



August 31, 2022

Ryan Howser, Project Manager
El Paso County Development Services Department
Transmitted via the EPC EDARP Portal

Re: Saddlehorn Ranch, Filing No. 2 (File # SF2133) - 3rd Letter
a.k.a. 824 Acre Curtis Road Subdivision
Parts of Sec. 3 and part of the N ½ N ½ of Sec. 10, Twp. 13S, Rng. 64W, 6th P.M.
Water Division 2, Water District 10
Upper Black Squirrel Creek Designated Basin

Dear Ryan Howser:

We have reviewed the re-referral concerning the above referenced proposal to subdivide 176 acres (of which 132 acres will be developed) located in Sec. 3 and the N ½ N ½ of Sec. 10, Twp. 13S, Rng. 64W, 6th P.M. into 42 single-family lots of approximately 2.5 acres each. This office previously provided comments on this filing on March 7, 2022.

This office previously provided comments on the entire 816.5-acre Saddlehorn Ranch Subdivision (File # SP196 and SF1912) on November 19, 2020, subdivision file no. 26492. The entire subdivision will consist of 608 acres of developed land, on which 218 single-family residential lots will be created. The remaining acreage will be preserved as open space for recreational purposes.

Water Supply Demand

According to the submittal, the proposed water uses are indoor residential use and irrigation. The estimated water demand is 0.67 acre-feet/year demand per lot, or 28.14 acre-feet/year for all 42 lots. The estimated water demand to serve all 218 the residential lots is 146.06 acre-feet/year.

Source of Water Supply

The proposed water supplier is the Saddlehorn Ranch Metropolitan District (SRMD), which is a new metropolitan district pending approval from El Paso County. **This office has not received information that El Paso has approved the formation of the SRMD.** According to the September 1, 2020 Permanent Will-Serve Letter, the district is committed to providing 146.06 acre-feet/year of water to meet the domestic needs of the 218 residential lots of the subdivision at full buildout.

The Water Resources and Wastewater Report for the Saddlehorn Ranch Subdivision Report (“Report”) revised June 2022 states that SRMD has 198.16 acre-feet/year in supply. SRMD has developed two nontributary Denver Basin wells, permit nos. 85169-F and 85170-F, as its water supply.

Well permit no. 85169-F was issued March 1, 2021 pursuant to section 37-90-107(7), C.R.S. and the Findings and Order of the Colorado Ground Water Commission (“Commission”) dated March 3, 2004 for Determination of Water Right No. 458-BD. The well is permitted to withdraw an average annual amount of 322.03 acre-feet/year and a total volume of 32,203 acre-feet from the nontributary Arapahoe aquifer. Well permit no. 85170-F was issued March 1, 2021 pursuant to section 37-90-107(7), C.R.S. and the Findings and Order of the Commission dated March 3, 2004 for Determination of Water Right No. 457-BD. The well is permitted to withdraw an average annual amount of 277.97 acre-feet/year or a total volume of 27,797 acre-feet from the nontributary Laramie-Fox Hills aquifer. Both wells are permitted for the following uses: domestic, irrigation, commercial, industrial,



recreational and livestock watering purposes. Combined, the wells can withdraw a total volume of 60,000 acre-feet or an annual amount of 600 acre-feet/year based on a 100-year supply. The subdivision lies within the allowed place of use of Determination of Water Right nos. 457-BD and 458-BD, and the proposed uses are uses allowed by those Determinations.

The proposed source of water for this subdivision is a bedrock aquifer in the Denver Basin. The State Engineer's Office does not have evidence regarding the length of time for which this source will be a physically and economically viable source of water. According to 37-90-107(7)(a), C.R.S., "Permits issued pursuant to this subsection (7) shall allow withdrawals on the basis of an aquifer life of 100 years." Based on this allocation approach, the annual amounts of water determined in 457-BD and 458-BD are equal to one percent of the total amount, as determined by rule 5.3.2.1 of the Designated Basin Rules, 2 CCR 410-1. Therefore, the water may be withdrawn in those annual amounts for a maximum of 100 years.

The El Paso County Land Development Code, Section 8.4.7.(B)(7)(b) states:

"(7) Finding of Sufficient Quantity

(b) Required Water Supply. The water supply shall be of sufficient quantity to meet the average annual demand of the proposed subdivision for a period of 300 years."

The State Engineer's Office does not have evidence regarding the length of time for which this source will "meet the average annual demand of the proposed subdivision." However, treating El Paso County's requirement as an allocation approach based on 300 years, the allowed average annual amount of withdrawal of 600 acre-feet/year would be reduced to one third of that amount, or 200 acre-feet/year, which is greater than the annual demand for this subdivision. As a result, the water may be withdrawn in that annual amount for a maximum of 300 years.

According to submittal, the portion of the water rights from Determination of Water Right Nos. 457-BD and 458-BD from quiet title granted by the El Paso District Court order entered in case no. 18CV30037 was conveyed via deed to the developer, ROI Property Group LLC. According to the letter dated February 2021 from the El Paso Office of the County Attorney, the portion of such water rights will be conveyed from ROI Property Group LLC to SRMD prior to the subdivision approval. **However, evidence that the above water rights are owned or controlled by SRMD have not yet been provided.**

State Engineer's Office Opinion

Based on the above and pursuant to section 30-28-136(1)(h)(I), C.R.S. and section 30-28-136(1)(h)(II), C.R.S., the State Engineer's Office has not received enough information to render an opinion regarding the potential for causing material injury to decreed water rights, or the adequacy of the proposed water supply. **Prior to further review of the subdivision water supply plan the following information is required:**

1. Evidence of approval of the formation of SRMD.
2. Evidence that SRMD has ownership or control of the water rights that will be used to supply the proposed Saddlehorn Ranch Subdivision.
3. A map of SRMD's service area.

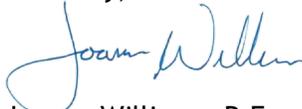
Additional Comments

According to the submitted material, storm water detention structure(s) will be developed on the site. The Applicant should be aware that, unless the structure can meet the requirements of a "storm

water detention and infiltration facility” as defined in Designated Basin Rule 5.11, the structure may be subject to administration by this office. The Applicant should review Rule 5.11 to determine whether the structure meets the requirements of the Rule and ensure any notification requirement is met. Additionally, the letter of intent stated that water quality control ponds will be developed throughout the subdivision to mitigate impact to the wetlands. Construction details and liner information for the ponds were not provided. The ponds must be constructed in accordance with Colorado laws. If the ponds do not meet the requirements of a “storm water detention and infiltration facility” as referenced above, then such ponds would be subject to administration by this office. Additionally, the ponds would not be allowed to expose groundwater to evaporation without first obtaining a Commission-approved replacement plan adequate to prevent any material injury to existing water rights.

If you or the Applicant have any questions, please contact Wenli Dickinson at (303) 866-3581 x8206 or at Wenli.Dickinson@state.co.us.

Sincerely,

A handwritten signature in blue ink that reads "Joanna Williams". The signature is written in a cursive style with a large initial 'J'.

Joanna Williams, P.E.
Chief of Water Supply, Designated Basins

Ec: Subdivision File No. 28897
Water well permit file nos. 85169-F and 85170-F
Upper Black Squirrel Ground Water Management District