integrating water conservation, efficiency, quality or reuse into their land use plans and policies.
- 2) 2023 Excellent in Equity Award from the Alliance for Water Efficiency for significant success in advancing equity through their work with diverse populations. Water Conservation has designed and offers five different programs to support our lower income customers who typically do not engage in water conservation rebate programming and incentives.
- 3) 2023 Elizabeth Gardener Award from Colorado WaterWise for efforts to create Colorado's Native Grass Installation & Maintenance Manual.

Benefits: Our conservation programming is some of the most successful in the state. Since 2001, Colorado Springs' per capita water use has decreased 40%. Water conservation is critical to our long-term plans. A robust conservation program is considered a prerequisite for permitting water projects—we must continue to show a need for additional water, operational resiliency and that our conservation efforts are extensive and successful to implement our long-range plan for water and storage projects.

Board Policy: I-7: Water Supply Management

Cost/Budget: N/A

Affected Parties: N/A

Alternatives: N/A

Submitter: Lisa Barbato	Email address: lbarbato@csu.org
Division/ Department: Systems Planning and Projects Division	Phone number: 719-668-8740
	Date submitted: Oct. 5, 2023

SPG Staff Use Only: Consent Calendar	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	ITEM NO. 5
---	--------------------------	-----	-------------------------------------	----	-------------------



Date: October 18, 2023

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Monitoring Report Compensation and Benefits (I-11)**

Desired Action: Monitoring

Compliance: The CEO reports compliance with the instructions.

INSTRUCTIONS			
Category:	Utilities Board Instructions to the Chief Executive Officer	Reporting Timeframe:	September 1, 2022 – August 31, 2023
Policy Title (Number):	Compensation and Benefits (I-11)	Reviewing Committee:	Personnel
Monitoring Type:	Internal		
Monitoring Frequency:	Annual		

The Chief Executive Officer shall direct that employee compensation plans address individual accountability, reward for job performance, encourage organizational flexibility and responsiveness and are consistent with the geographic and professional markets for the job duties performed. Accordingly, the CEO shall:

- 1. Communicate an administrative procedure to employees which allows them to appeal the methodologies followed that result in the annual salary and benefits proposed for the upcoming year.*

In conjunction with the proposed 2023 budget presentation, employees were notified of the proposed salary and benefits in an annual wage and benefits memo. This memo included a specific salary and benefits appeal process. There were no appeals submitted during this reporting period.

2. *Develop executive compensation plans that are consistent with professional markets and include:*
 - A. *Data sources from similar local, regional and national, comparably sized utilities that typically fall within the range of one-half to two times Colorado Springs Utilities' employee population and annual revenue.*
 - B. *Multi-service utilities.*
 - C. *An appropriate balance of public and private organizations.*
 - D. *A mix of custom market survey data and published survey sources.*

Market pricing was conducted for all classifications, including Officers and General Managers during the monitoring period. The study was conducted by the internal Human Resources team. Data sources included both published surveys and aged custom survey data previously conducted by Gallagher. The market data represents similar regional and national comparably-sized utilities, multi-service utilities and represented an appropriate balance of public and private organizations.

3. *Provide severance to Officers and General Managers in the event of involuntary separation without cause in accordance with approved Utilities Board guidelines and at the discretion of the Chief Executive Officer in accordance with the At-Will Senior Management Severance Guidelines.*

Severance was not provided during this monitoring period.

4. *Provide severance to any other employees only with Utilities Board Approval.*

Severance pay was not provided during this monitoring period.



Date: October 18, 2023

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Compliance Report
Treatment of Staff (I-10)**

Desired Action: Monitoring

Compliance: The CEO reports compliance with the instructions.

INSTRUCTIONS			
Category:	Utilities Board Instructions to the Chief Executive Officer	Reporting Timeframe:	July 1, 2022 – June 30, 2023
Policy Title (Number):	Treatment of Staff (I-10)	Reviewing Committee:	Personnel
Monitoring Type:	Internal	Monitoring Frequency:	Annual

The Chief Executive Officer shall direct that working conditions for paid and volunteer staff are fair, dignified, and respectful. Accordingly, the CEO shall:

- 1. Adhere to all discrimination, harassment and retaliation laws, policies and procedures.*

As stated in the Personnel Policies Manual, Colorado Springs Utilities will not tolerate any form of unlawful discrimination or harassment and seeks to establish a diverse and inclusive work environment free from unlawful discrimination and harassment. Colorado Springs Utilities has an Open Door Policy and a formal complaint process which it has adhered to during this reporting period.

- 2. Operate with a written personnel policy manual that clarifies personnel rules for employees and promulgate the personnel policy manual with an employee notification and comment procedure before any changes are made unless proposed changes are required immediately based on Federal, State or local laws or other exigent circumstances.*

Colorado Springs Utilities promulgated and formally notified all employees of potential changes to the Personnel Policy Manual (PPM) in accordance with the PPM

Promulgation Process. The PPM was promulgated October 31, 2022 – November 14, 2022, and approved effective December 12, 2022.

- 3. Provide employees access to all organizational policies and procedures.*

The Personnel Policy Manual (PPM) is posted on the intranet, which is accessible to all employees. A copy of the PPM may be printed by any employee. All new employees receive information on how to access the PPM during new employee orientation and sign an acknowledgment form.

- 4. Operate with a written affirmative action plan, as required by law.*

Colorado Springs Utilities is a covered federal contractor or subcontractor subject to the requirements of the Vietnam Era Veterans Readjustment Assistance Act, 38 U.S.C. § 4212 (§ 4212), as amended, and § 503 of the Rehabilitation Act of 1973, as amended. Colorado Springs Utilities has an Affirmative Action Plan for protected veterans and individuals with a disability.

- 5. Periodically, not to exceed five years, assess the organizational climate issues using statistical sampling and a sound, validated procedure; and develop and implement an action plan.*

Colorado Springs Utilities conducted the last employee climate survey in 2019 and followed up with a pulse survey in 2021. Organizational action plans were created from the results of the 2019 and 2021 surveys and were finalized and completed in December 2021. Due to the CEO recruitment in 2023, the next employee climate survey is scheduled to be conducted in 2024. Based on the 2024 survey results, organizational action planning will continue and be implemented in January 2025.

Date: October 18, 2023

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Compliance Report
Chief Executive Officer Responsibilities (E-2.8)
Emergency Chief Executive Officer Succession**

Desired Action: Monitoring

Compliance: The CEO reports compliance with the instructions.

INSTRUCTIONS			
Category:	Utilities Board/Chief Executive Officer Partnership Expectations	Reporting Timeframe:	2023 Calendar Year
Policy Title (Number):	Chief Executive Officer Responsibilities (E-2.8)	Monitoring Frequency:	Annually
Monitoring Type:	Internal		

The Utilities Board and the Chief Executive Officer work in partnership to achieve excellence in governance and operations to attain long-term organizational success and sustainability.

E-2 Chief Executive Officer Responsibilities

- 8. *The Chief Executive Officer protects the Utilities Board from a sudden loss of the Chief Executive Officer’s services by having at least two Officer emergency successors familiar with current issues and business procedures; by traveling with only one of the designated emergency successors and by allowing no more than three Officers to travel together.*

The designated Officer emergency successors are:

- The Chief Operations Officer
- The Chief System Planning and Projects Officer
- The Chief Planning and Financial Officer

All travel has been arranged in accordance with policy.



Date: October 18, 2023

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Monitoring Report**
Utilities Board/Chief Executive Officer Partnership Expectations (E-2)

Desired Action: Monitoring

EXPECTATIONS	
Category:	Utilities Board/Chief Executive Officer Partnership Expectations
Policy Number:	E: 2 (Chief Executive Officer Responsibilities)

The Utilities Board and the Chief Executive Officer work in partnership to achieve excellence in governance and operations to attain long-term organizational success and sustainability.

October 2023 Water Outlook using data as of September 30, 2023

Locally, temperatures were about normal, and precipitation was above average in September. Demands were less than last year at this time.

2023 Demands

September use averaged 83.3 million gallons per day (MGD), which was about 6.8 percent less than last September. Year to date demand is averaging 62.7 MGD, which is 9.2 percent less than last year at this time. Temperatures in September were above the thirty-year average at 63.9 degrees Fahrenheit, which was 0.8 degrees above normal. Year to date temperatures have averaged 53.5 degrees Fahrenheit, which is 0.3 degrees below normal. Total precipitation for September was 1.79 inches, which is above normal. Year to date precipitation is 24.23 inches, which is 167 percent of normal.

Current Reservoir Levels

Local storage is currently at about 51,414 acre-feet (78 percent of capacity). The 1991-2021 average is 68 percent of capacity. Rampart Reservoir is at 84 percent of capacity, and Pikes Peak storage is at 68 percent of capacity. System wide, total storage is about 229,800 acre-feet (89 percent of capacity). Last year at this time, total system wide storage was 75 percent of capacity. It was about 77 percent at this same time in 2021, about 75 percent of capacity in 2020, about 83 percent of capacity in 2019, about 76 percent of capacity in 2018, about 88 percent of capacity in 2017, about 81 percent of capacity in 2016, about 85 percent of capacity in 2015, and about 78 percent of capacity in 2014. The 1991-2021 average system wide storage for the end of September is 77 percent

of capacity.

Water Supply Outlook

The U.S. Drought Monitor shows pockets of moderate/severe drought conditions in the northwestern U.S., with extreme drought concentrated in the mid-west and south-central parts of the country. The seasonal drought outlook predicts drought will persist in some parts of southwestern Colorado between now and December 31, 2023. The three-month climate outlook shows equal chances for above-average and below-average temperatures across most of Colorado, with higher changes for above-average temperatures in the southwestern part of the state. There are higher chances for above-average precipitation across all of Colorado. We continue to monitor runoff, demand, and storage to maximize available water supply.

Operational Notes

South Catamount Reservoir capacity remains restricted for planned dam maintenance this fall, and Crystal Reservoir is currently being backfilled from North Catamount Reservoir. The Homestake Pipeline will be out of service from August 31 through October 31 for scheduled maintenance. The South Slope system pipeline to Tollefson Water Treatment Plant has been removed from service until spring of 2024 for normal winter operations. Total system storage is at 89 percent of capacity and holds about 3.2 years of demand, which is above average for the end of September. Local storage contains about 263 days of demand.

Electric Cost Adjustment (ECA)

On February 28, 2023, City Council approved the ECA rate of \$0.0284 per kWh effective March 1, 2023. As of September 30, 2023, the ECA under collection balance was \$5.4 million. The under collection balance changed by \$1.8 million from the \$3.6 million under collection balance reported last month. Utilities will continue to provide regular updates to the Utilities Board as appropriate.

Gas Cost Adjustment (GCA)

On June 27, 2023, City Council approved the GCA rate of \$0.2308 per Ccf effective July 1, 2023. As of September 30, 2023, the GCA over collection balance was \$22.8 million. The over collection balance changed by \$0.1 million from the \$22.9 million over collection balance reported last month. Utilities will continue to provide regular updates to the Utilities Board as appropriate.



Colorado Springs Utilities
It's how we're all connected

Water Outlook

Katie Garrett

Water Resources Engineer, Water Conveyance

October 18, 2023

Local Weather Conditions as of September 30, 2023

Precipitation (Inches of Moisture)

- September 2023 – 1.79 in. (133% of normal)
- 2023 YTD Total – 24.23 in. (167% of normal)

Average Temperature (Degrees F)

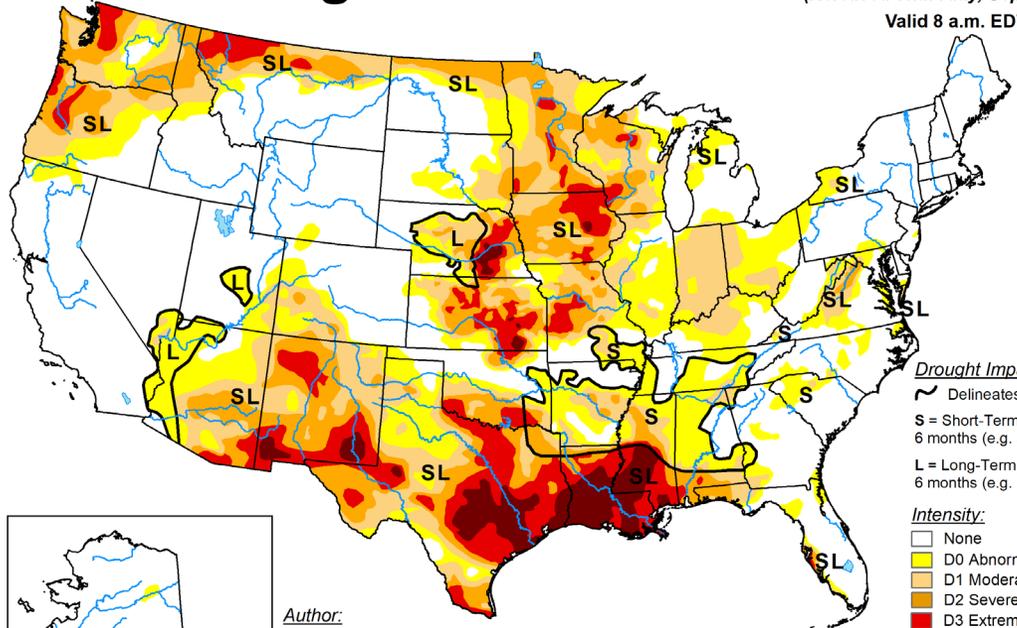
- September 2023 – 63.9 Deg. (0.8 degrees above normal)
- 2023 YTD Average – 53.5 Deg. (0.3 deg. below normal)



DROUGHT MONITOR

U.S. Drought Monitor

September 26, 2023
 (Released Thursday, Sep. 28, 2023)
 Valid 8 a.m. EDT



Drought Impact Types:
 ~ Delineates dominant impacts
 S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
 L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)

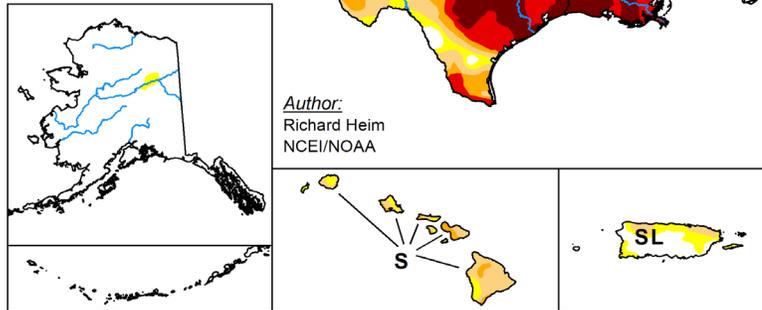
Intensity:
 None
 D0 Abnormally Dry
 D1 Moderate Drought
 D2 Severe Drought
 D3 Extreme Drought
 D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>



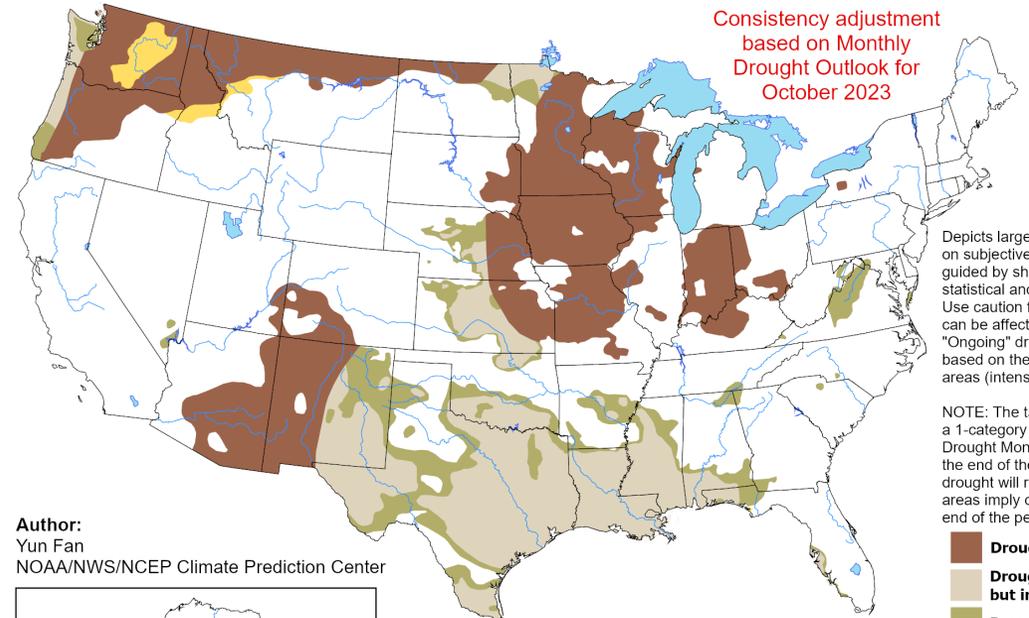
droughtmonitor.unl.edu

Author:
 Richard Heim
 NCEI/NOAA



U.S. Seasonal Drought Outlook Drought Tendency During the Valid Period

Valid for October 1 - December 31, 2023
 Released September 30, 2023



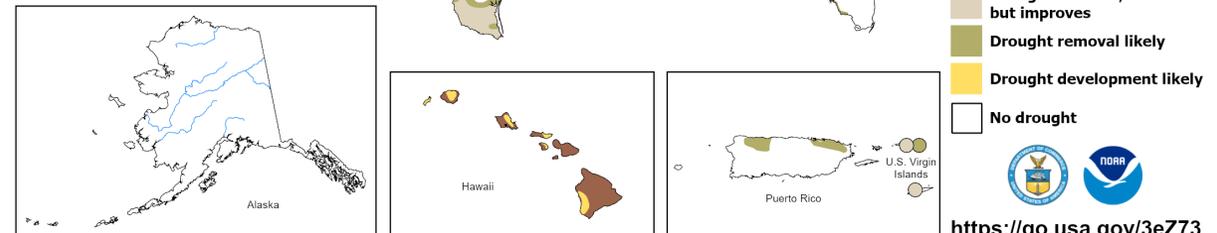
Consistency adjustment
 based on Monthly
 Drought Outlook for
 October 2023

Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

Drought persists
 Drought remains, but improves
 Drought removal likely
 Drought development likely
 No drought

Author:
 Yun Fan
 NOAA/NWS/NCEP Climate Prediction Center



<https://go.usa.gov/3eZ73>

DROUGHT MONITOR

COLORADO

Map released: Thurs. September 28, 2023

Data valid: September 26, 2023 at 8 a.m. EDT

Intensity

-  None
-  D0 (Abnormally Dry)
-  D1 (Moderate Drought)
-  D2 (Severe Drought)
-  D3 (Extreme Drought)
-  D4 (Exceptional Drought)
-  No Data

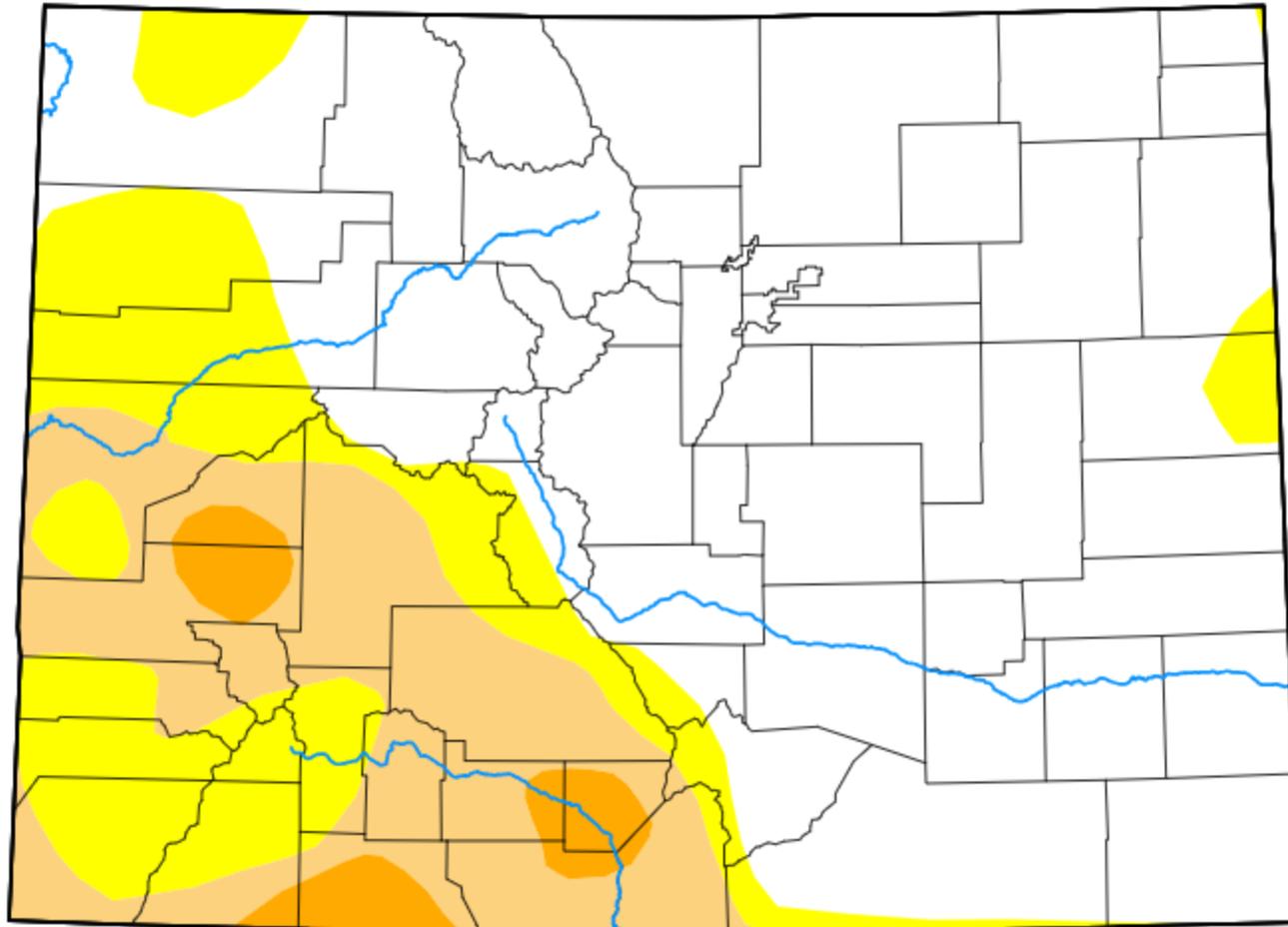
Authors

United States and Puerto Rico Author(s):

[Richard Heim](#), NOAA/NCEI

Pacific Islands and Virgin Islands Author(s):

[Richard Tinker](#), NOAA/NWS/NCEP/CPC



2023 Demands

September

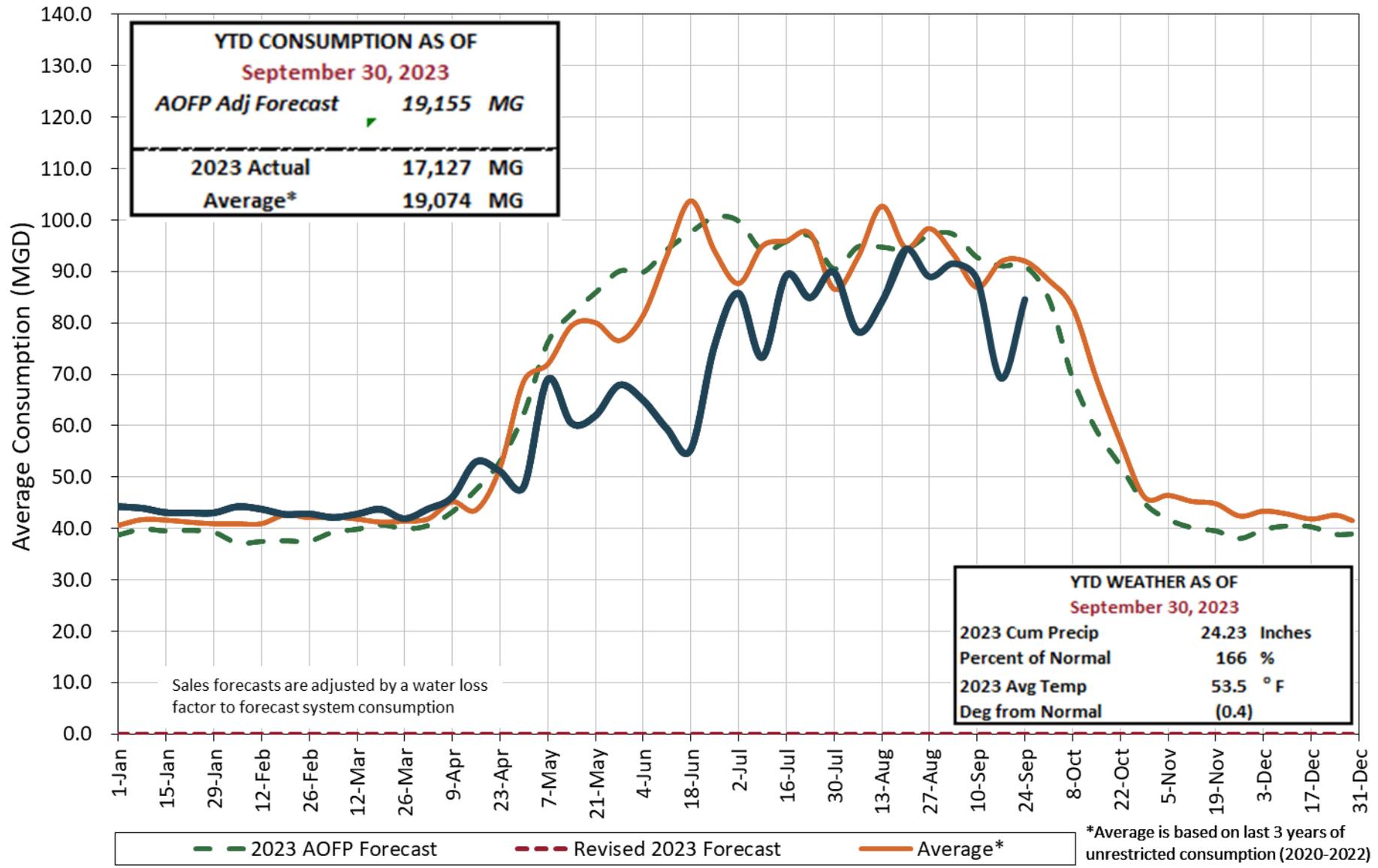
- Averaged 83.3 MGD
- 6.8% less than September 2022

2023 Year to Date

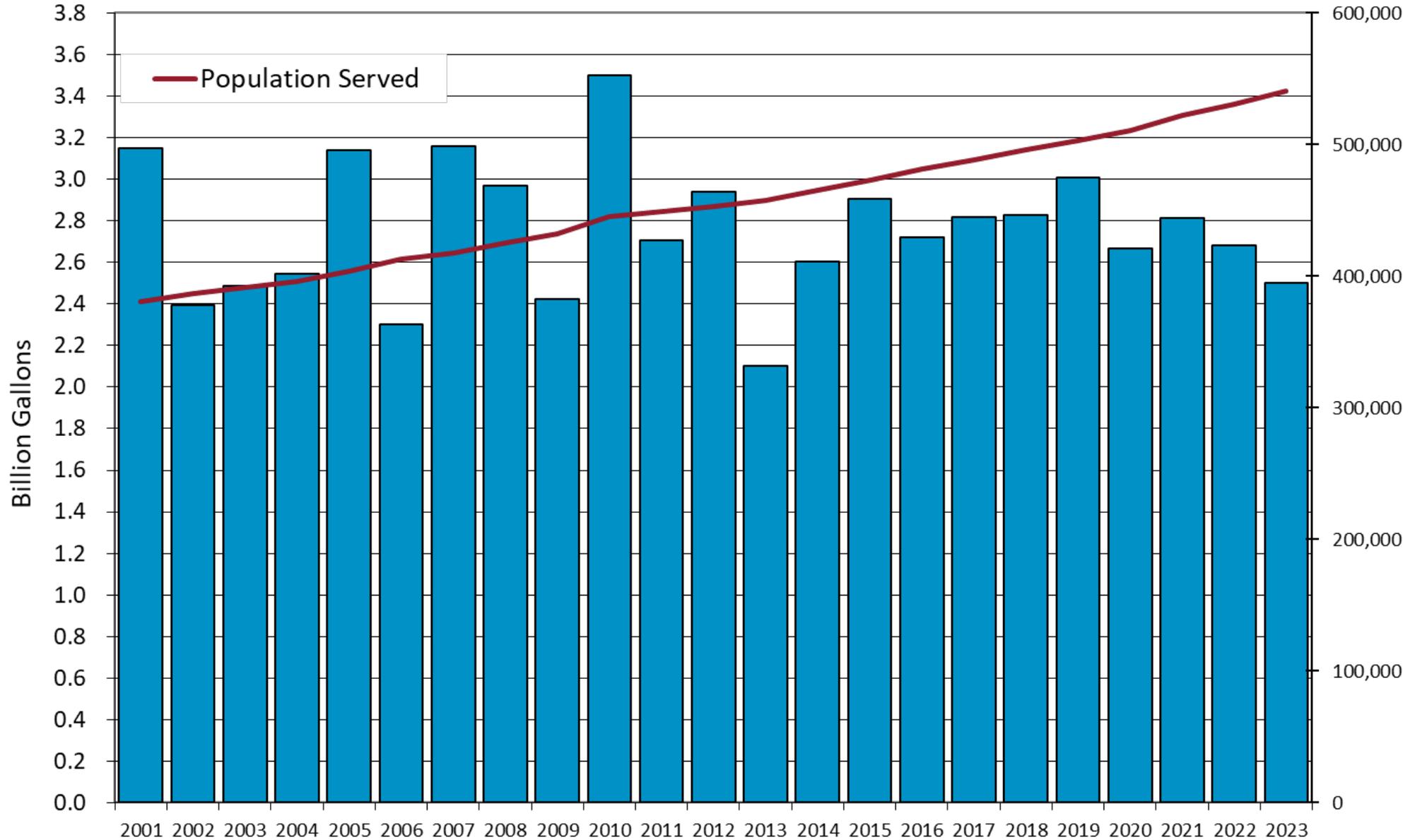
- Averaging 62.7 MGD, 17.1 BG total
 - 9.2% less than 2022
 - 1.7 Billion Gallons less than 2022



2023 Actual Consumption (Weekly Data)



Monthly Water Use for September



Reservoir Levels

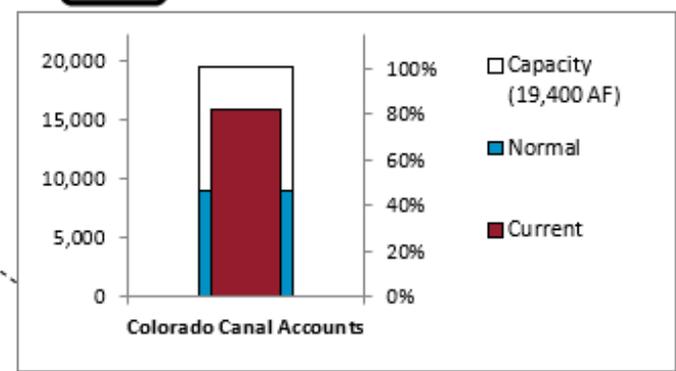
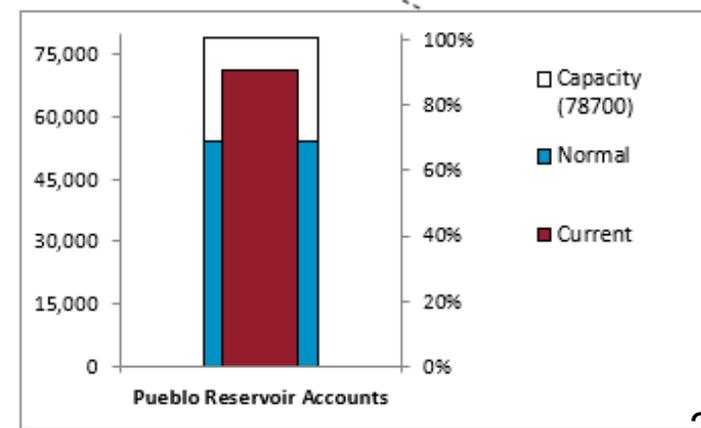
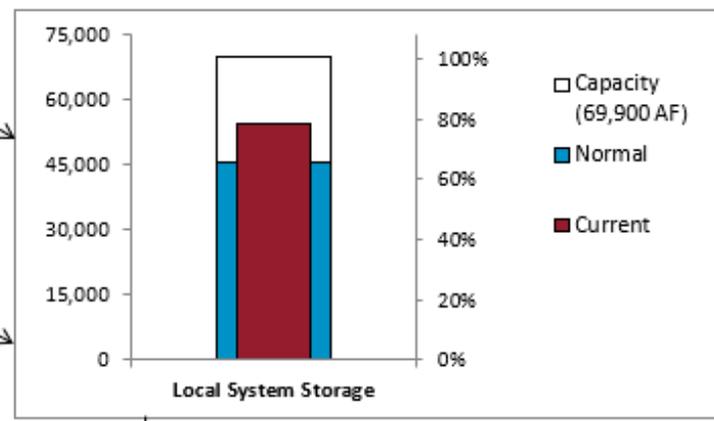
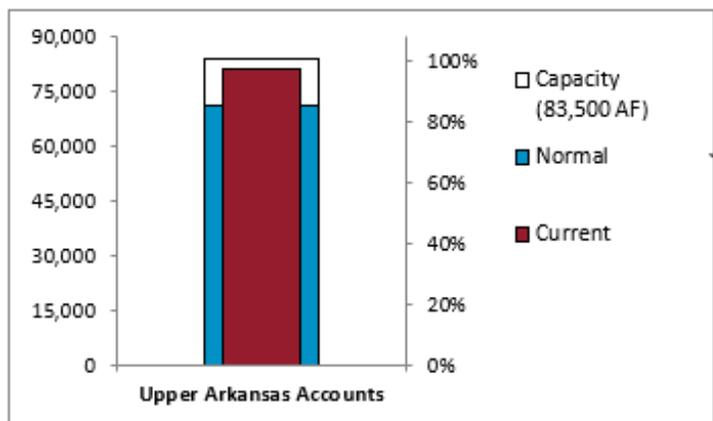
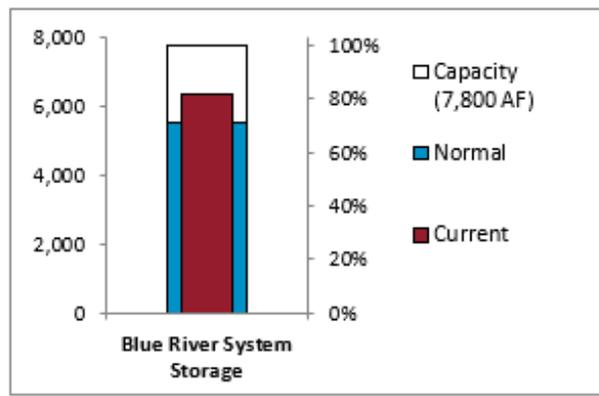
September 30, 2023

- Pikes Peak 68 %
 - 91-20 Avg. 69 %
- Rampart 84 %
 - 91-20 Avg. 67 %
- Local Total 78 %
 - 91-20 Avg. 68 %
- System Total 89 %
 - 91-20 Avg. 77 %



Colorado Springs' System Wide Storage:

September 30, 2023	229,800 af
	88.6 %
2001-2022 avg	185,000 af
	71.4 %
Average YTD Demand	62.7 MGD

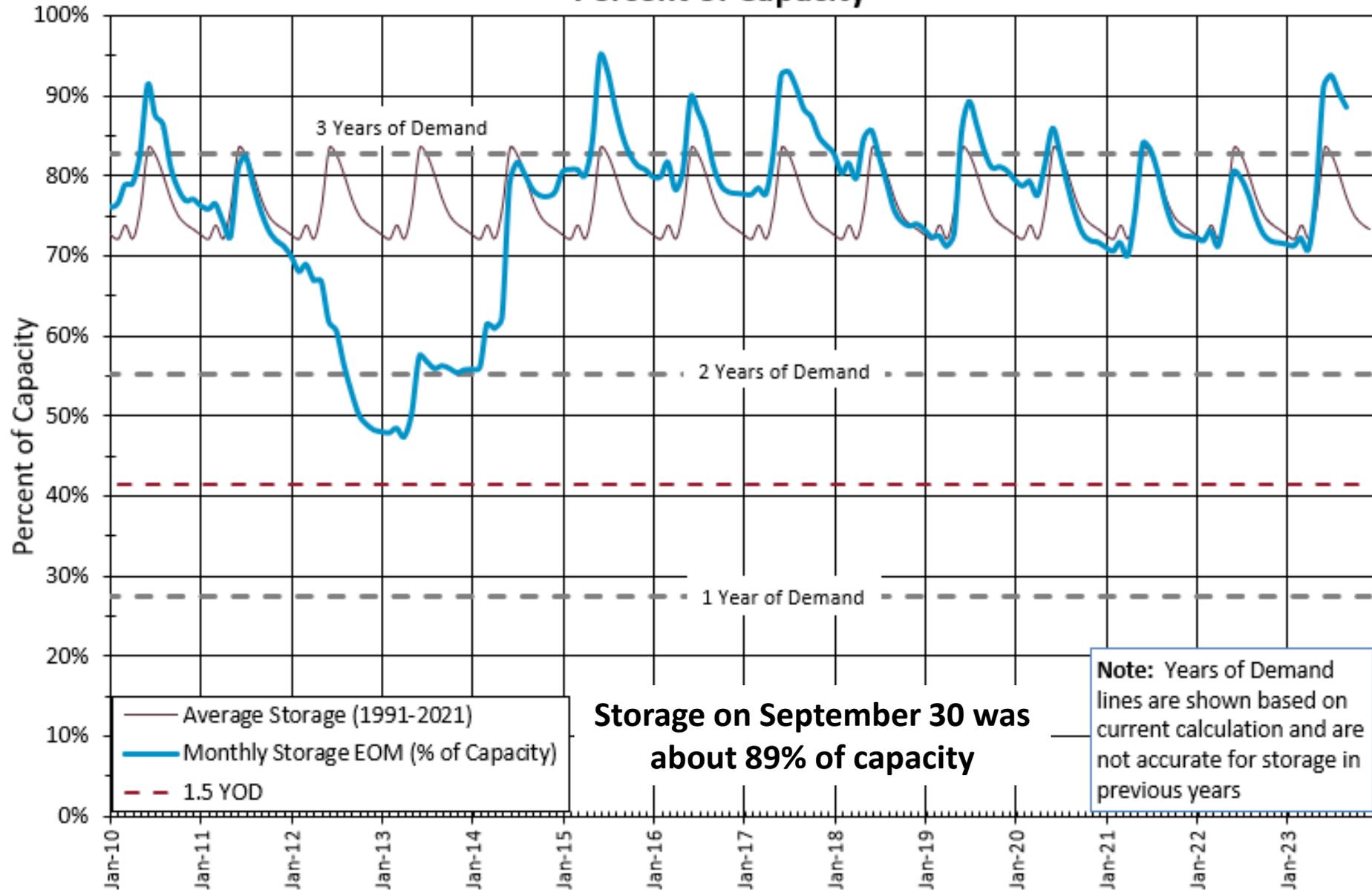


MAX. 20 MGD

MAX. 68 MGD



Monthly Storage Percent of Capacity



Water Outlook

- Situation Outlook Summary
 - System-wide storage is at 88.6% of capacity, about 11% above our long-term average
 - About 3.2 years of demand in storage, based on the past 3 years of demand
 - Have 263 days of demand in local storage
- Three-month outlook predicts
 - Equal chances for above-average and below-average temperatures across most of Colorado, with higher changes for above-average temperatures in the southwestern part of the state
 - Higher chances for above-average precipitation across all of Colorado
 - We continue to monitor snowpack, demand and storage to maximize available water supply

Operational Notes

Storage Conditions

- South Catamount Reservoir capacity remains restricted for planned dam maintenance this fall
- Crystal Reservoir is currently being backfilled from North Catamount Reservoir
- August 31 – October 31: outage on Homestake Pipeline for scheduled maintenance
- South Slope system pipeline to Tollefson WTP has been removed from service until spring of 2024 for normal winter operations



Colorado Springs Utilities[®]

It's how we're all connected



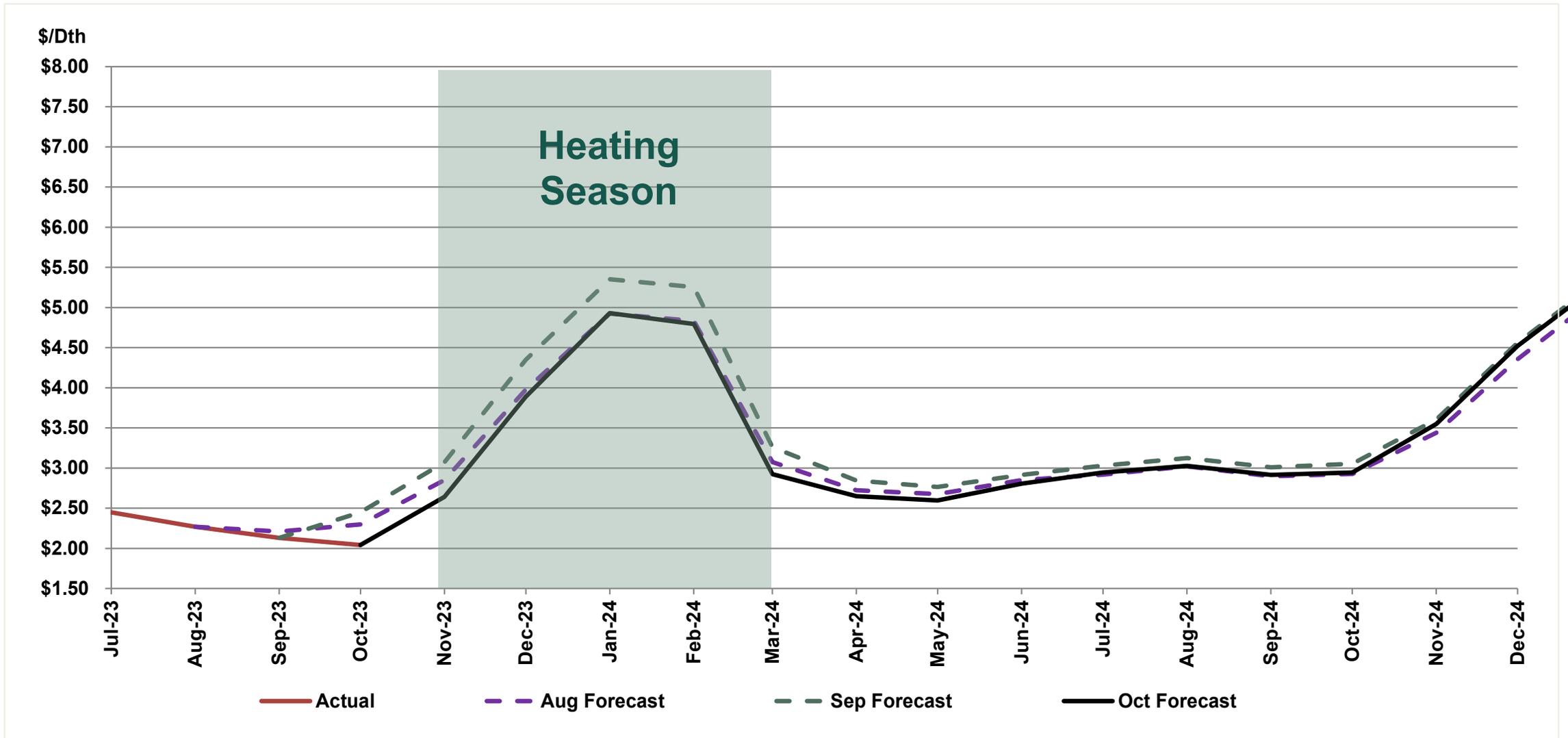
Colorado Springs Utilities
It's how we're all connected

Electric Cost Adjustment Gas Cost Adjustment

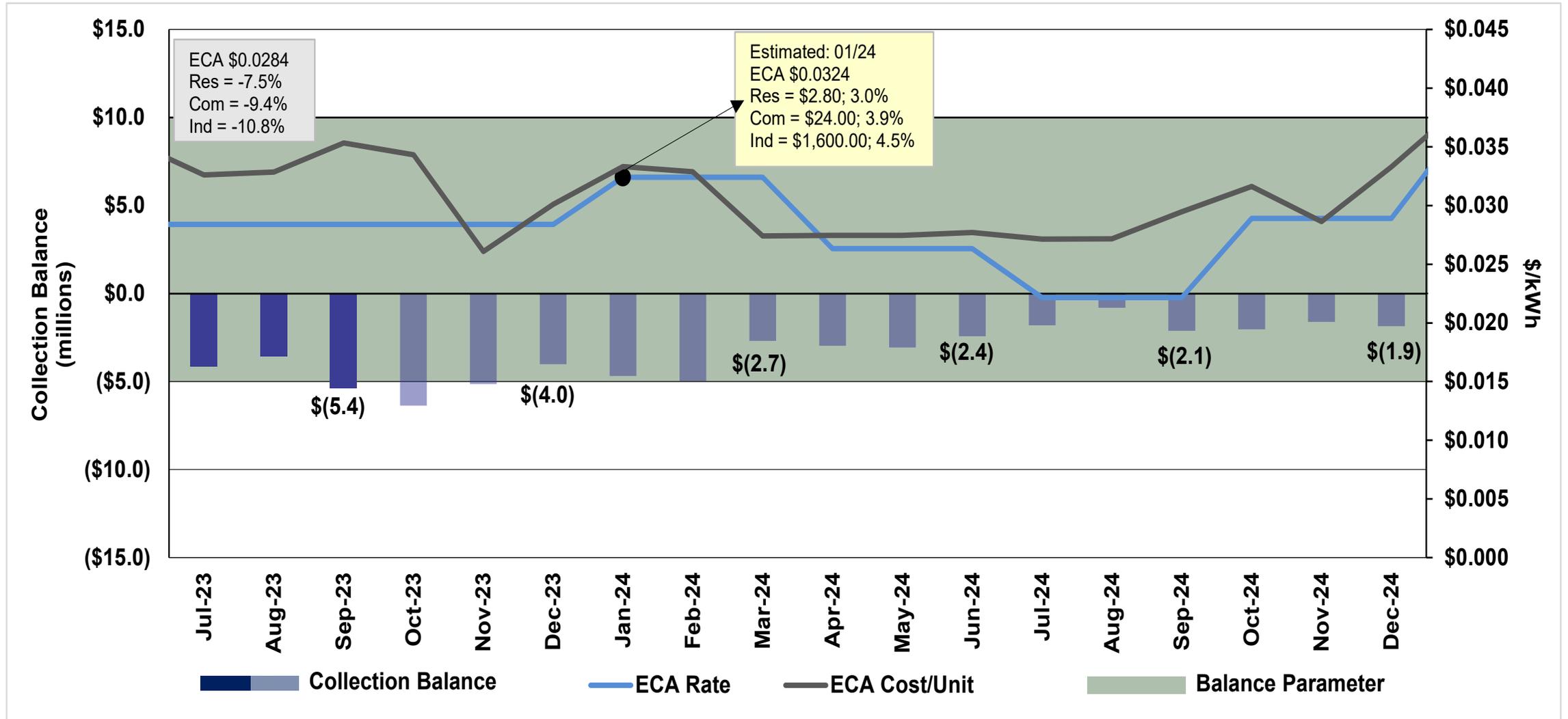
Scott Shirola, Pricing and Rates Manager

October 18, 2023

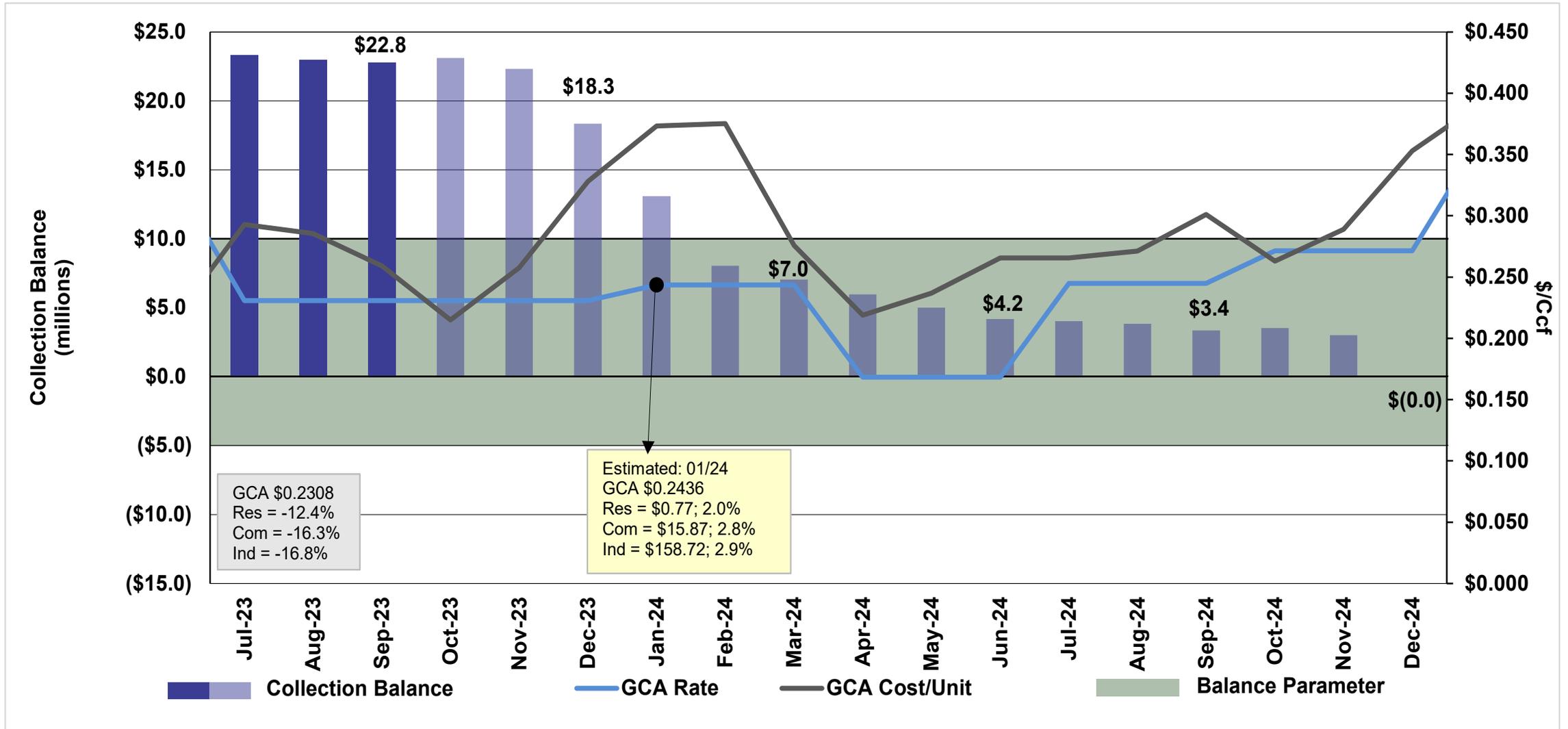
Natural Gas Prices as of October 1, 2023



ECA Projections October 2023



GCA Projections October 2023





Colorado Springs Utilities[®]

It's how we're all connected

Board Memo Agenda Item

Staff Report

Date: October 18, 2023
To: Utilities Board
From: Travas Deal, Chief Executive Officer
Subject: Municipal Government Street Lighting

NARRATIVE:

Desired Action: Informational presentation regarding proposed City Council approval of a resolution setting the Street Lighting Service Revenue Requirement for calendar year 2024 under City Code §12.9.105.

Executive Summary: The street lighting infrastructure operated by Colorado Springs Utilities (Springs Utilities) within the City of Colorado Springs (City) is part of the system of utilities owned and operated for the convenience and necessity of the citizens of the City. Colorado Springs City Code § 12.9.103 authorizes Springs Utilities to assess and collect a street lighting service charge from the City for the provision of street lighting services. Additionally, City Code § 12.9.105 requires Colorado Springs Utilities to annually prepare a revenue requirement setting forth the amount that must be recovered for street lighting service pursuant to City Code § 12.9.103. Under City Code § 12.9.105, City Council must approve the revenue requirement before it may be included in customer bills. If a proposed street lighting service charge is submitted for approval during a rate proceeding, then City Council shall approve the proposed street lighting service charge if it finds that the proposed charge will recover the costs of street lighting and that the charge reasonably approximates the benefits received by customers.

Benefits: Supports the 2024 Preliminary Budget and Annual Operating and Financial Plan

Board Policy: I-1: Pricing of Services

Cost/Budget: The 2024 Municipal Government Street Lighting Revenue Requirement is consistent with amounts included in the 2024 Preliminary Budget

Affected Parties: Colorado Springs Utilities, City of Colorado Springs, and ratepayers

Alternatives: Utilities Board may approve, revise or recalculate the annual revenue requirement and amount to be recovered

Submitter: Scott Shirola	Email address: sshirola@csu.org
Division/ Department: Planning and Finance Division/Pricing and Rates	Phone number: 719-668-8661
	Date submitted: October 5, 2023

SPG Staff Use Only: Consent Calendar	Yes	<input checked="" type="checkbox"/>	No	ITEM NO. 9
---	-----	-------------------------------------	----	-------------------



Colorado Springs Utilities
It's how we're all connected

Municipal Government Street Lighting

Scott Shirola, Pricing and Rates Manager

October 18, 2023

Background

- Two distinct Street Lighting services
 - Municipal Government (MG) Street Lighting service
 - Established by City Code as a separate service of Colorado Springs Utilities
 - Cost of Service based MG Street Lighting Revenue Requirement calculation
 - Electric Contract Service – Street Light (Tariff E7SL)
 - Tariff rate available in Colorado Springs Utilities' Electric service territory

2024 Revenue Requirement

Line No.	Description	2023	2024	Difference
(a)	(b)	(c)	(d)	(e)
1	Direct Functional Expenditures			
2	Operation and Maintenance	\$ 1,383,968	\$ 1,165,236	\$ (218,732)
3	Administrative and General	912,571	959,158	46,587
4	Debt Service	473,001	529,704	56,703
5	Cash Funded Capital	1,025,682	941,651	(84,031)
6	Additions to Cash	(1,327,643)	(615,754)	711,888
7	Less: Revenue Credits	17,686	17,613	(72)
8	Total Direct Functional Expenditures	\$ 2,449,893	\$ 2,962,381	\$ 512,488
9	Allocated from 2024 Electric Cost of Service Study	<u>1,127,715</u>	<u>1,147,431</u>	<u>18,572</u>
10	Total Cost of Service	\$ 3,577,608	\$ 4,109,812	\$ 531,059
11	Fuel	<u>823,392</u>	<u>643,268</u>	<u>(180,124)</u>
12	Total Street Lighting	<u>\$ 4,401,000</u>	<u>\$ 4,753,080</u>	<u>\$ 350,936</u>

Street Light Revenue Requirement Summary

Year	Service Period	Resolution Number	Amount
2016	Jan 1 - Dec 31, 2017	121-16	\$ 4,075,140
2017	Jan 1 - Dec 31, 2018	131-17	4,075,000
2018	Jan 1 - Dec 31, 2019	123-18	4,075,000
2019	Jan 1 - Dec 31, 2020	113-19	4,075,000
2020	Jan 1 - Dec 31, 2021	100-20	4,075,000
2021	Jan 1 - Dec 31, 2022	151-21	4,075,000
2022	Jan 1 - Dec 31, 2023	179-22	4,401,000
Proposed 2023	Jan 1 - Dec 31, 2024		4,753,080

Next Steps

- November 14, 2023 – City Council Meeting
 - Propose Resolution setting Municipal Government Street Lighting Revenue Requirement



Colorado Springs Utilities[®]

It's how we're all connected

RESOLUTION NO. _____ - 23

A RESOLUTION SETTING THE STREET LIGHTING SERVICE
REVENUE REQUIREMENT FOR THE PERIOD OF JANUARY 1,
2024 THROUGH DECEMBER 31, 2024

WHEREAS, the street lighting infrastructure operated by Colorado Springs Utilities (Utilities) within the City of Colorado Springs (City) is part of the system of utilities owned and operated for the convenience and necessity of the citizens of the City; and

WHEREAS, Colorado Springs City Code § 12.9.103 authorizes Utilities to assess and collect a street lighting service charge from the Municipal Government of the City for the provision of street lighting services; and

WHEREAS, Colorado Springs City Code § 12.9.105 of the City Code requires Utilities to prepare a Street Lighting Service Revenue Requirement setting the amount that must be recovered for the provision of street lighting services; and

WHEREAS, Utilities prepared a Street Lighting Service Revenue Requirement setting the amount that must be recovered for the provision of street lighting services from January 1, 2024 through December 31, 2024 in an amount of \$4,753,080; and

WHEREAS, pursuant to Colorado Springs City Code § 12.9.105 of the City Code, City Council has reviewed the revenue requirement submitted by Utilities and finds that the revenue requirement is reasonable and appropriate.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. The City Council hereby authorizes a Street Lighting Service Revenue Requirement for the provision of street lighting services from January 1, 2024 through December 31, 2024 in an amount of \$4,753,080.

Dated at Colorado Springs, Colorado this 14th day of November, 2023.

Randy Helms, Council President

ATTEST:

Sarah B. Johnson, City Clerk

Board Memo Agenda Item

Staff Report

Date: Oct. 18, 2023
To: Utilities Board
From: Travas Deal, Chief Executive Officer
Subject: Utilities Policy Advisory Committee (UPAC) Cost Recovery Mechanisms Assignment Update

NARRATIVE:

Desired Action: Informational presentation regarding current UPAC assignment.

Executive Summary: Mr. Scott Shirola, Pricing and Rates Manager, will provide an update on the UPAC Cost Recovery Mechanisms Assignment. This assignment was assigned by the Utilities Board at the Sep. 28, 2022, meeting and the timeline was extended for it to be completed in January/February of 2024. In at its August 2023 meeting, the Finance Committee requested monthly updates on the assignment to the Utilities Board.

The purpose of the assignment is to evaluate existing and identify new cost recovery mechanisms for funding new resources and infrastructure to support changes in our community.

The UPAC is a fact-finding body whose mission is to review, analyze and, when appropriate, provide recommendations to the Utilities Board regarding the various overall strategic operating and financial policies for Colorado Springs Utilities.

Benefits: This assignment will help provide insight into cost recovery mechanisms across the four utilities to help with the Colorado Springs Utilities' strategic objectives of Financial Accountability and Deliver Quality Utilities.

Board Policy: I-1 Pricing of Services; I-3 Financial Responsibility and Budgeting; I-6 Infrastructure

Cost/Budget: N/A

Affected Parties: Utilities Board members, Utilities Policy Advisory Committee members, Colorado Springs Utilities staff and customers

Alternatives: N/A

Submitter: Bethany Schoemer

Email address: bschoemer@csu.org

Division/ Department: Administrative and Human Resources
Division/Public Affairs Department

Phone number: 719-668-3811

Date submitted: Oct. 3, 2023

SPG Staff Use Only: Consent Calendar

Yes

No

ITEM NO. 10



Colorado Springs Utilities
It's how we're all connected

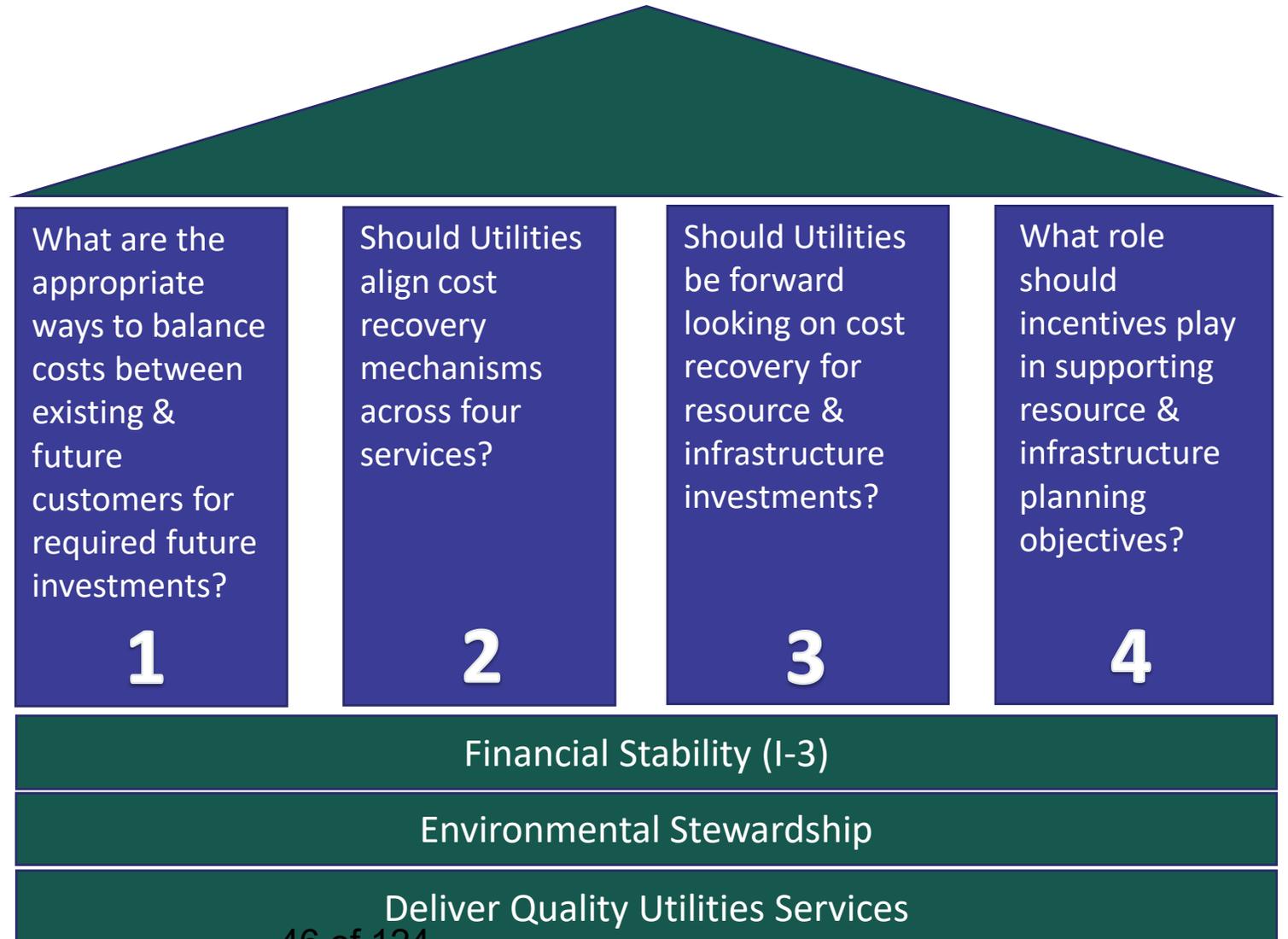
Utilities Policy Advisory Committee (UPAC) Cost Recovery Assignment October 18, 2023

Agenda

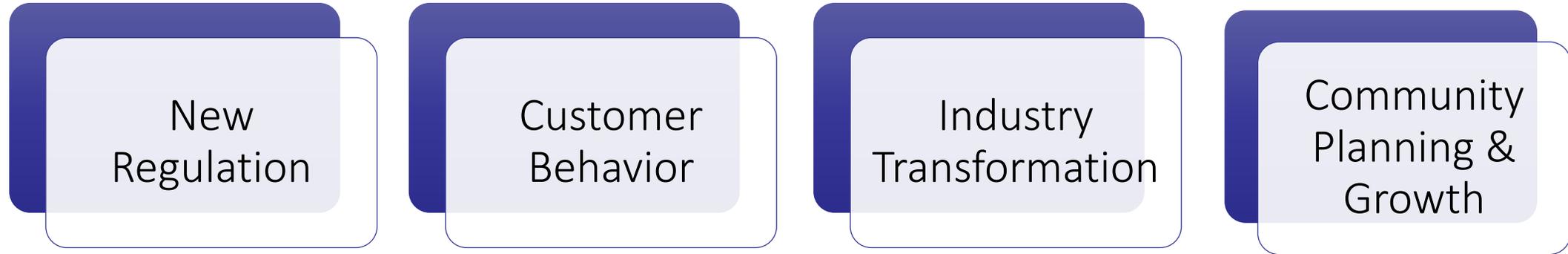
1. Purpose of the assignment
2. Current cost recovery mechanisms
3. Updated financial analysis
4. Updated timeline

Cost Recovery Assignment - Purpose

- Provide a recommendation to Utilities Board on whether Colorado Springs Utilities (Utilities) should revise and/or establish new cost recovery policies.



Cost Recovery Assignment - Background



- Increasing pressure on utility rates
 - Complying with new regulations, adapting service delivery to a changing customer, and investing in industry transformations
- Growth and system expansion place additional pressure on rates under existing development policies

Current Cost Recovery



Cost Recovery Mechanism	Electric	Natural Gas	Water	Wastewater
System Extensions Fees	Partial Recovery	Partial Recovery	100% Recovery	100% Recovery
Capacity Fee – Existing System	No Fee	No Fee	Yes Fee	Yes Fee
Capacity Fee – Planned Additions	No Fee	No Fee	Yes Fee*	No Fee

Current Impact of Growth on Rates

Impact	Electric	Natural Gas	Water	Wastewater	Total
Rate Impact	1-2%	0-1%	0-1%	2-3%	1-2%
Sample Bill Impact- Year 10	\$7.09-\$14.75	\$0.0-\$2.25	\$0.0-\$7.51	\$6.68-\$10.43	\$13.77-\$34.94

* Current fee limited to water resources

UPAC Recommendation



Cost Recovery Mechanism	Electric	Natural Gas	Water	Wastewater
System Extensions Fees	100% Recovery	100% Recovery	100% Recovery	100% Recovery
Capacity Fee – Existing System	No Fee	Yes Fee	Yes Fee	Yes Fee
Capacity Fee – Planned Additions	Yes Fee	Yes Fee	Yes Fee*	Yes Fee

* Recommendation adds facilities to fee currently limited to water resources

Impact of Growth on Rates if Implemented

Impact	Electric	Natural Gas	Water	Wastewater	Total
Rate Impact	0-1%	0-1%	0-1%	0-1%	0-1%
Sample Bill Impact - Year 10	\$0.0-\$7.09	\$0.0-\$2.25	\$0.0-\$7.51	\$0.0-\$3.21	\$0.0-\$20.06

Average Annual Increase to Revenue Requirement Above the Cost of No Growth

Incentives Draft Recommendation

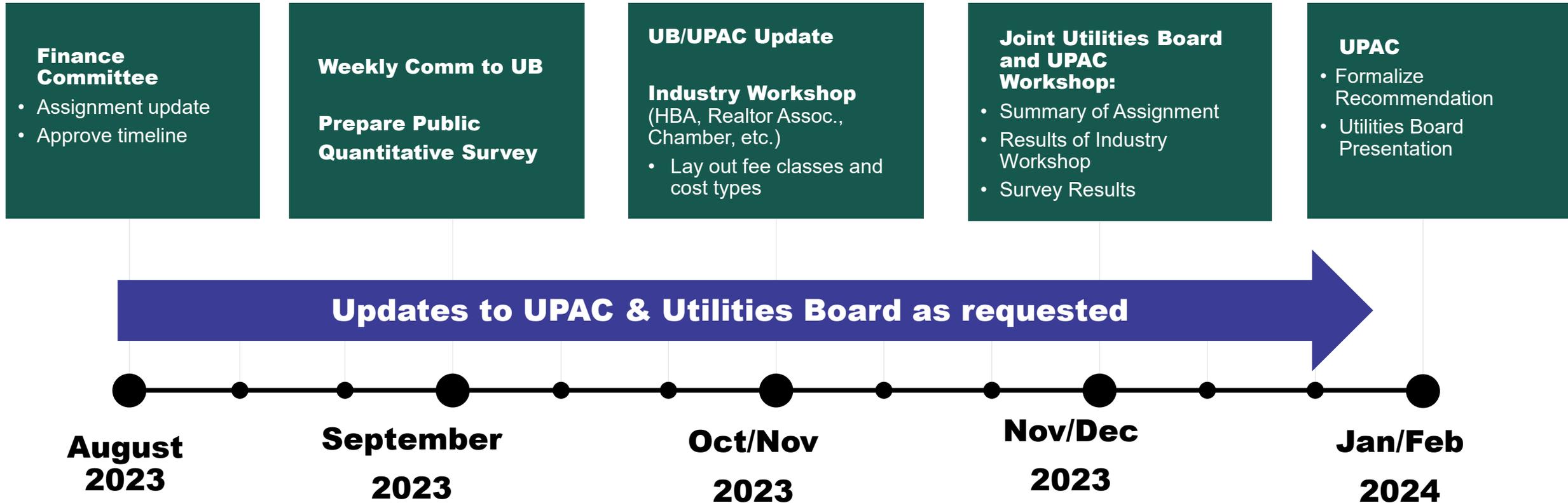
- Vary from standard extension and capacity fee policies to incentivize infill, densification, redevelopment and energy efficiency

Review and Design Fee Draft Recommendation

- Update review and design fees to fully recover appropriate cost including:
 - Update of existing fees to current cost
 - Addition of new fees for services currently provided without fee

UPAC Cost Recovery Assignment

Proposed Timeline





Colorado Springs Utilities[®]

It's how we're all connected

Board Memo Agenda Item

Staff Report

Date: October 18, 2023
To: Utilities Board
From: Travas Deal, Chief Executive Officer
Subject: Electric Transmission System Overview

NARRATIVE:

Desired Action: Vote to approve a motion finding that Utilities' current policy and practices regarding the construction of overhead and underground electric infrastructure are consistent with Utilities Board Instruction to the CEO I-8 (Asset Protection).

Executive Summary: Springs Utilities' current practice is to construct electric transmission overhead for cost effectiveness and reliability reasons. This is consistent with industry peers both regionally and nationally. Staff ensures the safe operation of overhead transmission lines through fire mitigation and vegetation management practices. Previous policies and funding supporting the undergrounding of transmission lines were transitioned to the System Improvement Program (SIP) described in the Electric Line Extensions and Standards (ELESS). SIP allows applicants to pursue the transition to underground construction of electrical infrastructure through a cost sharing mechanism.

ELESS is adopted by the CEO, after notice and the opportunity for public comment, in accordance with City Code §12.1.110. Board Instruction I-8 states "The Chief Executive Officer shall direct that enterprise assets are protected, adequately maintained, and not unnecessarily risked."

Spring Utilities requests a finding of the Board that current policy and practice regarding the construction of overhead and underground electric infrastructure is consistent with Board Instruction to the CEO I-8.

Benefits: Overhead transmission construction provides reliable and safe infrastructure at the lowest cost.

Board Policy: I-8: Asset Protection

Cost/Budget: N/A

Affected Parties: Colorado Springs Utilities' electric customers

Alternatives: Utilities Board to not approve the motion

Submitter: Joe Awad

Email address: jawad@csu.org

Division/ Systems Planning and Projects/

Phone number: 719-668-3504

Department: Engineering Design

Date submitted: October 2, 2023

SPG Staff Use Only: Consent Calendar

Yes

No

ITEM NO.

City Code: Source: [12.1.110: ADOPTION OF UTILITIES ENTERPRISE POLICIES AND SERVICE STANDARDS: \(amlegal.com\)](https://codelibrary.amlegal.com/codes/coloradospringsco/latest/coloradosprings_co/0-0-0-19427)

https://codelibrary.amlegal.com/codes/coloradospringsco/latest/coloradosprings_co/0-0-0-19427

12.1.110: ADOPTION OF UTILITIES ENTERPRISE POLICIES AND SERVICE STANDARDS:

The Chief Executive Officer shall have the power and authority to adopt and promulgate Utilities Enterprise Policies and service standards and specifications consistent with the provisions of the City Charter or this Code concerning matters that are applicable to all operations and finances of the Utilities.

A. Utilities Enterprise Policies:

1. The Chief Executive Officer shall have the power and authority to adopt Utilities Enterprise Policies consistent with the provisions of the City Charter and this Code concerning matters that are applicable to all operations, personnel and finances of the Utilities, and all operational units.

2. The Chief Executive Officer, by Utilities Enterprise Policies, may delegate authority to staff reporting to the Chief Executive Officer to adopt Utilities Enterprise Policies concerning matters applicable to each respective operational unit.

3. Public notice and comment is not required for the adoption of Utilities Enterprise Policies.

B. Service Standards And Specifications:

1. Power And Authority: The Chief Executive Officer shall have the power and authority to promulgate service standards and specifications consistent with the Charter and this Code, subject to the following guidelines:

a. Electric Generation, Transmission And Distribution: Service standards and specifications relevant to electric generation, transmission and distribution shall pertain to, but shall not be limited to, the following: 1) planning, design, construction, operation and maintenance of Utilities' electric generation plants, transmission and distribution systems and appurtenant facilities; and 2) regulation of the transmission, distribution and use of electricity supplied by Utilities. In establishing the service standards and specifications, the Chief Executive Officer shall seek to assure the safe and efficient operation of the electric production, transmission and distribution systems, and the protection of the systems, processes, equipment and facilities appurtenant thereto.

b. Gas Supply: Service standards and specifications relevant to gas supply shall pertain to, but shall not be limited to: 1) installation, construction, operation and maintenance of Utilities' natural gas distribution system; and 2) regulation of the distribution and use of natural gas supplied by Utilities. In establishing the service standards and specifications, the Chief Executive Officer shall seek to assure the safe and efficient operation of the natural gas distribution system, and the protection of the system, process, equipment and facilities appurtenant thereto.

c. Water Supply: Service standards and specifications relevant to water supply shall pertain to, but shall not be limited to, the following: 1) installation, construction, maintenance, repair or replacement of property appertaining to the water system; 2) provision of water service to the public; and 3) assurance of potable and palatable quality of water. In establishing the standards and specifications, the Chief Executive Officer shall seek to assure the safe and efficient operation of the water supply system, for a water supply sufficient to satisfy the public needs, and for water quality, by protecting the water supply and the public from polluting or unsanitary substances and conditions.

d. Wastewater Treatment: Service standards and specifications relevant to wastewater treatment shall pertain to, but shall not be limited to, the following: 1) discharge limitations, pretreatment requirements, wastewater lines and services; and 2) implementation of standards promulgated pursuant to the Federal Water Pollution Control Act amendments of 1972, PL 92-500, and subsequent amendments. In establishing the service standards and specifications, the Chief Executive Officer shall seek to assure safe, efficient operation of the wastewater system, that will limit wastewater discharges to the system in concentrations and quantities which will not harm either the wastewater system, wastewater treatment process or equipment, that will not have an adverse effect on the receiving water, or will not otherwise endanger persons or property or constitute a nuisance.

e. Computer Services: Reserved.

f. Telecommunications Activities: Reserved.

g. Nonregulated Products And Services: Reserved.

2. Delegation Of Authority: The Chief Executive Officer by Utilities Enterprise Policies may delegate authority to staff reporting to the Chief Executive Officer to adopt service standards and specifications for each respective department and other operational units.

3. Public Notice, Comment And Hearing:

a. Application: Except when public notice, comment, or hearing is otherwise required by law, this subsection B3 applies to the adoption of service standards and specifications.

b. List Of Interested Persons: The Chief Executive Officer shall maintain a list(s) of all persons who request notification of proposed adoption of service standards and specifications. A person may only request notification on his or her own behalf.

c. Preproposal: When promulgation of service standards and specifications is contemplated, the Chief Executive Officer is encouraged, but not required, to provide an opportunity to interested persons to participate informally in conferences on proposals under consideration.

d. Notice: Notice of proposed adoption of service standards and specifications proposed by the Chief Executive Officer shall be published in at least one newspaper of general circulation within the City at least fifteen (15) days and no more than thirty (30) days prior to the date set for final adoption of the proposed service standards and specifications. The notice shall include: 1) an explanation of the proposed service standards and specifications; 2) the proposed adoption and effective dates; 3) a statement that a copy of the proposed service standards and specifications are on file and open for public inspection in the Office of the Chief Executive Officer; 4) designation of the public comment period and the means to provide the comment; and 5) opportunity and manner to request a public hearing. If any material is to be incorporated by reference in the proposed service standards and specifications, the material shall be identified in the notice by date, title and citation. On or before the day the notice of proposed adoption is published, the Chief Executive Officer shall mail the notice to all persons on the list.

e. Public Comment: The Chief Executive Officer must give full consideration to all comments received as provided in the notice.

f. Public Hearing: The Chief Executive Officer may grant a public hearing if requested by a member of the public if a significant controversy of public import has arisen regarding the proposed service standards and specifications.

4. Adoption Of Proposed Service Standards And Specifications: The Chief Executive Officer or the Chief Executive Officer's designee shall adopt proposed service standards and specifications after a hearing or after conclusion of the public comment period. Adoption shall be by signature on the approved service standards and specifications of the Chief Executive Officer or the Chief Executive Officer's designee. If no hearing is held, the adopted service standards

and specifications shall be similar in substance and form to the proposed service standards and specifications referenced in the public notice.

5. Open To Inspection: Upon adoption, the service standards and specifications shall be available for inspection at the Office of the Chief Executive Officer by any person at any time during regular business hours, and copies thereof may be purchased by any person upon payment of the cost of reproduction and postage.

C. Rulemaking Provisions: The rulemaking provisions of this section shall be prospective only. All previously existing Utilities Enterprise Policies and service standards and specifications shall remain in full force and effect until amended, withdrawn or adopted. (Ord. 98-173; Ord. 01-42; Ord. 18-42)

Electric Line Extensions and Service Standards 2023 (ELESS)

<https://www.csu.org/Documents/ELCStandardBook.pdf>

CHAPTER 11

SYSTEM ALTERATION AND CONVERSION

11.01 Conversion of Existing System:

All relocations and/or alterations of existing overhead and underground lines and equipment will be accomplished at the expense of the customer initiating the request on a Time-and-Material billing basis. The customer will be required to provide all necessary easements and right-of-way without cost to Colorado Springs Utilities. The request must be submitted allowing ample time for Colorado Springs Utilities Field Engineering to investigate, engineer, schedule, and construct the relocations.

11.02 Requirements for Work Performed on Time-and-Material Basis:

All work performed on a Time-and-Material contract will have the full amount of the estimate deposited with Utilities, prior to scheduling the work to be performed. The customer requesting the conversion will be responsible for the actual cost of the work and will be either billed for any additional costs incurred over and above the estimate, or will be reimbursed the difference between the estimate and the actual cost, whichever may be applicable.

11.03 Conversion of Single Residential Overhead Service to Underground:

- a) In the event the property owner requests conversion of the service conductor from overhead to underground, the customer must convert his meter loop from overhead to underground.
- b) The property owner must provide the 2 inch SCH80 PVC or GRC riser at the meter location as well as supply the necessary conduit to pass under patios, driveways and sidewalks, and trenching and backfilling between the meter and pole riser (see 7.04). All installations must conform to Utilities specifications and must be inspected and approved by Utilities personnel. Utilities will install the pole riser and connect the new underground service wire and will remove the overhead service wire at no expense to the property owner. The property owner will be responsible for the removal of the overhead mast. The property owner will assume all costs incurred in replacing fences, sod, trees, shrubs, and other landscaping items, and the repair of damages to, or the remodeling of building structures.

11.04 System Improvement Program (SIP):

- a) The System Improvement Program (SIP) provides an avenue for Utilities and its customers to share the cost of burying primary voltage power lines (7kV to 115kV only). Costs are not shared for converting secondary service to a building or converting individual services from overhead to underground. Distribution burial requirements as outlined in Appendix F, Construction Standard 11-1 will apply. The *Application to Request System Improvement Funds (SIP Request)* form must be submitted by the customer to Utilities. The customer will be required to provide all necessary easements and right-of-way without cost to Utilities. The SIP Request must be submitted allowing ample time for the following:
 - 1) Utilities Field Engineering investigation and estimate, which is used to determine deposit percentage, see Table 1 Summary in Section 11.04
 - 2) Contract and deposit submittal deadlines, see Table 1 Summary in Section 11.04

- b) Once Utilities confirms that the proposed project is a viable candidate, a SIP contract will be developed. In order to be included in Utilities SIP budgeting process for the following calendar year and to have funds matched on a 50/50 basis, applicants for distribution and/or transmission conversion projects must submit the signed SIP contract before any deadline summarized in Table 1. The SIP Contract will be required with a deposit of five percent (5%) of the total estimated cost of conversion on or before March 1st. If the SIP Contract is approved and budgeted by Utilities, and funds are available, Utilities will cover fifty percent (50%) of the total cost of conversion and the applicant will be responsible for fifty percent (50%).
- c) For distribution conversion project contracted with Utilities and budgeted by Utilities, the remaining forty five percent (45%) of the total estimated cost of conversion must be deposited by Jan 31 of the year following City Council approval of the budget and as per paragraph 11.02. If the Utilities budget is not approved, funds are not available, and/or the project is removed from the budget prior to final budget approval, the five percent (5%) deposit will be refunded. If the applicant does not deposit the remaining forty-five percent (45%) as per paragraph 11.02, the project will be cancelled and the five percent (5%) deposit will not be refunded.
- d) Underground transmission projects require unique materials that must be ordered 18 to 24 months in advance of construction. For this reason, the design, material ordering, and construction phases of the project may span two years. The signed contract and 5% deposit as described in paragraph 11.04 b) are due on March 1st of the year before the design and material ordering are expected to happen. The remaining 45% requester contribution will be paid to Utilities after the City Council approves the budget and prior to any materials being ordered for the project. Due to material lead times, projects submitted on March 1st for construction in the following year will be scheduled for the third quarter or later in the construction year if funding allows. If the Utilities budget is not approved, funds are not available, and/or the project is removed from the budget prior to final budget approval, the five percent (5%) deposit will be refunded. If the applicant does not provide the remaining (45%) contribution upon request, the project will be cancelled and the five percent (5%) deposit will not be refunded.
- e) In the event that a SIP Contract is submitted between March 2nd and May 1st, Utilities will consider the request to match funds on a 60/40 basis if SIP funds are available. If a late SIP Contract is approved and funds are available, Utilities will cover forty percent (40%) of the total conversion cost and the applicant will be responsible for sixty (60%) of the total conversion cost in accordance with paragraph 11.02. Refund policies remain as indicated in preceding paragraphs.

For distribution conversion project SIP Contracts, the remaining fifty-five percent (55%) of the total estimated cost of conversion will need to be deposited by Jan 31st of the year following City Council approval of the budget and as per paragraph 11.02. If, upon evaluation, it is determined that funds are not available, the five percent (5%) deposit will be refunded. If the applicant does not deposit the remaining fifty-five percent (55%) of the total estimated cost of conversion as per paragraph 11.02, the project will be cancelled and the five percent (5%) deposit will not be refunded.

- f) In the event that a SIP Contract is submitted after May 1st, Utilities will consider the request to match funds on a 70/30 basis if SIP funds are available. If a late SIP Contract is approved and funds are available, Utilities will cover thirty percent (30%) of the total conversion cost and

the applicant will be responsible for seventy percent (70%) of the total conversion cost in accordance with paragraph 11.02. Refund policies remain as indicated in preceding paragraphs.

For distribution conversion project SIP Contracts, the remaining sixty-five percent (65%) of the total estimated cost of conversion will need to be deposited by Jan 31st of the year following City Council approval of the budget and as per paragraph 11.02. If, upon evaluation, it is determined that funds are not available, the five percent (5%) deposit will be refunded. If the applicant does not deposit the remaining sixty-five percent (65%) of the total estimated cost of conversion as per paragraph 11.02, the project will be cancelled and the five percent (5%) deposit will not be refunded.

In the event a customer would like to have 50/50 matching funds, the customer could submit a SIP Request Form for the following year to request funds for the subsequent year on a 50/50 basis.

Table 1 Summary of SIP program Dates and Requirements

Submit Signed Contract plus 5% Deposit by:	Developer / Utilities Contribution	Remaining Deposit Due:	Comments
On or before March 1 st of year prior to execution	50/50	After City Council Approval and... - Distribution: by Jan 31 of execution year - Transmission: prior to material ordering	For transmission projects, expect a two year cycle: Design and material ordering in first year; construction in second. Contract and 5% deposit must be received March 1 st of the year before the design year. Transmission projects submitted for construction in the following year will be scheduled for construction in the third quarter or later of that following year as funding allows.
March 1 to May 1	60/40		
After May 1	70/30		Projects submitted after June 1 are not likely to make the budget for the following year.

11.05 Conversion of Residential and/or Commercial Overhead to Underground (SIP):

Utilities will consider requests from property owners in residential and commercial areas to place existing distribution and transmission facilities underground. The following conditions will apply:

- a) The area to be converted must be deemed by Utilities to meet size, operational, and reliability requirements. Distribution conversion projects will be considered to qualify for the SIP if they are a full block in length or longer. Transmission conversion projects considered to qualify for the SIP must meet minimum lengths as specified in Utilities standards. Distribution conversion projects for areas smaller than one city block will be converted on a Time-and-Material contract and do not qualify for SIP funds. For information on Time-and-Material process, see section 11.02. Transmission projects that do not meet minimum lengths required per Utilities standards will not be considered for conversion and do not qualify for SIP funds.
- b) Property owners in the area of consideration should choose one individual with the power of attorney to act as spokesperson and should submit a written request to Utilities. This request should contain a list of addresses with signatures of property owners in the area considered for conversion. Every property owner must agree to the conversion; otherwise, the project will not

be considered by Utilities. If the applicant is seeking SIP funding for conversion, see section 11.04 for additional requirements.

- c) Utilities Field Engineering and/or Substation and Transmission Engineering will prepare the necessary plans, easement requests if required, Time-and-Material cost estimate, and a SIP contract. This will be presented to the spokesperson for the property owners. The property owners will have 90 days to either accept or reject the conversion proposal. Once Utilities receives the accepted, executed SIP contract, the deposits, and the easements, construction coordination will be handled through the group spokesperson.
- d) Each property owner will be responsible for converting their meter loop from overhead to underground and obtaining an inspection from Regional Building Department.
 - 1) In residential areas the property owner must supply and install the necessary conduit to pass under patios, driveways and sidewalks, and trenching and backfilling between the meter and the property line. Utilities will install new underground service wire from the transformer to the new meter socket locations. Requirements as outlined in paragraph 11.03 will apply, excluding all pole riser requirements.
 - 2) In commercial areas, the property owner must supply and install all secondary conduit and conductor as outlined in Chapter 10. The property owner will then be responsible for removing the overhead service mast.
- e) The poles and overhead primary distribution and/or transmission will be removed by Utilities when all property owners are converted to the underground system.
- f) The cost estimate and actual cost will be in compliance with paragraph 11.02, Requirements for Work Performed on Time-and-Material basis.

Note: Utilities does not guarantee that other utility facilities, such as telephone equipment or CATV lines, which might be attached to Utilities poles, will be placed underground. For further information, these utilities should be contacted individually.

11.06 Improvement Districts:

- a) Relocation of existing electrical lines and equipment in areas declared by City Council to be in an Improvement District will be accomplished according to the most recent Utility Relocation Agreement in effect with the City of Colorado Springs at the time of request. Utilities will be notified in advance of the projects by those city departments scheduling and undertaking such projects. This notice will be such as to allow the proper scheduling, engineering, and budgeting of the relocations. Projects not budgeted by Utilities due to improper notification will not be completed or undertaken unless approved by City Council.
- b) Please note that if a current recorded plat of subdivision and current approved addressing is not provided for the project, the customer will need to submit a Utilities Addressing Plan (UAP) to Utilities. A Utilities Design CAD File will need to be submitted to Utilities. Any questions regarding either the UAP or Design CAD File should be directed to Utilities (see Appendix B).



Electric Work Order # _____

APPLICATION TO REQUEST SYSTEM IMPROVEMENT FUNDS

To be submitted to:

North Work Center Field Engineering
7710 Durant Drive, P.O. Box 1103, Mail Code 2150
Colorado Springs, CO 80947-2150

or

South Work Center Field Engineering
1521 Hancock Expressway, P.O. Box 1103, Mail Code 1812
Colorado Springs, CO 80947-1812

Project: _____ **Date:** _____
(-subdivision, address, or description of project)

Applicant: _____
(Entity that will enter into contract) Individual () Partnership () Corporation () Limited Liability Company () Other ()

Description of work requested: _____

* (Please submit a proposed Development Plan with this request)

What year would the funds be required: _____

Projected date that site will be ready for construction: _____

Applicant's Signature (Contract holder)

Agent's Name (Project Contact)

Applicant's Name (Please type or print)

Address

Address

City, State, and Zip Code

City, State, and Zip Code

Telephone and FAX Numbers

Telephone and FAX Numbers

Cellular/Field Numbers (If Applicable)

Email Address

Email Address

Please indicate who the Designs, and Contracts should be sent to: **Applicant** _____ **Agent** _____

Applicant's Signature Authorizing the **Agent** to sign contracts and bind Applicant to such contracts regarding electric. All requests must be received in advance of deadlines (per Section 11 of the Electric Line Extension & Service Standards) for application so that design, contracts and other requirements can be met.

Applicant's Signature

4/15/2016

INSTRUCTIONS

Category:	Utilities Board Instructions to the Chief Executive Officer	Date of Adoption: May 16, 2018
Policy Title (Number):	Asset Protection (I-8)	Revision Date:
Monitoring Type:	Internal; City Auditor	Revision Number:
Monitoring Frequency:	Semi-Annual; Annual	

The Chief Executive Officer shall direct that enterprise assets are protected, adequately maintained, and not unnecessarily risked. Accordingly, the CEO shall:

1. Protect enterprise assets including, but not limited to, water rights, rights of way, physical assets, cyber assets, intellectual property, records and information from loss or significant damage.
2. Allow real estate transactions that comply with the City of Colorado Springs Real Estate Manual.
3. Only sell, dispose of or allow use of assets at fair market value, except for *de minimis* contributions to community-oriented organizations.
4. Protect the enterprise's public image and reputation.



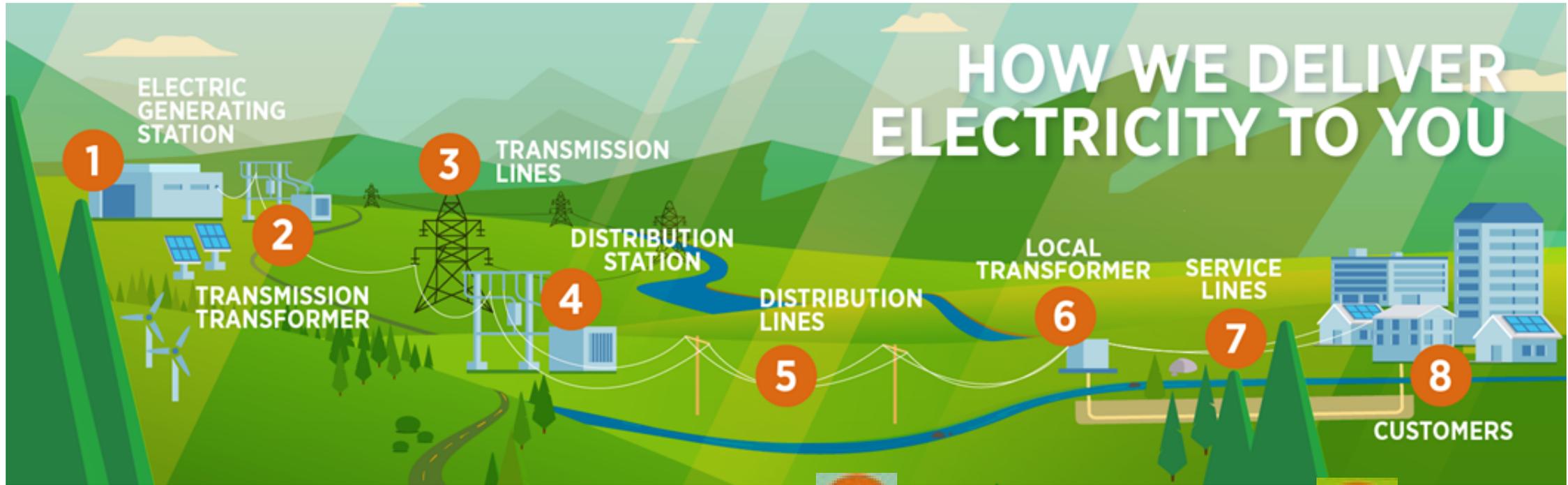
Colorado Springs Utilities
It's how we're all connected

Electric Transmission System Overview

Joe Awad, General Manager

October 18, 2023

Electric System Overview



Electric Systems	Transmission 3	Distribution 5
Voltage	115,000 and 230,000 Volts	12,500 and 34,500 Volts
Total Miles (approx.)	240	3900+
% Overhead	90 %	21%
% Underground	10% 64 of 124	79%

Electric Transmission Line Costs

- Expected typical costs

- Overhead (OH) 115kV – \$4M/mile
- Underground (UG) 115kV – \$12M/mile

- Contributing factors

- Conductor cost:

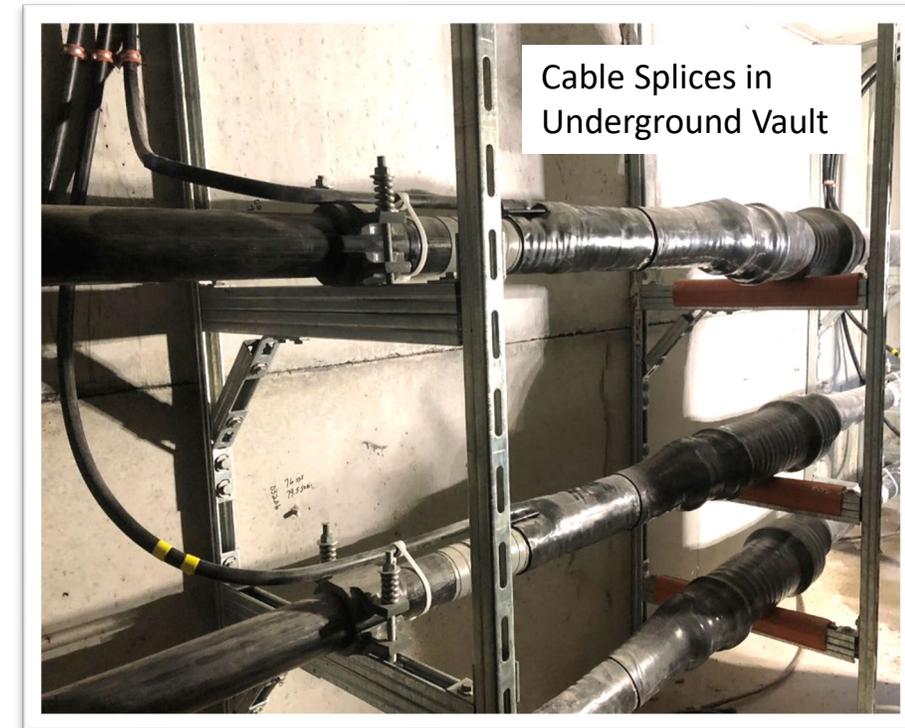
- OH - \$7/ft for standard conductor
- UG - \$35/ft for custom cable

- Land:

- OH can cost \$500k - 4M+/mi for 100-ft easement
- UG is routed in rights-of-way where possible but may require restoration at ~\$150k-500k/mi

- Supporting elements:

- OH – towers every 300 - 1000-ft at \$50k - \$200k/ea
- UG – vaults & unique splices every ½-mi (~\$100k/set) and concrete duct bank (~\$1.5M/mi)

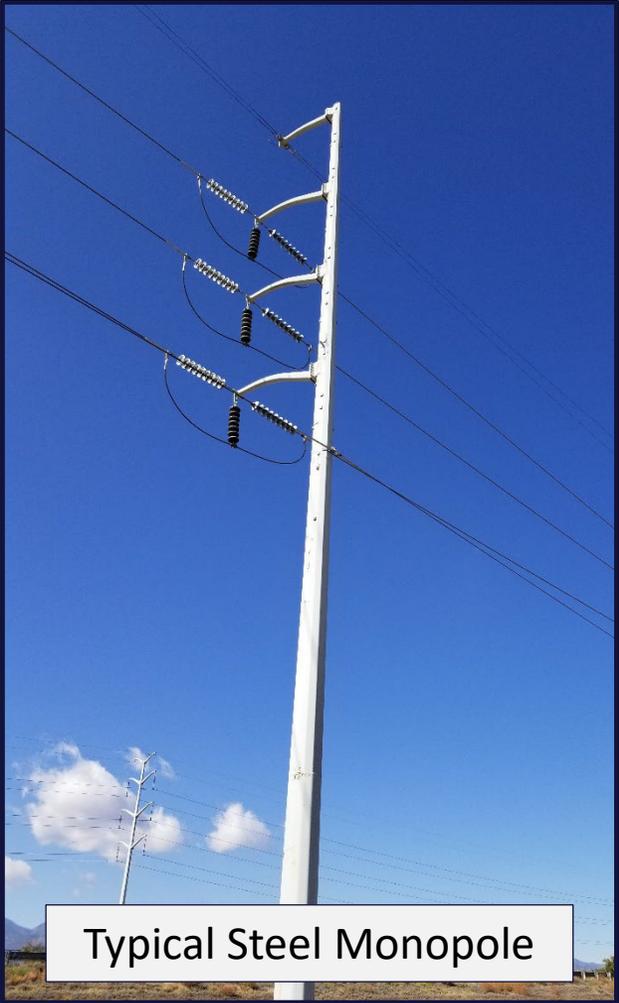


Attributes and Considerations

Attribute	Overhead	Underground
Installation	<ul style="list-style-type: none"> • Outsourced due to specialized equipment needed • Maintenance, repairs, & shorter segments typically handled internally • Splices every 3+ miles 	<ul style="list-style-type: none"> • Historically by Utilities crews after having received specialized training; international travel when offered • Loss of skill due to infrequent work • Splices +/- 1/2 mile (splice potential failure)
Repairs	<ul style="list-style-type: none"> • Required parts can be obtained from several vendors • Increased flexibility and options when repairs or modifications are needed; quicker return to service 	<ul style="list-style-type: none"> • Requires expensive spare part inventory • Repairs are much more resource intensive; work in a vault for a 3-phase splice can take up to a week • Confined space
Reliability	<ul style="list-style-type: none"> • Minimal faults and outages, typically only due to extreme weather events 	<ul style="list-style-type: none"> • Reliable and less vulnerable to outside events • Primary threat comes from “dig-ins” or similar construction activities or equipment failures
Standardization	<ul style="list-style-type: none"> • Limited to 6-8 conductors common in industry • Readily supported by multiple manufacturers 	<ul style="list-style-type: none"> • 6 cable types despite only representing 10% of system • Limited vendors and difficult to change providers since products not readily interchangeable
O&M	<ul style="list-style-type: none"> • Life expectancy of 80 – 100-years with minor maintenance 	<ul style="list-style-type: none"> • Cable and splices may require replacement after 30 – 40-years due to design life of insulation materials

Attributes and Considerations

Typical Transmission Structures



Typical Steel Monopole



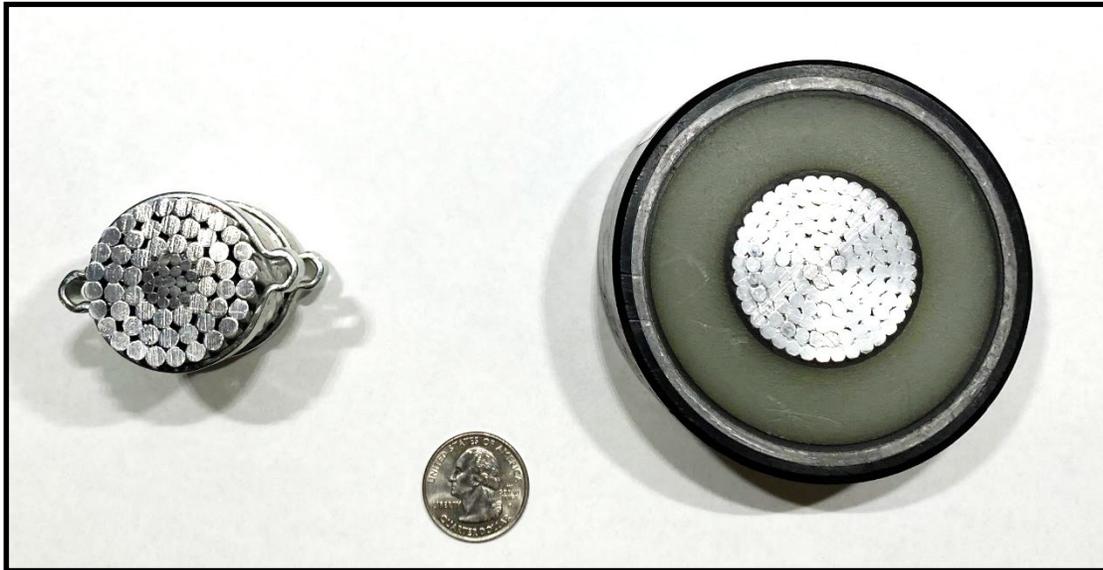
Steel Lattice Tower



Wood Framed Structure

Attributes and Considerations

Materials and Equipment



Typical Overhead Conductor and Underground Cable

Underground Reel on Custom Trailer for Cable Pulling



Policy History

- Underground Transmission Policy adopted in 1993 (Res. 121-93)
- Three main sections of the policy:
 - I) 115kV and 230kV transmission lines
 - Recommended certain new lines be underground
 - Guidance for planned projects to continue to be built as OH
 - Also suggested existing lines be transitioned when rebuilt or substantially modified
 - II) Establish a System Improvement Fund (SIF) to cover cost of undergrounding
 - III) Policy review, renewal, and appeal
 - Policy review & renewal on 10-year cycle

Policy History

- Policy Renewed in November 2003 per UB Meeting Minutes
- Policy was not renewed in 2013 as key elements were adopted into Utilities' Electric Line Extension & Service Standards (ELESS)
- System Improvement Fund (SIF) Established in 1994
 - Approximate 1% increase over base electric rate
 - Continued with 2003 policy renewal but removed in June 2004 (Res. 87-04)
- SIF Funding transitioned to the System Improvement Program (SIP)
 - Captured in the ELESS in 2004/ 2005
 - Allows for applicants to pursue transition to underground with cost sharing
 - Utilities' contribution to cost ranges from 30-50% depending on timing
 - More common for electric distribution but includes 115kV transmission

Current Transmission Construction Practice

- Overhead
 - Consistent with industry practice
 - Cost Effective
 - Used as the basis for project budgeting
 - Active projects:
 - Kelker-South Plant – 5.4 miles 115kV
 - Midway-Kelker – 17 miles double circuit w/ new 230kV and rebuild of existing 115kV
- Underground
 - Implemented by exception (e.g. congested transmission areas)
 - Midway-Kelker – approx. 1/2-mi at Kelker end due to overhead line congestion
 - Customer driven SIP
 - 2024 SIP anticipated with local developer



Industry Peers

- Platte River Power Authority (PRPA) – www.prpa.org
 - Community owned wholesale generation and transmission provider serving Ft. Collins, Estes Park, Longmont, & Loveland
 - 263 miles wholly owned; 522 miles jointly owned; 92% overhead
 - Notes that OH provides advantages including higher levels of capacity per cost, quicker construction/repair/inspection/maintenance, and greater life span
 - UG considered in special circumstances (e.g. near airport) or where involved parties are willing to pay the cost differential
- Others
 - USA:
 - Total transmission (> 100kV) is approximately 385,000-mi
 - Underground transmission estimated at 2,045-mi or about 0.5%
 - PSCo and Tri-State Generation & Transmission:
 - Underground miles not published but both note similar advantages and concerns

Vegetation Management

- The OH 115 kV Transmission system is inspected every 3 years.
- The OH 230 kV Transmission system is inspected every year.
- Inspection Results:
 - vegetation work needed
 - tree trimming/removal
 - floor clearing
 - certified Arborist



Fire Mitigation

- Partnered with The U.S. Forest Service, State Forest Service, El Paso County Fire, Colorado Springs Fire and Manitou Fire Departments
- Exploring the use of drone technology for future inspections in areas difficult to access
- Developing a Wildfire Mitigation Plan to further enhance our capabilities and protect our assets
- Wildland Fire Team



Next Steps

- Continue current practice of building overhead transmission
- “Stay the Course” for those transmission projects already in planning, design, or construction
- ELESS adopted by CEO is consistent with UB Instruction I-8:
“The Chief Executive Officer shall direct that enterprise assets are protected, adequately maintained, and not unnecessarily risked”
- Vote to approve a motion finding that Utilities’ current policy and practices regarding the construction of overhead and underground electric infrastructure are consistent with Utilities Board Instruction I-8 (protection of enterprise assets).



Colorado Springs Utilities[®]

It's how we're all connected

Board Memo Agenda Item

Staff Report

Date: October 18, 2023
To: Utilities Board
From: Travas Deal, Chief Executive Officer
Subject: Easement acquisition for the Kelker-South Plant Transmission Line

NARRATIVE:

Desired Action: Vote to recommend approval of acquisition to Council per Real Estate Manual, per sections 7.1 and 9.6

Executive Summary: Staff is requesting that Utilities Board recommend to City Council a resolution that will allow Springs Utilities to purchase easements for the Kelker to South Plant Transmission Project. The Kelker to South Plant Transmission Project is for a new overhead single circuit 115kV transmission line from Kelker Substation to South Plant Substation. Acquisition of the requested easements is critical to the project.

Pursuant to the provisions of the Colorado Springs City Charter, the City is empowered to acquire easements necessary for Colorado Springs Utilities' projects. Section 9.6 of *The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests, Revised 2021* provides that if the total acquisition amount is greater than \$100,000, City Council must approve the acquisition amount.

This is a resolution authorizing the acquisition of permanent easements of the properties identified by El Paso County Tax Schedule Numbers 6420300033 and 6419100027 to be used for the Kelker to South Plant Transmission project.

Benefits: Colorado Springs Utilities is modernizing the electric grid for sustainability and system resiliency and reliability.

Board Policy: N/A

Cost/Budget: The total acquisition amount is \$950,000.

Affected Parties: Staff has been working with 19 private property owners, Colorado Department of Transportation, Union Pacific and BNSF (Burlington Northern and Santa Fe) Railroads, and City departments to acquire the property rights needed for the project.

Alternatives: Recommend approval or denial of proposed acquisition.

Submitter: Jessica Davis	Email address: jedavis@csu.org
Division/ Department: Systems Planning and Projects	Phone number: 719-668-7581
	Date submitted: Oct. 2, 2023

SPG Staff Use Only: Consent Calendar

Yes

X

No

ITEM NO. 12



Colorado Springs Utilities
It's how we're all connected

**A RESOLUTION AUTHORIZING THE ACQUISITION OF
PERMANENT EASEMENTS ON THE PROPERTIES IDENTIFIED
BY EL PASO COUNTY TAX SCHEDULE NUMBERS 6420300033
AND 6419100027 TO BE USED FOR THE KELKER TO SOUTH
PLANT TRANSMISSION PROJECT**

Jessica Davis
Land Resource Manager
October 18, 2023

Kelker-South Plant Transmission Project

- Single circuit 115kV transmission line
 - ~5 miles long
- Ensure reliability of system
- Supporting additional power generation to the downtown network



Vicinity Map for Easement



Action Requested

- Request for item to be added to November 14, 2023, formal City Council agenda for approval.



Colorado Springs Utilities[®]

It's how we're all connected

EXHIBIT A

A PARCEL OF LAND BEING A PORTION OF THE ATCHISON TOPEKA AND SANTA FE RAILWAY COMPANY'S PROPERTY SITUATED IN THE EAST ONE-HALF OF SECTION 19 AND THE SOUTH ONE-HALF OF SECTION 20, TOWNSHIP 14 SOUTH, RANGE 60 WEST, OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO, BEARINGS FOR THIS DESCRIPTION BEING BASED ON THE WESTERLY LINE OF ROYER STREET EXTENDED, BEING A 100 FEET RIGHT-OF-WAY AS SHOWN ON AN EXISTING PLAT OF SUBDIVISION ENTITLED "WASHINGTON HEIGHTS ADDITION" RECORDED AMONG SAID LAND RECORDS, ASSUMED TO BE NORTH 00°07'54" EAST, SAID PARCEL BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING FOR THE SAID PARCEL OF LAND AT A POINT BEING ON THE CENTERLINE OF SAID ROYER STREET, SAID POINT ALSO BEING N 75°42'21" W A DISTANCE OF 679.27 FEET FROM THE EAST ONE-QUARTER CORNER OF SAID SECTION 19;

THENCE N 00°07'54" E A DISTANCE OF 118.38 FEET, ALONG SAID CENTERLINE;

THENCE LEAVING SAID CENTERLINE S 57°30'44" E A DISTANCE OF 312.88 FEET TO A POINT OF CURVATURE;

THENCE 491.27 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT HAVING A RADIUS OF 2814.79 FEET, AND A CENTRAL ANGLE OF 10°00'00" TO A POINT;

THENCE S 67°30'44" E, A DISTANCE OF 1208.85 FEET TO A POINT OF CURVATURE;

THENCE 457.85 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT HAVING A RADIUS OF 2914.79 FEET, AND A CENTRAL ANGLE OF 09°00'00" TO A POINT;

THENCE S 58°30'44" E A DISTANCE OF 867.20 FEET TO A POINT;

THENCE S 00°45'32" E A DISTANCE OF 118.24 FEET TO A POINT;

THENCE N 58°30'44" W A DISTANCE OF 930.28 FEET TO A POINT OF CURVATURE;

THENCE 442.15 FEET ALONG THE ARC OF SAID CURVE TO THE LEFT HAVING A RADIUS OF 2814.79 FEET AND A CENTRAL ANGLE OF 09°00'00" TO A POINT;

THENCE N 67°30'44" W, A DISTANCE OF 1208.85 FEET TO A POINT OF CURVATURE;

THENCE 508.73 FEET ALONG THE ARC OF SAID CURVE TO THE RIGHT HAVING A RADIUS OF 2914.79 FEET AND A CENTRAL ANGLE OF 10°00'00" TO A POINT;

THENCE N 57°30'44" W A DISTANCE OF 249.50 FEET TO THE POINT OF BEGINNING.

EXHIBIT A-1

[LEGAL DESCRIPTION PER EL PASO COUNTY TAX ASSESSOR]

TRACT IN SOUTHWEST 1/4 OF SECTION 20-14-66 AS FOLLOWS, BEGINNING AT A POINT 203 FEET SOUTHERLY FROM THE WEST QUARTER CORNER, SAID POINT BEING THE INTERSECTION OF WEST LINE OF SECTION 20 AND THE SOUTHERLY LINE OF ATCHISON, TOPEKA, & SANTA FE RAILROAD RIGHT-OF-WAY, THENCE S 65°17' E 973.3 FEET ALONG SAID RIGHT-OF-WAY, ANGLED RIGHT 92°30' SOUTHWESTERLY 113.45 FT, ANGLE RIGHT ALONG NORTHERLY LINE OF D + R G R/W TO POINT OF INTERSECTION WITH WEST LINE OF SAID SECTION, THENCE N 00°28' WEST ALONG SAID WEST LINE 112.65 FT TO THE POINT OF BEGINNING.

SURVEYED BY:
BLEW & ASSOCIATES P.A.
3825 N SHILOH DRIVE
FAYETTEVILLE, AR, 72703
PHONE #479-443-4506
SURVEY@BLEWINC.COM



EXHIBIT B

PARCELS OF LAND LYING WITHIN SECTIONS 19 & 20, TOWNSHIP 14 SOUTH, RANGE 66 WEST OF THE 6TH P.M., CITY OF COLORADO SPRINGS, EL PASO COUNTY, COLORADO, AS RECORDED IN THE REAL PROPERTY RECORDS OF EL PASO COUNTY, COLORADO AT BOOK 6089, PAGE 722, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWESTERLY CORNER OF LANDS DESCRIBED IN DEED BOOK 6089, PAGE 722 AT A POINT ON THE CENTERLINE OF SOUTH ROYER STREET;

THENCE NORTH 01 DEGREES 46 MINUTES 24 SECONDS EAST, A DISTANCE OF 100.81 FEET ALONG THE CENTERLINE OF SOUTH ROYER STREET;

THENCE SOUTH 47 DEGREES 48 MINUTES 29 SECONDS EAST, A DISTANCE OF 92.38 FEET;

THENCE SOUTH 59 DEGREES 30 MINUTES 32 SECONDS EAST, A DISTANCE OF 326.09 FEET;

THENCE SOUTH 60 DEGREES 27 MINUTES 03 SECONDS EAST, A DISTANCE OF 314.68 FEET;

THENCE SOUTH 59 DEGREES 55 MINUTES 14 SECONDS EAST, A DISTANCE OF 386.28 FEET;

THENCE SOUTH 74 DEGREES 34 MINUTES 32 SECONDS EAST, A DISTANCE OF 339.36 FEET;

THENCE SOUTH 65 DEGREES 14 MINUTES 50 SECONDS EAST, A DISTANCE OF 391.34 FEET;

THENCE SOUTH 64 DEGREES 41 MINUTES 24 SECONDS EAST, A DISTANCE OF 393.43 FEET;

THENCE SOUTH 58 DEGREES 00 MINUTES 53 SECONDS EAST, A DISTANCE OF 365.01 FEET TO A POINT ON THE SOUTHERLY LINE OF LOTS 30, 31 MOUNT WASHINGTON SUBDIVISION;

THENCE SOUTH 56 DEGREES 37 MINUTES 40 SECONDS EAST, A DISTANCE OF 726.78 FEET TO A POINT ON THE SOUTHERLY LINE OF LOT 1 BLOCK 1 METRO SUBDIVISION;

THENCE SOUTH 00 DEGREES 16 MINUTES 44 SECONDS WEST, A DISTANCE OF 116.77 FEET ALONG THE NORTHWESTERLY LINE OF THE LOT 1, LEON YOUNG SERVICE CENTER SOUTH, FILING NO. 1 TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF E LAS VEGAS STREET;

THENCE ALONG THE SOUTHERLY BOUNDARY LINE OF THE PROPERTY DESCRIBED IN EXHIBIT A REFERENCED ABOVE NORTH 56 DEGREES 45 MINUTES 42 SECONDS WEST, A DISTANCE OF 929.19 FEET;

THENCE CONTINUING ALONG SAID LINE FOLLOWING A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 442.12', HAVING A RADIUS OF 2814.67', WITH A CHORD BEARING OF NORTH 61 DEGREES 08 MINUTES 18 SECONDS WEST, WITH A CHORD LENGTH OF 441.67';

THENCE NORTH 66 DEGREES 53 MINUTES 22 SECONDS WEST, A DISTANCE OF 563.81 FEET;

THENCE NORTH 62 DEGREES 14 MINUTES 00 SECONDS WEST, A DISTANCE OF 391.00 FEET;

THENCE NORTH 61 DEGREES 21 MINUTES 50 SECONDS WEST, A DISTANCE OF 314.99 FEET;

THENCE NORTH 58 DEGREES 12 MINUTES 03 SECONDS WEST, A DISTANCE OF 312.15 FEET;

THENCE NORTH 56 DEGREES 22 MINUTES 39 SECONDS WEST, A DISTANCE OF 58.70 FEET TO THE POINT OF BEGINNING BEING ON THE CENTERLINE OF SOUTH ROYER STREET.

CONTAINING 294,856 SQ. FEET, OR 6.769 ACRES, OF LAND MORE OR LESS.

SURVEYOR'S CERTIFICATE



BUCKLEY D. BLEW
LICENSED PROFESSIONAL LAND SURVEYOR NO. 38540
STATE OF COLORADO

BASIS OF BEARING

ALL BEARINGS ARE GRID BEARINGS OF THE COLORADO STATE PLANE COORDINATE SYSTEM, CENTRAL ZONE, NAD83. THE BEARING OF THE LINE BETWEEN NGS PID JK0841 (A STAINLESS STEEL ROD IN MONUMENT CASE STAMPED "Y 395 1983") AND NGS PID JK0839 (A STAINLESS STEEL ROD IN MONUMENT CASE STAMPED "S 393 1983") IS S 44°54'47" E. ALL DISTANCES SHOWN HEREON ARE GROUND DISTANCES. COMBINED PROJECT SCALE FACTOR (GRID TO GROUND) IS 1.00018917943.

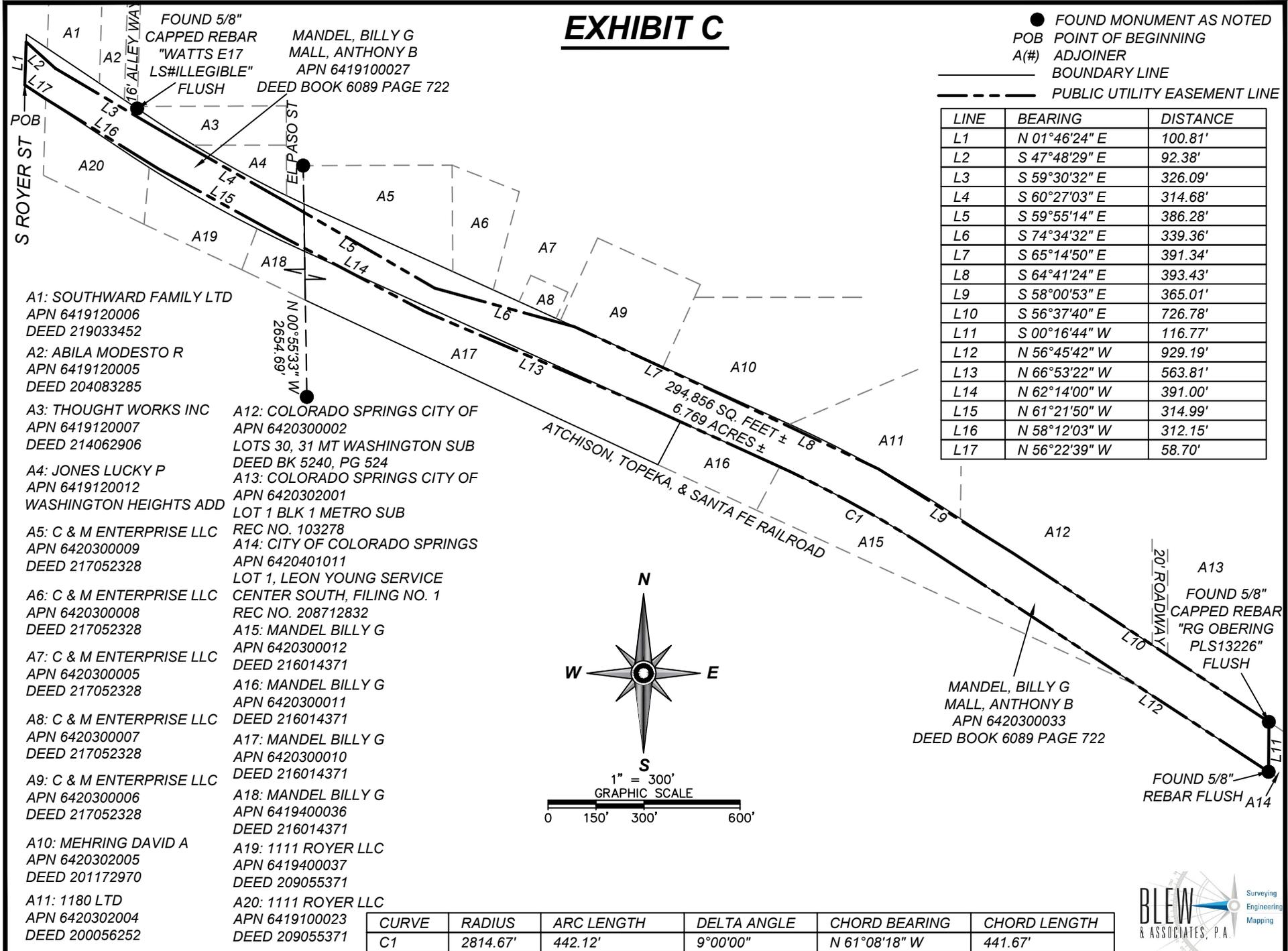
SURVEYED BY:
BLEW & ASSOCIATES P.A.
3825 N SHILOH DRIVE
FAYETTEVILLE, AR, 72703
PHONE #479-443-4506
SURVEY@BLEWINC.COM



EXHIBIT C

- FOUND MONUMENT AS NOTED
- POB POINT OF BEGINNING
- A(#) ADJOINER
- BOUNDARY LINE
- - - PUBLIC UTILITY EASEMENT LINE

LINE	BEARING	DISTANCE
L1	N 01°46'24" E	100.81'
L2	S 47°48'29" E	92.38'
L3	S 59°30'32" E	326.09'
L4	S 60°27'03" E	314.68'
L5	S 59°55'14" E	386.28'
L6	S 74°34'32" E	339.36'
L7	S 65°14'50" E	391.34'
L8	S 64°41'24" E	393.43'
L9	S 58°00'53" E	365.01'
L10	S 56°37'40" E	726.78'
L11	S 00°16'44" W	116.77'
L12	N 56°45'42" W	929.19'
L13	N 66°53'22" W	563.81'
L14	N 62°14'00" W	391.00'
L15	N 61°21'50" W	314.99'
L16	N 58°12'03" W	312.15'
L17	N 56°22'39" W	58.70'



- A1: SOUTHWARD FAMILY LTD
APN 6419120006
DEED 219033452
- A2: ABILA MODESTO R
APN 6419120005
DEED 204083285
- A3: THOUGHT WORKS INC
APN 6419120007
DEED 214062906
- A4: JONES LUCKY P
APN 6419120012
WASHINGTON HEIGHTS ADD
- A5: C & M ENTERPRISE LLC
APN 6420300009
DEED 217052328
- A6: C & M ENTERPRISE LLC
APN 6420300008
DEED 217052328
- A7: C & M ENTERPRISE LLC
APN 6420300005
DEED 217052328
- A8: C & M ENTERPRISE LLC
APN 6420300007
DEED 217052328
- A9: C & M ENTERPRISE LLC
APN 6420300006
DEED 217052328
- A10: MEHRING DAVID A
APN 6420302005
DEED 201172970
- A11: 1180 LTD
APN 6420302004
DEED 200056252

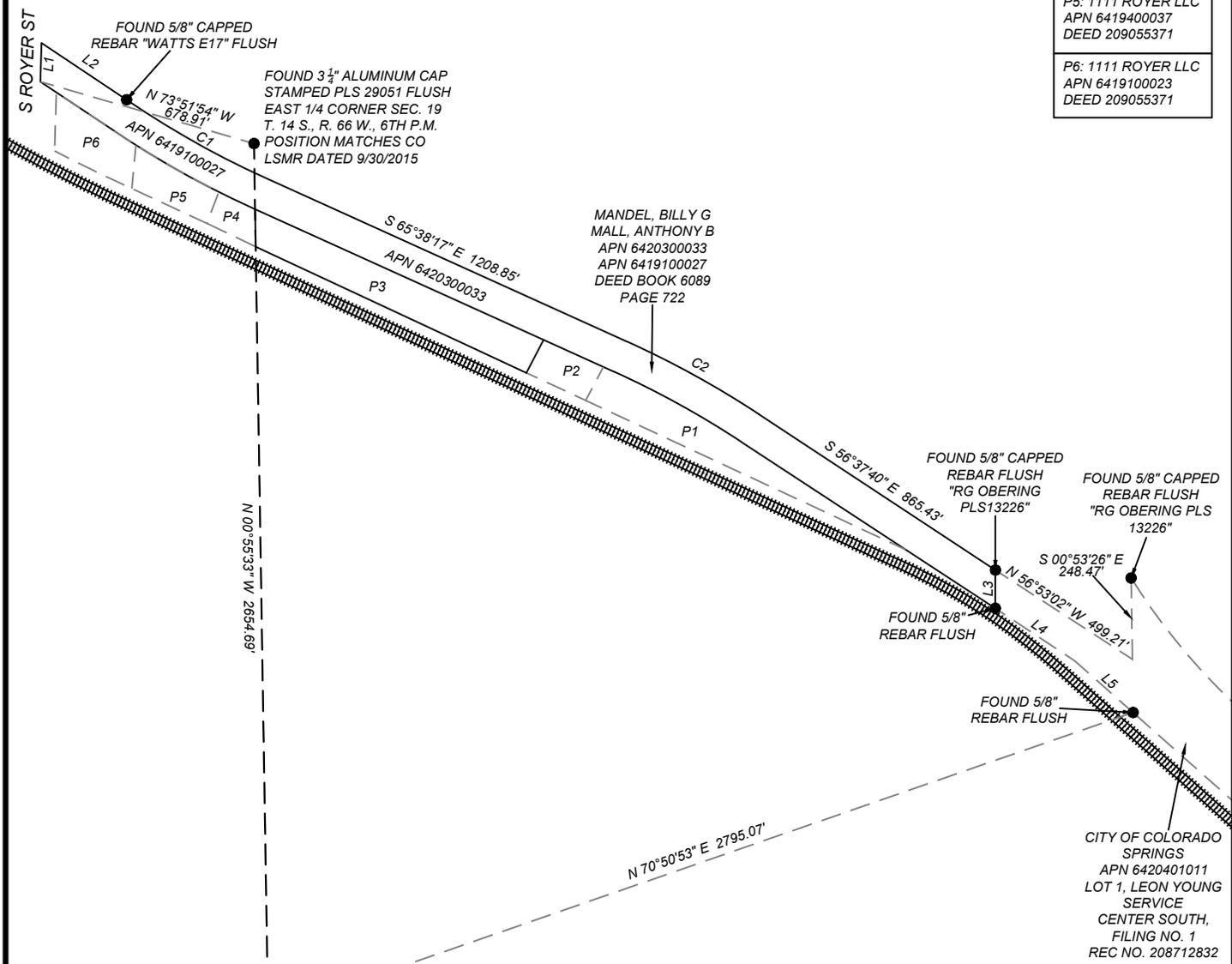
- A12: COLORADO SPRINGS CITY OF
APN 6420300002
LOTS 30, 31 MT WASHINGTON SUB
DEED BK 5240, PG 524
- A13: COLORADO SPRINGS CITY OF
APN 6420302001
LOT 1 BLK 1 METRO SUB
REC NO. 103278
- A14: CITY OF COLORADO SPRINGS
APN 6420401011
LOT 1, LEON YOUNG SERVICE
CENTER SOUTH, FILING NO. 1
REC NO. 208712832
- A15: MANDEL BILLY G
APN 6420300012
DEED 216014371
- A16: MANDEL BILLY G
APN 6420300011
DEED 216014371
- A17: MANDEL BILLY G
APN 6420300010
DEED 216014371
- A18: MANDEL BILLY G
APN 6419400036
DEED 216014371
- A19: 1111 ROYER LLC
APN 6419400037
DEED 209055371
- A20: 1111 ROYER LLC
APN 6419100023
DEED 209055371

CURVE	RADIUS	ARC LENGTH	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	2814.67'	442.12'	9°00'00"	N 61°08'18" W	441.67'



MONUMENTATION DETAIL

P1: MANDEL BILLY G APN 6420300012 DEED 216014371
P2: MANDEL BILLY G APN 6420300011 DEED 216014371
P3: MANDEL BILLY G APN 6420300010 DEED 216014371
P4: MANDEL BILLY G APN 6419400036 DEED 216014371
P5: 1111 ROYER LLC APN 6419400037 DEED 209055371
P6: 1111 ROYER LLC APN 6419100023 DEED 209055371

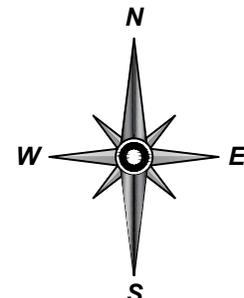


FOUND BENT REBAR WITH
BROKEN ALUMINUM CAP FLUSH
SOUTHEAST CORNER SEC. 19
T. 14 S., R. 66 W., 6TH P.M.
POSITION MATCHES CO LSMR
DATED 8/17/15

CITY OF COLORADO
SPRINGS
APN 6420401011
LOT 1, LEON YOUNG
SERVICE
CENTER SOUTH,
FILING NO. 1
REC NO. 208712832

LINE	BEARING	DISTANCE
L1	N 01°46'24" E	118.57'
L2	S 56°14'41" E	312.12'
L3	S 00°16'44" W	116.77'
L4	S 56°32'23" E	290.67'
L5	S 48°26'16" E	238.17'

CURVE	RADIUS	ARC LENGTH	DELTA ANGLE	CHORD BEARING	CHORD LENGTH
C1	2814.62'	491.27'	10°00'02"	S 60°38'17" E	490.65'
C2	2914.79'	457.85'	9°00'00"	S 61°08'17" E	457.38'



Board Memo Agenda Item

Staff Report

Date: October 18, 2023
To: Utilities Board
From: Travas Deal, Chief Executive Officer
Subject: Outside City Request for Water/Wastewater Service – 5315 Silver Drive

NARRATIVE:

Desired Action: Vote whether to recommend approval of extending water service to property outside City limits if it complies with City Code section 12.4.305 subject to approval of an Agreement to Annex by City Council.

Executive Summary:

- Colorado Springs Utilities received an application for water service in Park Vista Estates enclave from the owners of 5315 Silver Drive (single-family residence).
- Property is not contiguous and is ineligible for annexation.
- City Code 7.5.701.J. permits service without annexation subject to execution of an Agreement to Annex and City Council approval.
- If approved by City Council, Agreement to Annex would allow provision of Springs Utilities water/wastewater service to property located outside City limits.
- Extending water service into any area not within either the existing City limits or the water service boundary is subject to the recommendation of approval by the Utilities Board and approval by City Council (City Code 12.4.305.A.).
- Property meets de minimis impact to City's water supply and enclave exceptions.
- Property currently has access to water infrastructure without need for extension.
- There has been no previous Utilities Board action for this property.

Benefits: Approval of extension of water service would generate utility water revenue for Springs Utilities and allow homeowners to connect to Springs Utilities water service considering their underperforming well.

Board Policy: City Code section 12.4.305

Cost/Budget: Costs are null or de minimis.

Affected Parties: Colorado Springs Utilities, City of Colorado Springs, property owners and rate payers.

Alternatives: Recommend approval or denial of extension of water service boundary to a property located outside City limits.

Submitter: Bryan English

Email address: benglish@csu.org

Division/ System Planning and Projects,

Phone number: 719-668-8119

Department: Customer Utilities Connections

Date submitted: Oct. 16, 2023

SPG Staff Use Only: Consent Calendar

Yes

No

ITEM NO. 13



Colorado Springs Utilities
It's how we're all connected

Outside City Water & Wastewater Service & Agreement to Annex

October 18, 2023

Bryan English, PMP, Development Projects Manager

Customer Utilities Connections

Service Request

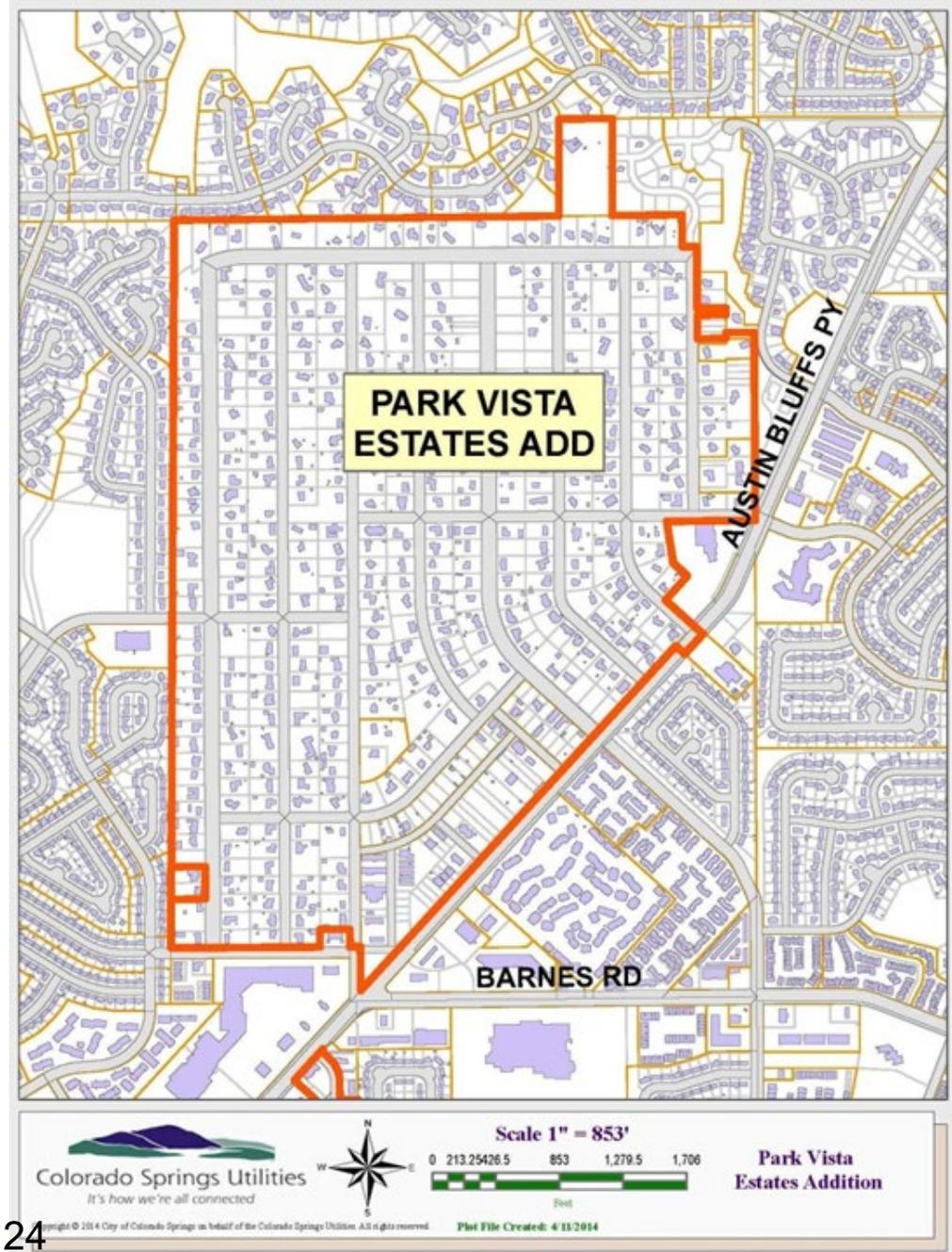
Owners of 5315 Silver Drive have requested Springs Utilities water service for single-family residential use

Property located in Park Vista Estates, which is a 372-acre, 558 lot enclave, located north of Austin Bluffs Pkwy and Barnes Road

Property currently served by well and septic system

Property's well has failed

Springs Utilities provides natural gas and electric service to property and enclave



Provision of Water/Wastewater Service

- Property not contiguous with City limits
 - Ineligible for annexation under Colorado Revised Statutes
- City Code 7.5.701.J: Service Without Annexation
 - Springs Utilities may provide water and wastewater services upon approval of City Council through an Agreement to Annex
 - City Planning supports

Agreement to Annex

- Standard form Agreement to Annex
 - ✓ Southeastern Colorado Water Conservancy District inclusion in process
 - ✓ Deed all groundwater rights to City of Colorado Springs
 - ✓ Typical Springs Utilities' extension policies apply
 - ✓ No utility capacity issues anticipated
 - ✓ Per tariff, owner will pay outside-City water/wastewater Development Charges and utility rates that are 50% higher than inside-City rates

Springs Utilities Considerations 7.5.701.J.

Existing water main located in Silver Drive

Sufficient capacity exists at time of application

Agreement to Annex includes provisions for future wastewater service

- No existing wastewater mains
- Service available on a first-come first-serve basis subject to available capacity
- Avoids future amendment or new Agreement to Annex



City Code 12.4.305

- Requires Utilities Board to recommend and City Council approval to provide water service outside City limits
 - Approval must be based on substantiated and written record demonstrating one of the following:

1. 128% of existing water usage* plus projected demand for proposed water extension(s), and 25% of the perimeter of the area is contiguous with City limits,

OR

2. A unique and extraordinary event or circumstance necessitates an extension of water services to serve critical interests of the City,

OR

3. The area is an enclave, or
The area is owned or leased by the City, or
The extension will have a de minimis impact on the overall City's available water supply.

**Calculated using a five- (5) year rolling average of unrestricted weather normalized usage data*

Application of City Code 12.4.305

- Per City Code 12.4.305.B.3.
 - Proposed water service meets de minimis exception
 - De minimis impact to City's water supply
 - 0.3 acre-feet/year (AFY)
 - De minimis: Projected water demand < 39 AFY
 - 0.3 AFY < 39 AFY

Utilities Board Action

- Per City Code 12.4.305.A., extending water into any area not within either the existing City limits or the water service boundary is subject to the recommendation of approval by the Utilities Board and approval by City Council



Colorado Springs Utilities[®]

It's how we're all connected

**AGREEMENT PROVIDING
WATER SERVICE AND/OR WASTEWATER SERVICE TO LAND LOCATED
OUTSIDE THE CITY LIMITS
OF THE CITY OF COLORADO SPRINGS
AND
AGREEMENT TO ANNEX**

WHEREAS, **Bruce W. Thomas and Cortney A. Thomas** (collectively "Owner") is/are the owner(s) of real property in El Paso County, Colorado, as shown on the location sketch map and as described and set forth in the attached Exhibit "A" (the "Property"); and

WHEREAS, a building (or other structure(s)) exists on the Property located at **5315 SILVER DRIVE** Colorado Springs, CO (**TSN 6323103011**) that is used for single-family residential purposes and Owner has recently requested water and/or wastewater service for the Property from the City of Colorado Springs, a home rule city and Colorado municipal corporation (the "City"); and

WHEREAS, the Property is subject to a deed of trust for which **NEWREZ, LLC, 1100 Virginia Drive, suite 125, Fort Washington, PA 19034**, is the beneficiary (the "Financial Institution") recorded **April 23, 2021** at **Reception No. 221080916** in the records of the El Paso County Clerk and Recorder; and

WHEREAS, the Property is located within an enclave, which enclave is surrounded by the corporate limits of the City and which enclave is or will be eligible for unilateral annexation by the City under the provisions of the Municipal Annexation Act of 1965, Part 1 of Article 12 of Title 31, C.R.S., as amended (the "Annexation Act"), and Colo. Const. Art. II, § 30; and

WHEREAS, the City has considered Owner's request for Service, and has determined that the Property sought to be served is not presently eligible for annexation to the City or, if eligible for annexation, has determined that it is not in the best interests of the City to annex the Property at this time; and

WHEREAS, the City is under no obligation to furnish, but is agreeable to furnishing, Service upon the terms and conditions set forth below because the City has determined the extension of Service under the terms of this Agreement constitutes a community benefit.

NOW, THEREFORE, in consideration of the promises and in further consideration of the benefits which will accrue to the City and Owner, the City and Owner have entered into this Agreement Providing Water Service and/or Wastewater Service to Land Located Outside the City Limits of the City of Colorado Springs and Agreement to Annex (the "Agreement") under the following terms and conditions:

1. This Agreement shall constitute the unqualified and irrevocable consent of Owner to annex the Property to the City and the City shall not be required to seek legal

action to compel specific performance of this Agreement to Annex, but may proceed by ordinance to annex all or part of the Property as if Owner had petitioned for annexation, whenever the Property becomes eligible for annexation pursuant to the Annexation Act. Owner further agrees to execute a petition for annexation, prepare annexation plats, pay all required fees and execute any other documents the City determines are necessary to annex Owner's Property to the City. Owner agrees that the provisions of this Agreement are applicable to the Property described in Exhibit "A" or any portion of the Property. It is further agreed that Owner will not annex the Property or any portion, or incorporate the Property with any other municipality or special service district as described in Paragraph 10 without the prior written consent of the City.

2. It is specifically understood that the Service to be furnished by the City is for only the single-family residential use described in this Agreement and shall be in conformity with the regulations of the City in furnishing water and/or wastewater outside its corporate limits and in further conformity with all applicable resolutions, codes, ordinances, regulations and policies of the City. Owner expressly agrees to be bound by and to comply with any and all City ordinances pertaining to water shortages, outdoor watering restrictions and water-efficient landscaping. Owner understands and agrees that the City imposes charges for water service and/or wastewater service provided outside of its corporate limits at a higher rate than applicable to the provision of such services within the corporate limits of the City. Upon annexation of the Property to the City, charges for water service and/or wastewater service subsequent to annexation shall be at the rates applicable to the provision of such services within the corporate limits of the City.

3. If Owner or Owner's successor in interest desires a different water service and/or wastewater service than granted the Property in this Agreement, or desires to put the Property to a use other than single-family residential, a change request shall be made to City Council. If granted, the request shall be upon terms and conditions as may be imposed by City Council. If the use of the Property for which the change request is made involves subdividing the Property or developing the Property for other residential, commercial or industrial purposes, the conditions for granting Owner's request shall include full compliance with the code, ordinances, rules, regulations and policies of the City.

4. If necessary, Owner will extend water and/or wastewater main lines or service lines to the Property, at Owner's expense, in accord with the City's codes, ordinances, rules, regulations and policies in effect at the time of the specific water service and/or wastewater service request. A first-come, first-served policy will govern availability of supply.

5. In the event Owner is not required to extend water service and/or wastewater service and lines and connect to the City's water and/or wastewater system at the time of entering into this Agreement, Owner shall connect to the City's water and/or wastewater system at Owner's expense at the time of request or when required under applicable codes, ordinances, rules, regulations and policies of the City in effect at the time of the request for Service. Water distribution and treatment capacity, along with wastewater collection and treatment capacity, is not guaranteed by this Agreement, but

by Service availability at the time of request. The first-come, first-served policy will govern availability of supply.

Owner agrees to pay its pro rata share of applicable water and/or wastewater treatment plant facility costs through established Water and Wastewater System Development Charges. Owner will pay a pro rata share of any existing water and wastewater infrastructure or facility costs assessed through established recovery agreement charges when required by codes, ordinances, rules, regulations or policies of the City. Water distribution and/or wastewater collection facilities required to serve the Property must be designed and constructed at Owner's expense in accordance with applicable codes, ordinances, rules, regulations or policies of the City at the time of the request for Service.

Owner agrees to participate with other developments on a fair share pro rata basis in present and future off-site relief or other water and/or wastewater facilities.

6. As provided in the Special Warranty Deed and Irrevocable Consent to the Appropriation, Withdrawal and Use of Groundwater ("Deed"), which is attached to this Agreement as Exhibit B and hereby incorporated by reference, Owner grants to the City, all right, title and interest to any and all groundwater underlying or appurtenant to and used upon the Property, and any and all other water rights appurtenant to the Property (collectively referred to as the "Water Rights"), together with the sole and exclusive right to use the Water Rights and all rights of ingress and egress required by the City to appropriate, withdraw and use the Water Rights. The Deed conveying the Water Rights shall be executed by the Owner concurrently with this Agreement and shall be made effective immediately after execution by the City. The Deed shall be recorded at the El Paso County Clerk and Recorder's office.

Furthermore, pursuant to C.R.S. § 37-90-137(4), as now in effect or hereafter amended, on behalf of Owner and all successors in title, Owner irrevocably consents to the appropriation, withdrawal and use by the City of all groundwater underlying or appurtenant to and used upon the Property.

In the event the City chooses to use or further develop the Water Rights that have been conveyed, Owner agrees to provide any and all easements required by the City prior to the construction and operation of any City well or water-rights-related infrastructure on the Property. Wells constructed by the City outside the Property may withdraw groundwater under Owner's Property without additional consent from Owner. Utilities may authorize Owner to continue to utilize wells located on the Property that are permitted or decreed for domestic purposes, until the Property is connected to the City's water system. Owner agrees that any wells permitted or decreed for domestic purposes only that are located on the Property at the time of connection to the City's water system will be plugged and abandoned in accord with state rules and regulations. The City may permit Owner to continue to use wells for irrigation or livestock purposes only in accord with the permit or decree when the permit or decree includes use of the well for irrigation or livestock purposes, provided that the City may withdraw this authorization upon notification to Owner by Colorado Springs Utilities. No commingling of well and City water supply will be permitted.

7. Owner shall also construct facilities, if determined necessary by the City Engineer, for the safe discharge of all subsurface water into a drainage conveyance facility. These facilities are not eligible for drainage basin credit or reimbursement.

8. Owner and the City acknowledge that if the Property is not located within the corporate limits of the City at the time of its development, Owner nevertheless agrees to comply with all codes, ordinances, rules, regulations and policies of the City including, but not limited to, the City's Subdivision Code, Building Code, Fire Code, Drainage Ordinance, and Utility Extension Policies as now existing or subsequently amended, except to the extent that compliance would be unlawful under the applicable resolutions, codes and regulations of the El Paso County Board of County Commissioners or another governmental entity having jurisdiction. In the event compliance is unlawful under the applicable resolutions, codes and regulations of the El Paso County Board of County Commissioners or other governmental entity having jurisdiction over the Property, Owner shall post assurances to bring any improvements into compliance with City codes, ordinances, rules, regulations and policies upon annexation.

Compliance with City codes, ordinances, rules, regulations and policies pertaining to land development shall require, but shall not be limited to:

- a. Payment of all applicable Water and Wastewater Development Charges and fees.
- b. Payment of required park and/or school fees in lieu of dedication to the City.
- c. Dedication, design and construction of required streets, sidewalks, curbs, gutters, drainage and utilities, to City standards, or to the standards of the entity having responsibility for maintenance, whichever standard is more strict, or post acceptable financial assurances.
- d. Dedication of easements including, but not limited to, utility, drainage and other public improvements as required by the City Subdivision Code, or post acceptable financial assurances.
- e. Provision for necessary drainage facilities or the payment of drainage fees and arterial roadway bridge fees.
- f. Agreement to participate with other developments on a fair share pro rata basis in present and future drainage and/or off-site relief or other water facilities.

9. Owner agrees to pay fees, charges and take such other actions as set forth in Paragraph 8 at the time of annexation, when required under the provisions of the applicable City codes, ordinances, rules, regulations and policies or at any other time as requested by the City. Fees payable and requirements imposed under Paragraph 8 shall be those in effect at the time the fees are required to be paid or other action to be taken under the provisions of Paragraph 8 and not those fees in effect or requirements in effect at the time of execution of this Agreement. The City may require proof of payment or proper dedication of land prior to the connection of any water service and/or wastewater service under this Agreement. This Agreement shall not be interpreted to require the City

to install any park or drainage facility at any specific location or within any period of time, nor as relieving Owner of any liability or obligation to third persons to provide or to refrain from providing drainage. The City shall incur no obligation to Owner by reason of any claims, suits, judgments, or other liability or obligation resulting from Owner providing or failing to provide drainage. Owner specifically agrees to indemnify and hold the City harmless from all such claims.

10. Owner understands that certain infrastructure and/or easements serving the Property may be required by the City to meet appropriate City standards at the time of utility service extension to the Property or at the time of annexation of the Property to the City, or at another subsequent time as the City determines is appropriate to be upgraded to meet City standards. Infrastructure may include public utilities and public works projects including, but not limited to, paving and improvements of streets, curb, gutters, drainage facilities, and water and/or wastewater systems necessary to serve the Property subject to this Agreement. Infrastructure may be designed, financed, constructed, and/or maintained by special districts or other entities. These entities may include, but are not limited to, special districts, general improvements districts, limited improvement districts, special improvement maintenance districts, metropolitan districts, and building authorities or another district by whatever name, whether established pursuant to or subsequent to the annexation of the Property to the City or established prior to the annexation of the Property to the City. This Agreement shall constitute Owner's unqualified and irrevocable consent to including the Property within any of the foregoing entities and assessing the Property a fair share of the cost of any improvements as determined by City Council or the governmental authority having jurisdiction. In addition to or in lieu of the construction of improvements by the foregoing entities, the City may at any time require Owner to execute an agreement obligating Owner and the Property to pay for some or all of the improvements and a fair share as the City in its sole discretion may determine is appropriate.

11. The covenants and agreements contained in this Agreement shall run with the land described and affected by this Agreement, and shall extend to and be binding upon the Owner's heirs, assigns, legal representatives and successors and Owner for himself and his heirs, assigns, legal representatives and successors in interest. This Agreement shall be recorded with the El Paso County Clerk and Recorder.

The Financial Institutions expressly accepts and approves these covenants and agreements.

12. As further consideration for the City providing Service, if all or part of the Property is eligible for annexation and if for any reason Owner or Owner's successor in interest does not or cannot abide by the terms and conditions of this Agreement, then the subject Service provided may be terminated by and at the sole option of the City.

13. Nothing in this Agreement shall abridge or shall be construed as a limitation on the City's authority to adopt different ordinances, rules, regulations, resolutions, policies or codes that apply generally or to the Property specifically.

14. Owner will comply with all ordinances, codes, rules, regulations and policies

of the City as now exist or may be amended or adopted in the future which are applicable to the Property under the terms of this Agreement, or are otherwise applicable to the Property after the annexation to the City.

15. Extension of water service and/or wastewater service under the terms of this Agreement is for the sole benefit of Owner and shall not be interpreted to create rights in a third party beneficiary or constitute City Council's determination of any policy pertaining to extension of water service and/or wastewater service to other similarly situated individuals or property.

16. As used in this Agreement, the term "Owner" shall also mean any of Owner's heirs, executors, personal representatives, successors, transferees or assigns and shall also include the Financial Institutions, if the Financial Institutions, their successors, transferees, or assigns becomes owner of the Property through foreclosure or otherwise. A subsequent owner of the Property shall have the right to enforce this Agreement subject to its provisions to the same extent as the original Owner of the Property.

17. This Agreement may be amended by Owner and the City with the concurrence of the Financial Institutions. Should the Financial Institutions no longer hold an interest in the Property and an affidavit to that effect is filed with the City and the El Paso County Clerk and Recorder, their concurrence with any amendment will not be required.

Any amendment shall be recorded in the records of El Paso County, shall run with the land and shall be binding upon all persons or entities now having or later acquiring an interest in the Property subject to the amendment unless otherwise specified in the amendment.

18. By executing this Agreement, the Financial Institutions agree that: (1) should it become Owner of the Property through foreclosure or otherwise, it will be bound by the terms and conditions of this Agreement to the same extent as Owner; and (2) should it become Owner of the Property, any provisions in its deed of trust or other agreements pertaining to the Property in conflict with this Agreement shall be subordinate to and superseded by the provisions of this Agreement.

19. The parties to this Agreement agree that for breach of any covenant, term or condition of this Agreement by any Owner, damages are not to be considered an adequate or exclusive remedy, and the City may compel specific performance of this Agreement.

20. If any part of this Agreement is declared void by a Court of competent jurisdiction, the parties agree that the void provision shall not affect the remaining terms and conditions of this Agreement, which shall continue in full force and effect.

OWNER:

Bruce W. Thomas

Cortney A. Thomas

STATE OF COLORADO)
) ss.
COUNTY OF EL PASO)

The foregoing instrument was acknowledged before me this _____ day of _____, 2023, by _____ and _____, as Owner.

My commission expires: _____.

Notary Public

EXHIBIT B

SPECIAL WARRANTY DEED AND IRREVOCABLE CONSENT
TO THE APPROPRIATION, WITHDRAWAL AND USE OF GROUNDWATER
5315 Silver Drive Agreement to Annex

Bruce W. Thomas and Cortney A. Thomas (“Grantor(s)”), whose address is **5315 Silver Drive**, in consideration of the benefits received pursuant to the 5315 Silver Drive Agreement Providing Water Service and/or Wastewater Service to Land Located Outside the City Limits of the City of Colorado Springs and Agreement to Annex dated _____ (“Annexation Agreement”), which is executed by Grantor(s) concurrently with this Special Warranty Deed, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, sell and convey to the City of Colorado Springs, Colorado (“Grantee”), whose address is 30 S. Nevada Avenue, Colorado Springs, CO 80903, all right, title, and interest in any and all groundwater underlying or appurtenant to and used upon the property described in Exhibit A (“Property”) and any and all other water rights appurtenant to the Property, collectively referred to as the “Water Rights,” together with the sole and exclusive right to use the Water Rights and all rights of ingress and egress required by the Grantee to appropriate, withdraw and use the Water Rights; and Grantor(s) warrants title to the same against all claims arising by, through, or under said Grantor(s). The Water Rights include, but are not limited to, those described in Exhibit B hereto.

Furthermore, pursuant to C.R.S. § 37-90-137(4), as now exists or may later be amended, Grantor(s), on behalf of Grantor(s) and any and all successors in title, hereby irrevocably consent in perpetuity to the appropriation, withdrawal and use by Grantee of all groundwater underlying or appurtenant to and used upon the Property.

This Special Warranty Deed and the consent granted herein shall be effective upon its execution.

Executed this _____ day of _____, 2023.

GRANTOR(s):

By: _____

Bruce W. Thomas

By: _____

Cortney A. Thomas

SPECIAL WARRANTY DEED AND IRREVOCABLE CONSENT
TO THE APPROPRIATION, WITHDRAWAL AND USE OF GROUNDWATER
5315 Silver Drive Agreement to Annex (Cont.)

STATE OF)
) ss.
COUNTY OF)

The foregoing instrument was acknowledged before me this ____day of _____, 2023, by **Bruce W. Thomas and Cortney A. Thomas**, Grantor(s).

My commission expires: _____.

Notary Public

Accepted by the City of Colorado Springs

By: _____ this _____ day of _____, 2023
Real Estate Services Manager

By: _____ this _____ day of _____, 2023

Approved as to Form:

By: _____ Date: _____
City Attorney's Office

Exhibit A
to the
Special Warranty Deed and Irrevocable Consent to the Appropriation,
Withdrawal and Use of Groundwater executed by
Bruce W. Thomas and Cortney A. Thomas, Grantor(s) on _____

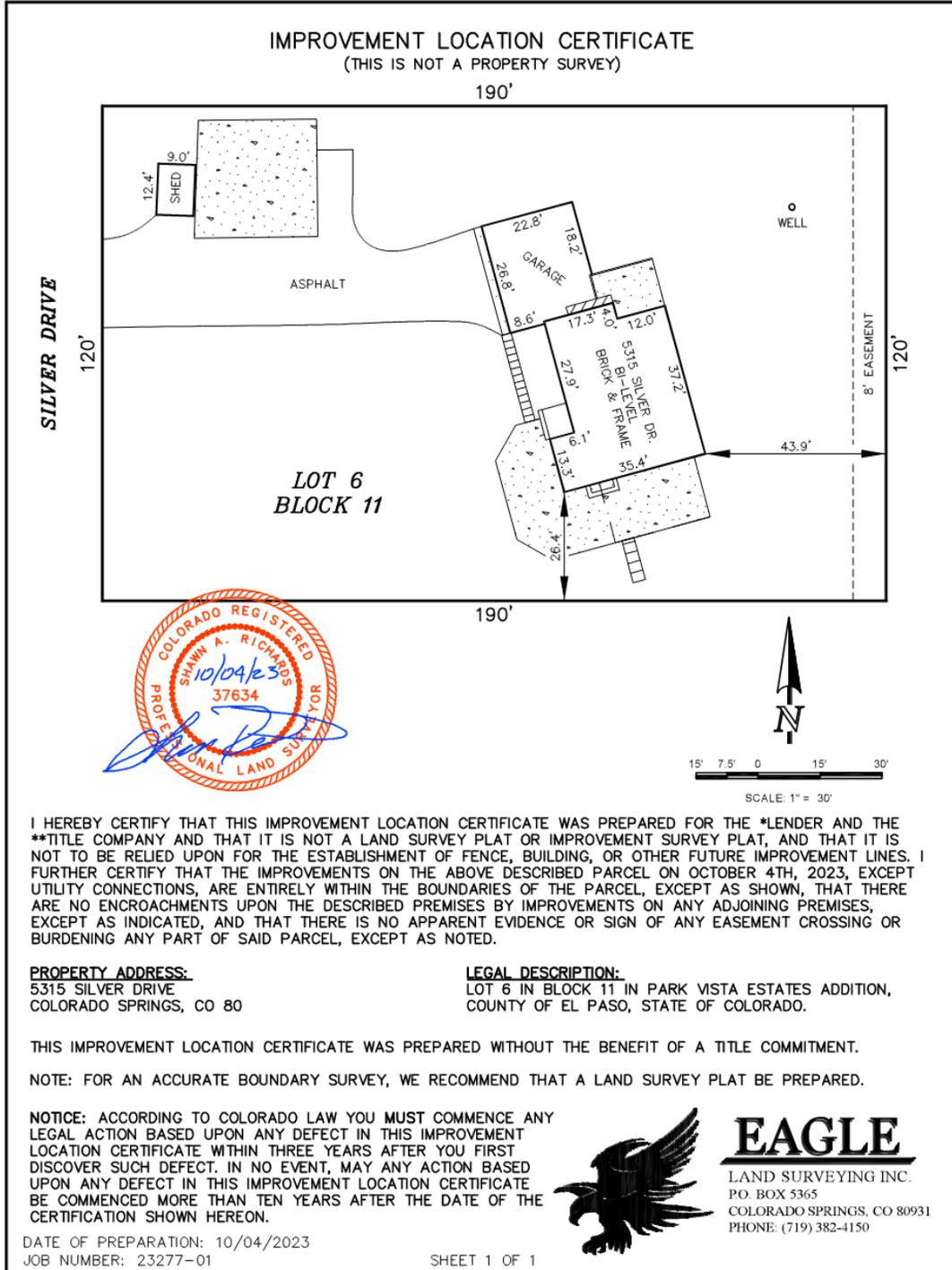


Exhibit B
to the
Special Warranty Deed and Irrevocable Consent to the Appropriation,
Withdrawal and Use of Groundwater Executed by
Bruce W. Thomas and Cortney A. Thomas Grantor(s) on _____.

Decreed Groundwater Rights

N/A

Permitted Groundwater

Permit No.	144356
Date of Permit:	December 19, 1986
Source:	Unknown
Amount:	15 GPM (Household use only, NO Irrigation Use Allowed)
Name of Owner:	Jim Palone

Legal Description of Well or other Structure: well located at distances of 2150 feet from the north section line and 1422 feet from the west section line in the WE1/4 of the NW1/4, Section 23, Township 13S, Range 66 West of the 6th P.M..

Surface Water Rights

N/A

RESOLUTION NO. ____-23

A RESOLUTION APPROVING AN AGREEMENT TO ANNEX AND TO PROVIDE WATER AND WASTEWATER SERVICE OUTSIDE THE CITY LIMITS TO 5315 SILVER DRIVE IN UNINCORPORATED EL PASO COUNTY

WHEREAS, the property owners in unincorporated El Paso County at 5315 Silver Drive, (TSN: 6323103011) (the "Property") requested water and wastewater service directly from Colorado Springs Utilities for single-family residential use; and

WHEREAS, City Council has previously approved Agreements to Annex and water and wastewater service to other residences in this area, which is partially surrounded by the corporate limits of the City of Colorado Springs, Colorado in unincorporated El Paso County and Colorado Springs Utilities is providing water and wastewater service for other residences in the area; and

WHEREAS, there is sufficient water capacity and pressure available to serve the Property; and

WHEREAS, there is sufficient wastewater treatment capacity available to serve the Property; and

WHEREAS, water distribution facilities exist in the area and a main extension is not required to extend service to the Property; and

WHEREAS, wastewater distribution facilities do not exist in the area and a main extension is required to extend service to the Property; and

WHEREAS, the property owners have executed an Agreement to Annex and irrevocably consent to annex the Property to the City and have agreed to surrender groundwater rights as a condition of service; and

WHEREAS, the Property is outside the City limits but within an enclave that is surrounded by the City of Colorado Springs and Colorado Springs Utilities' water and wastewater service area; and

WHEREAS, Utilities Board has recommended extending the water service boundary to include the Property base on a finding that the proposed use will have a de minimis impact on the overall City's available water supply; and

WHEREAS, "Residential Service – Outside City Limits" of the Water Rate Schedules and Wastewater Rate Schedules of Colorado Springs Utilities' Tariff, requires prior City Council approval for Colorado Springs Utilities to provide end-use water service and wastewater service outside the corporate limits of the City of Colorado Springs in areas where water and wastewater service is available from Utilities.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. The City Council finds, based on a substantiated and written record, that extension of the water service boundary to include the Property will have a de minimis impact on the overall city's available water supply.

Section 2. The City Council finds the request for water and wastewater service at the Property from Colorado Springs Utilities for single-family residential use is in the best interests of the City and meets all applicable requirements of the law.

Section 3. Pursuant to "Residential Service - Outside City Limits" of the Water Rate Schedules and Wastewater Rate Schedules of Colorado Springs Utilities' Tariff, City Council hereby approves water and wastewater service outside the corporate limits of the City of Colorado Springs to the Property for single-family residential use. The water and wastewater service may not be enlarged or the use changed without the prior written approval of the City. Any requests to enlarge service or change use shall be reviewed in accord with the then-current tariffs, rules, regulations, ordinances or other applicable law, and may require the property owners execute a new Agreement to Annex.

Section 4. The President of Council is hereby authorized to execute this Resolution and the Agreement to Annex in the form attached hereto on behalf of the City of Colorado Springs and the City Clerk is authorized to attest the President of Council's signature. The Chief Executive Officer of Utilities is authorized to administer the Agreement.

Dated at Colorado Springs, Colorado this ____ day of _____, 2023.

Randy Helms, President of Council

ATTEST:

Sarah B. Johnson, City Clerk

Board Memo Agenda Item

Staff Report

Date: October 18, 2023
To: Utilities Board
From: Travas Deal, Chief Executive Officer
Subject: Proposed Natural Gas Service Boundary Adjustment

NARRATIVE:

Desired Action: Informational presentation regarding proposed City Council approval of natural gas service boundary adjustment under City Charter section 6-70.

Executive Summary: Staff, through the City Attorney's Office, is recommending that the Utilities Board move forward a resolution to City Council that will allow Springs Utilities to adjust a portion of its outside-of-the-City natural gas service boundary. Currently there are no gas customers located in this territory, which territory is within the Sterling Ranch development area. Future customers in this territory will be served natural gas by Black Hills Colorado Gas, Inc. Because the Sterling Ranch development's platted and soon to be platted parcel borders do not follow the current natural gas service boundary, the developer requested a more practical gas service boundary. Springs Utilities and Black Hills support accommodating the developer's request. Finalizing this service boundary adjustment will also require the approval of the Colorado Public Utilities Commission.

Benefits: A cooperatively reached and practical natural gas service boundary that supports development of Sterling Ranch.

Board Policy: Pursuant to Colorado Springs City Charter 6-70, "[t]he Council shall by . . . resolution establish . . . extension policies for the services provided by Utilities." See *also* City Code 7.5.701.A.1.

Cost/Budget: N/A

Affected Parties: Colorado Springs Utilities, Black Hills Colorado Gas, Inc., and future residents and businesses that locate in Sterling Ranch

Alternatives: Approval or denial of proposed natural gas service boundary adjustment.

Submitter: Todd Sturtevant	Email address: tsturtevant@csu.org
Division/ Department: Customer Utilities Connections	Phone number: 719-668-8128
	Date submitted: Sep. 5, 2023

SPG Staff Use Only: Consent Calendar	<input type="checkbox"/>	Yes	<input checked="" type="checkbox"/>	No	ITEM NO. 13
---	--------------------------	-----	-------------------------------------	----	--------------------



Colorado Springs Utilities
It's how we're all connected

Proposed Natural Gas Service Boundary Adjustment

Todd Sturtevant, System Extensions Manager

October 18, 2023

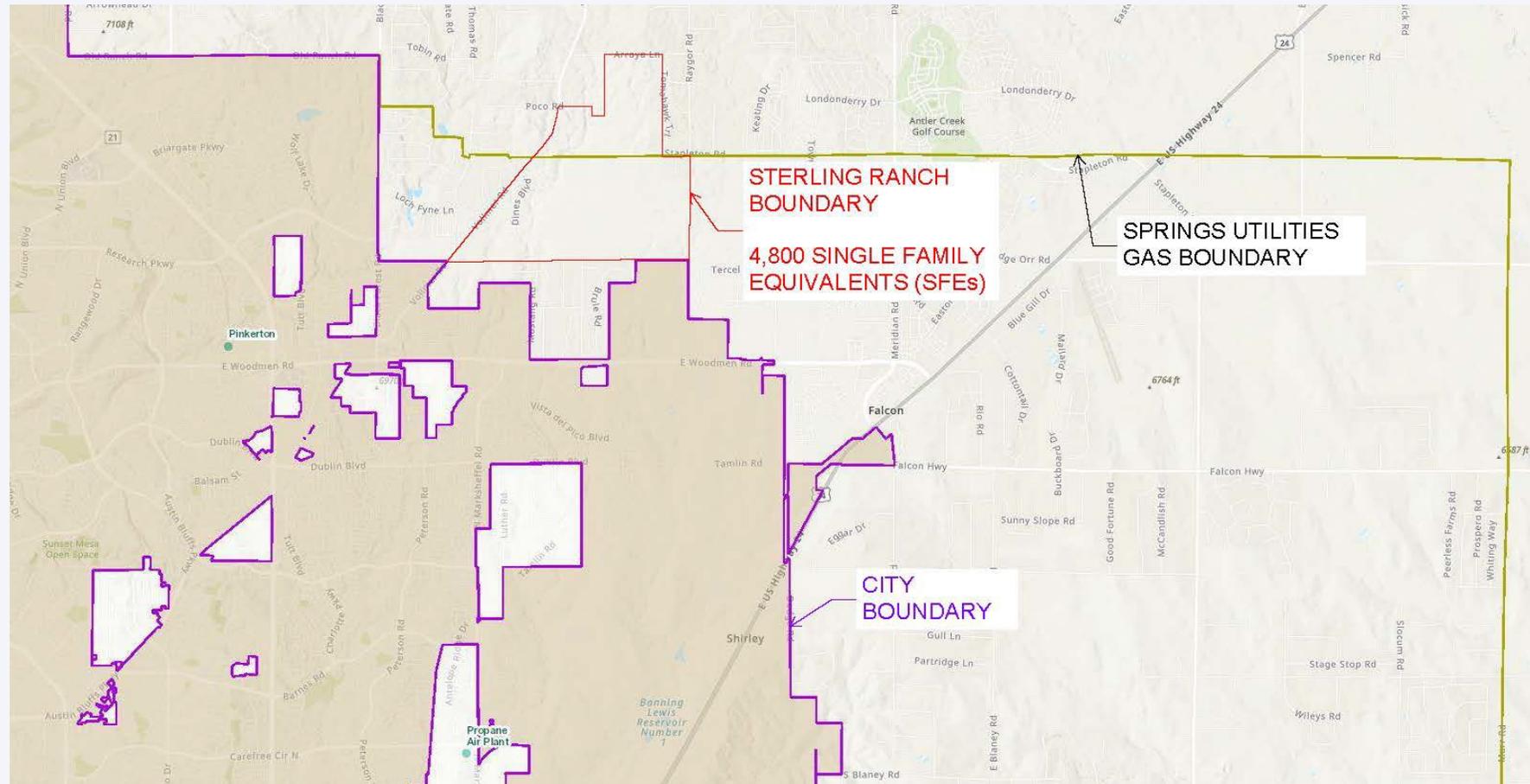
Agenda

1. Controlling Law
2. Basis for proposed service boundary adjustment
3. Next Steps

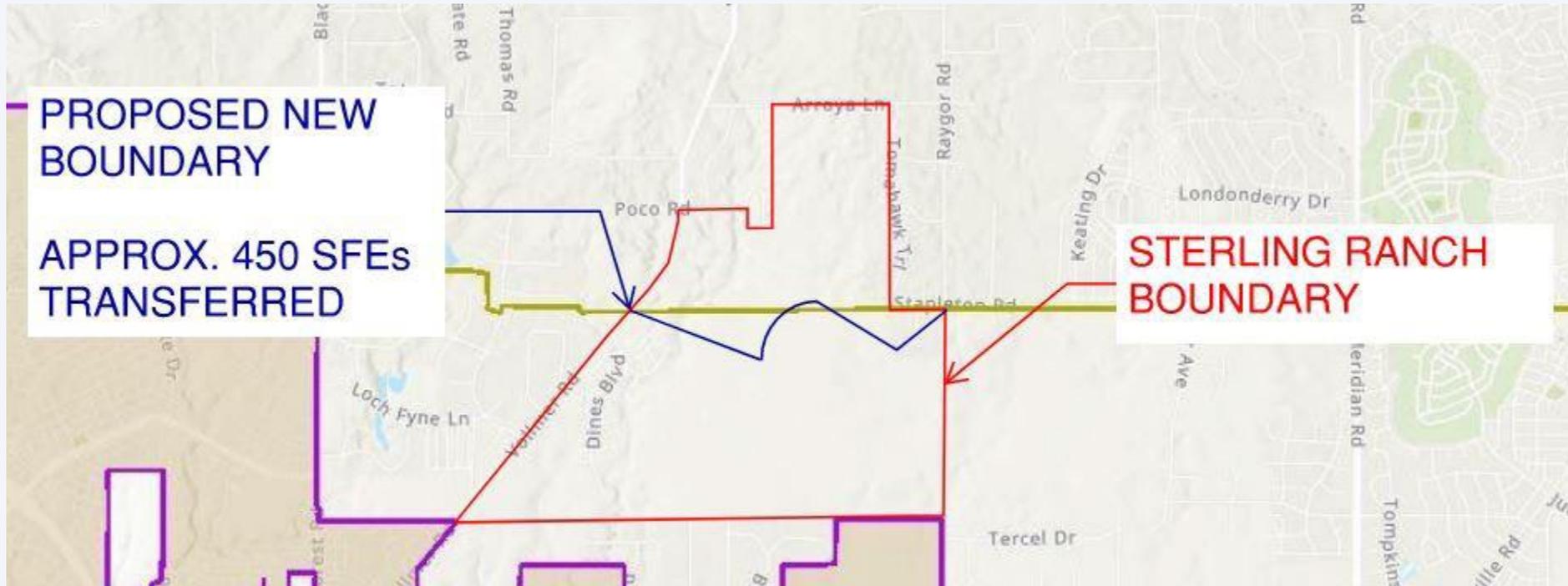
Controlling Law

- Per City Charter 6-70 and City Code 7.5.701, City Council establishes Springs Utilities' "extension policies"
- This City Council power includes the establishment of Springs Utilities' service territory boundaries
- Power exercised by City Council resolution
- Colorado Public Utilities Commission also has a role
 - Affected territory is outside of the City
 - Impacts Black Hills Colorado Gas, Inc.

Sterling Ranch and Relevant Boundaries



Proposed Natural Gas Service Boundary



Basis for Proposed Service Boundary Adjustment

- Current service boundary does not follow the platted and soon to be platted parcel borders
- Respond to developer's request for a practical natural gas utility service boundary
- Proposed new natural gas service boundary follows parcel borders and is acceptable to both Springs Utilities and Black Hills

Action Requested and Next Steps

- Request for item to be added to October 24, 2023, formal City Council agenda for a vote
- If approved by City Council, apply jointly with Black Hills to the Colorado Public Utilities Commission for its approval



Colorado Springs Utilities[®]

It's how we're all connected

RESOLUTION NO. 23-16

A RESOLUTION REGARDING CERTAIN CHANGES TO COLORADO SPRINGS UTILITIES' NATURAL GAS SERVICE BOUNDARY

WHEREAS, Colorado Springs Utilities' (Utilities) natural gas service territory outside of the corporate limits of the City of Colorado Springs, Colorado, is certificated to it by the Colorado Public Utilities Commission; and

WHEREAS, the Sterling Ranch development is located partially in Utilities' natural gas service territory and partially in the natural gas service territory of Black Hills Colorado Gas, Inc. (Black Hills); and

WHEREAS, Utilities has worked with Black Hills to agree upon revisions to their respective service boundaries to follow the platted and soon to be platted development parcel borders; and

WHEREAS, the City Council finds that, subject to also receiving Colorado Public Utilities Commission approval, adoption of a change to Utilities' natural gas service boundary across Sterling Ranch is in the public interest; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

SECTION 1: That Colorado Springs Utilities' natural gas service boundary is changed across Sterling Ranch.

SECTION 2: Colorado Springs Utilities is hereby directed to seek jointly with Black Hills Colorado Gas, Inc, approval of this natural gas service boundary change from the Colorado Public Utilities Commission, which approval is necessary to finalize this natural gas service boundary change.

Dated at Colorado Springs, Colorado, this 24th day of October 2023.

City Council President

ATTEST:

Sarah B. Johnson, City Clerk