



**DATE:** December 6, 2024

**FILE NUMBER:** ANEX-24-0013

**RE:** Southern Colorado Rail Park Addition No. 1 – 1<sup>st</sup> Review

**Colorado Springs Utilities:** Matt Roberts, 719-668-7729, [maroberts@csu.org](mailto:maroberts@csu.org)  
Bryan English, 719-668-8119, [benglish@csu.org](mailto:benglish@csu.org)

**Action Items:**

1. Owner shall provide to Colorado Springs Utilities (Springs Utilities) an inventory of well permits and water rights associated with the Property with documentation from the Colorado Division of Water Resources (or other source) identifying all the Owner's water rights associated with the property to be annexed (Property). If the Owner does not have any water rights, then the Owner shall provide a letter stating such.
2. Owner shall provide an inventory of any and all existing utility services (water, wastewater, natural gas or electric) (i.e. streetlights, traffic, traffic signals, VMS signs, irrigation services, etc.) and who the utility service provider is for each. If there are no such existing utility service(s), please provide a letter stating such. Any existing utility service(s) provided by other utility service providers will likely need to be converted to Springs Utilities' service(s) subject to annexation.
3. Owner must confirm that the Informational Items listed below have been reviewed.

**Informational Items:**

1. If the Property is located within an existing water district (Existing District), then Springs Utilities will not provide water services (Services) to the Property unless the Property is annexed into the City and excluded from the Existing District(s) or the Existing District(s) consents to Springs Utilities providing such Services to the satisfaction of Springs Utilities. If the property is within an Existing District(s), then once the property is annexed into the City and excluded from the Existing District(s), or the Existing District(s) consents to Springs Utilities providing such service, then the Property owner (among other requirements), as applicable, is required to:

- a. Design, install, and obtain easements for the water facilities necessary for Springs Utilities to serve the Property;
  - b. Disconnect from the Existing District's water systems and then connect directly to Springs Utilities' water systems; and
  - c. Provide payment of all applicable fees and charges, including Water Development Charges.
2. The Property is presently located in the Fountain Sanitation District (FSD) and provision of wastewater service to the Property by Springs Utilities may involve Springs Utilities establishing a wholesale wastewater service agreement with FSD. If FSD agrees to serve the property through a wholesale service agreement with Springs Utilities, the Property will need to remain in FSD. If FSD elects not to serve the Property through a wholesale service agreement with Springs Utilities, then Springs Utilities will not provide wastewater service to the Property unless the property is annexed into the City and excluded from FSD or FSD consents to Springs Utilities providing wastewater service to the satisfaction of Springs Utilities. Whether the property remains within FSD, or is excluded from FSD or FSD consents to Springs Utilities providing wastewater service to the Property, then once the Property is annexed into the City, then the Property owner (among other requirements), as applicable, is required to:
  - d. Design, install, and obtain easements for the wastewater facilities necessary for Springs Utilities to serve the Property;
  - e. Disconnect from FSD's wastewater systems and then connect directly to Springs Utilities' wastewater systems; and
  - f. Provide payment of all applicable fees and charges, including Wastewater Development Charges, to Springs Utilities and/or FSD
2. If the Property has existing water services that will be converted to Springs Utilities service or if there are expected to be future Springs Utilities water services serving the Property and the Property is not currently within the boundaries of the Southeastern Colorado Water Conservancy District (SECWCD), it may be necessary for the Owner to complete a questionnaire from the Bureau of Reclamation (Bureau) and SECWCD and join SECWCD. Please work directly with City Planning on this item.
3. On February 14, 2023, Colorado Springs City Council approved a water service extension ordinance #23-02, City Code section [12.4.305](#), which directly impacts the extension of water service outside city limits, including for proposed

annexations. Under the ordinance, the water service boundary can only be extended to include the proposed annexation(s) if the annexation(s) meet an exception(s), specified in the ordinance. Descriptions and application of the exception(s) to the proposed annexation are as follows.

- a. The area is an enclave (as defined by State law); or
  - i. *The area does not appear to be an enclave.*
- b. The area is owned or leased by the City; or
  - i. *The area is not owned or leased by the City.*
- c. The extension of water service to the area will have a de minimis impact on the overall City's available water supply; or
  - i. *Based on the Property's proposed land uses, Springs Utilities estimates the projected water demand to be 1,281 acre-feet/year (AFY).*

*Current de minimis policy: Projected Water Demand < 57 AFY  
1,281 AFY > 57 AFY, Extension of water service to the area would not have a de minimis impact on the overall City's available water supply.*

- d. A unique and extraordinary event or circumstance necessitates an extension of water services to serve critical interests of the City; or
  - i. *No evidence to support a unique and extraordinary event or circumstance necessitating extension of water services to critical interests of the City exists in this scenario.*
  - ii.
- e. The City's available water supply is sufficient to meet at least 128% of existing usage (calculated using a five (5) year rolling average of weather normalized unrestricted water usage data) and the projected demand for water services within the proposed extension of service(s).).
  - i. *Based on the property being contiguous with the city and the projected water services within the boundary sufficient to meet at least 128% existing usage. Further review is not necessary*

| Current Reliably Met Demand and Existing Usage* |                             |
|---|-----------------------------|
| Reliably Met Demand (RMD)                       | 95,000 Acre-feet/year (AFY) |

**Existing Usage\***

69,772 AFY

\*5-year-weather-normalized rolling average unrestricted water usage (2019-2023)

- (Existing Usage x 128%) + Projected Water Demand must be less than or equal to Reliably Met Demand (RMD)
- $(69,772 \text{ AFY} \times 128\%) + 1,281 \text{ AFY} = 90,589 \text{ AFY}$
- $90,589 < 95,000 \text{ AFY}$
- At the time of this analysis, projected water demand for water services within the proposed extension of services area meets this requirement.

| Minimum Water Supply Requirement (MWSR) |            |   |            |
|---|------------|---|------------|
| Existing Usage (AFY)                    | Percentage |   | MWSR (AFY) |
| 69,772                                  | x 128%     | = | 89,308     |

| Available Water Surplus (AWS) |            |   |           |
|-------------------------------|------------|---|-----------|
| RMD (AFY)                     | MWSR (AFY) |   | AWS (AFY) |
| 95,000                        | - 89,308   | = | 5,692     |

| De Minimis Calculation |            |   |                  |
|------------------------|------------|---|------------------|
| AWS (AFY)              | Percentage |   | De Minimis (AFY) |
| 5,692                  | x 1%       | = | 57               |

\*RMD, Existing Usage the De Minimis Calculation are updated periodically and subject to change. Applicant acknowledges that the assumptions, calculations and analyses performed and shown above are based on the information available as of the date of this review and may require recalculation and re-analysis subject to any update(s) to policy, existing usage, RMD and/or AWS prior to any presentation(s) to Utilities Board, City Planning Commission or City Council.

- Unless otherwise authorized by Springs Utilities, any existing wells within the Property must be plugged and abandoned at Owner's expense. The Owner shall provide Springs Utilities with documentation confirming that the existing wells have been plugged and abandoned in compliance with all applicable regulations, including regulations from the Colorado Division of Water Resources.
- Springs Utilities' potable water, non-potable water, wastewater, electric, streetlight, and natural gas services (Utility Services) are available to eligible

customers (Customer) upon connection to Springs Utilities' facilities or utility systems on a "first-come, first-served" basis, provided that (among other things) the City and Springs Utilities determine that the Customer meets all applicable requirements of the City's Code of Ordinances and Springs Utilities' Tariffs, Utilities Rules and Regulations ("URRs"), and Line Extension and Service Standards ("Standards") for each application for Utility Service. In addition, the availability of Utility Services is contingent upon the terms detailed in an executed in any Executive Agreement(s) between City Public Works and Springs Utilities that may be required; and the dedication or conveyance of real and personal property, public rights-of-way, private rights-of-way, or easements that Springs Utilities determines are required for the extension of any proposed Utility Service from Springs Utilities' utility system facilities that currently exist or that may exist at the time of the proposed extension or connection. In certain instances, Springs Utilities' services and system capacities are limited. Accordingly, no specific allocations or amounts of Springs Utilities' facilities or supplies are reserved to serve the subject property and no commitments are made as to the availability of utility service at future times. Further, Springs Utilities reserves the right to refuse new connections to its natural gas service system if Springs Utilities is legally constrained from doing so.

6. Connections to Springs Utilities' systems are contingent upon the Customer meeting all the requirements of the Utilities' Tariffs and City of Colorado Springs ordinances that are in effect for each requested Utility Service at the time the application for service is made by the Customer and formally accepted by the Utilities. Connection requirements may include provisions for necessary line extensions and/or other system improvements, and payment of all applicable system development charges, recovery agreement fees and other fees applicable to the requested service.
7. Springs Utilities' potable water, non-potable water, wastewater, electric, streetlight, and natural gas services (Utility Services) are available to eligible customers (Customer) upon connection to Springs Utilities' facilities or utility systems on a "first-come, first-served" basis, provided that (among other things) the City and Springs Utilities determine that the Customer meets all applicable requirements of the City's Code of Ordinances and Springs Utilities' Tariffs, Utilities Rules and Regulations ("URRs"), and Line Extension and Service Standards ("Standards") for each application for Utility Service. In addition, the availability of Utility Services is contingent upon the terms detailed in an executed Annexation Agreement between the City and the Customer; and the dedication or conveyance of real and personal property, public rights-of-way, private rights-of-

way, or easements that Springs Utilities determines are required for the extension of any proposed Utility Service from Springs Utilities' utility system facilities that currently exist or that may exist at the time of the proposed extension or connection. In certain instances, Springs Utilities' services and system capacities are limited. Accordingly, no specific allocations or amounts of Springs Utilities' facilities or supplies are reserved to serve the subject property and no commitments are made as to the availability of utility service at future times. Further, Springs Utilities reserves the right to refuse new connections to its natural gas service system if Springs Utilities is legally constrained from doing so.

8. Connections to Springs Utilities' systems are contingent upon the Customer meeting all the requirements of the Utilities' Tariffs and City of Colorado Springs ordinances that are in effect for each requested Utility Service at the time the application for service is made by the Customer and formally accepted by the Utilities. Connection requirements may include provisions for necessary line extensions and/or other system improvements, and payment of all applicable system development charges, recovery agreement fees and other fees applicable to the requested service.
9. Springs Utilities reserves the right to charge any development resulting from annexation a fee in an amount equivalent to the extraordinary cost of serving the development if such development does not occur adjacent to existing developed areas of the City of Colorado Springs.
10. To receive water service from Springs Utilities, the Property must be included in the Southeastern Colorado Water Conservatory District (SECWCD). After completing the questionnaire from the Bureau of Reclamation (Bureau), the SECWCD will determine whether the property to be annexed is within the SECWCD. If the property is not within the SECWCD, then consent from the Bureau is required for the Property to be included into the SECWCD (see item 1 under "Project Specific Informational Items" above). The Bureau may require the Owner to provide the following confirmations for the subject annexation project:
  - Endangered Species Act - a letter or email from the Fish and Wildlife Department stating there are no Endangered Species within the Annexation Boundary.
  - Clean Water Act - a letter or email from the United States Army Corp of Engineers stating that there are no wetlands within the Annexation Boundary.
  - National Historic Preservation Act - a report that addresses the existence of any Native American Indian relics or buildings of historic significance (the report is to be completed by an Archaeologist that is approved Bureau

of Reclamation). Once the Archaeologist is chosen, he/she must contact the Bureau for final instructions.

Southeastern Colorado Water Conservancy District contact information:

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