



Kettle Creek Addition No. 1

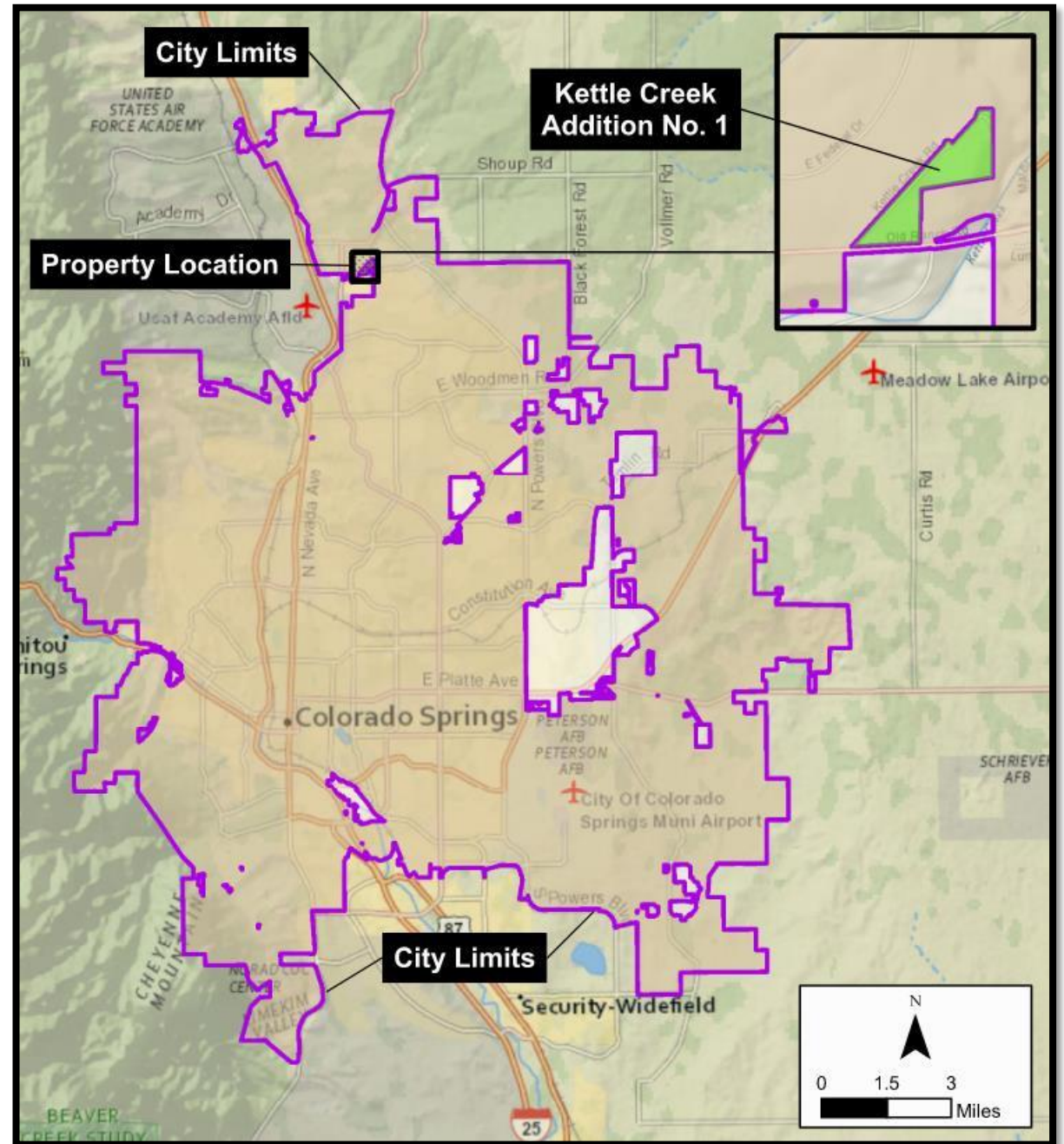
Annexation Checkpoint

December 8, 2025, City Council Work Session

Todd Sturtevant, Manager

Customer Utilities Connections

Vicinity Map



City Code 12.4.305.B

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

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- | | | | | |
|--|----|--|----|---|
| 1. City's available water supply is sufficient to meet at least 128% of existing water usage* plus projected demand for proposed water extension(s); | 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*

Utilities Application of City Code 12.4.305

- B. 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.

Kettle Creek Addition No. 1

Projected Water Demand = 29 AFY
29 AFY < 50 AFY
Extension of water service meets enclave and de
minimis exceptions in City Code 12.4.305.B.3.

Current Reliably Met Demand (RMD) and Existing Usage		
Category	Acre-feet/year (AFY)	When updated
RMD	95,000	As needed per RMD Update Policy
Existing Usage*	70,325	Yearly as part of IWRP Update

*5-year rolling average of weather normalized unrestricted water usage (2020-2024)

Minimum Water Supply Requirement (MWSR)		
Existing Usage/year	Percentage	MWSR
70,325 AFY	x 128%	= 90,015 AFY

Available Water Surplus (AWS)		
RMD (AFY)	MWSR (AFY)	AWS (AFY)
95,000	- 90,015	= 4,985

AWS used for establishing de minimis amount.
De minimis = 1% of AWS or any projected water demand less than 50 AFY

City Code 7.5.701.A.4.

Requirements of Annexation

a. Groundwater Rights

Owner shall transfer title to all groundwater underlying the land to the City

b. Water Rights

Owner shall transfer any additional water rights historically used on or for the benefit of the area to be served

Current Conditions

Owner has submitted water rights and well inventory. These documents are being reviewed by Colorado Springs Utilities.

c. Rights of Way and Easements

Owner shall obtain and/or dedicate all property and easements required for utility-system facilities to serve the property and ensure integrated utility systems

d. Service Area Overlap

Electric

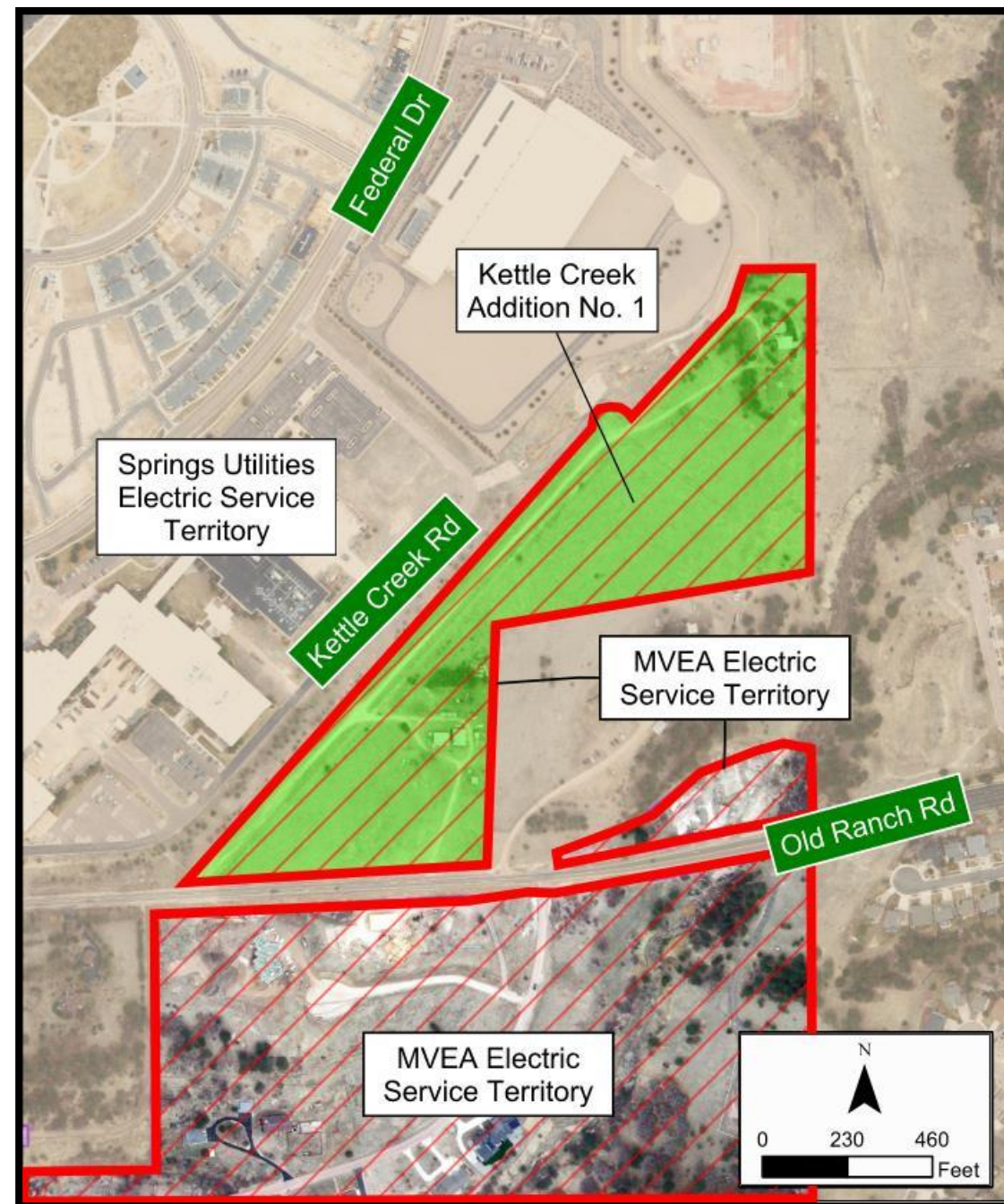
Kettle Creek Addition No. 1 is located entirely within Mountain View Electric Association (MVEA) service territory

MVEA entitled to just compensation per Colorado Revised Statutes if property annexed and incorporated into Springs Utilities' service territory

Natural Gas

Kettle Creek Addition No. 1 is located entirely within Springs Utilities' service territory

Electric Service Area Overlap



City Code 7.5.701.A.3.b

Conditions for Annexation

(3) Service Capacity

Unless an exception granted under section 12.1.111 of this Code will be in effect at the time of annexation, whether at the time of request there is projected available surplus capacity and resources across all Utilities' service lines for the foreseeable future to serve all present users and the projected new users from the area proposed to be annexed, taking into account section 12.4.305 of this Code, and that performance criteria, as defined for each service line in standards adopted by Utilities, will not be impaired.

(4) Utility Facilities

Whether the existing and projected utility facilities of the City are expected to be sufficient for the present and projected needs for the foreseeable future to serve all present and projected users whether within or outside the corporate limits of the City.

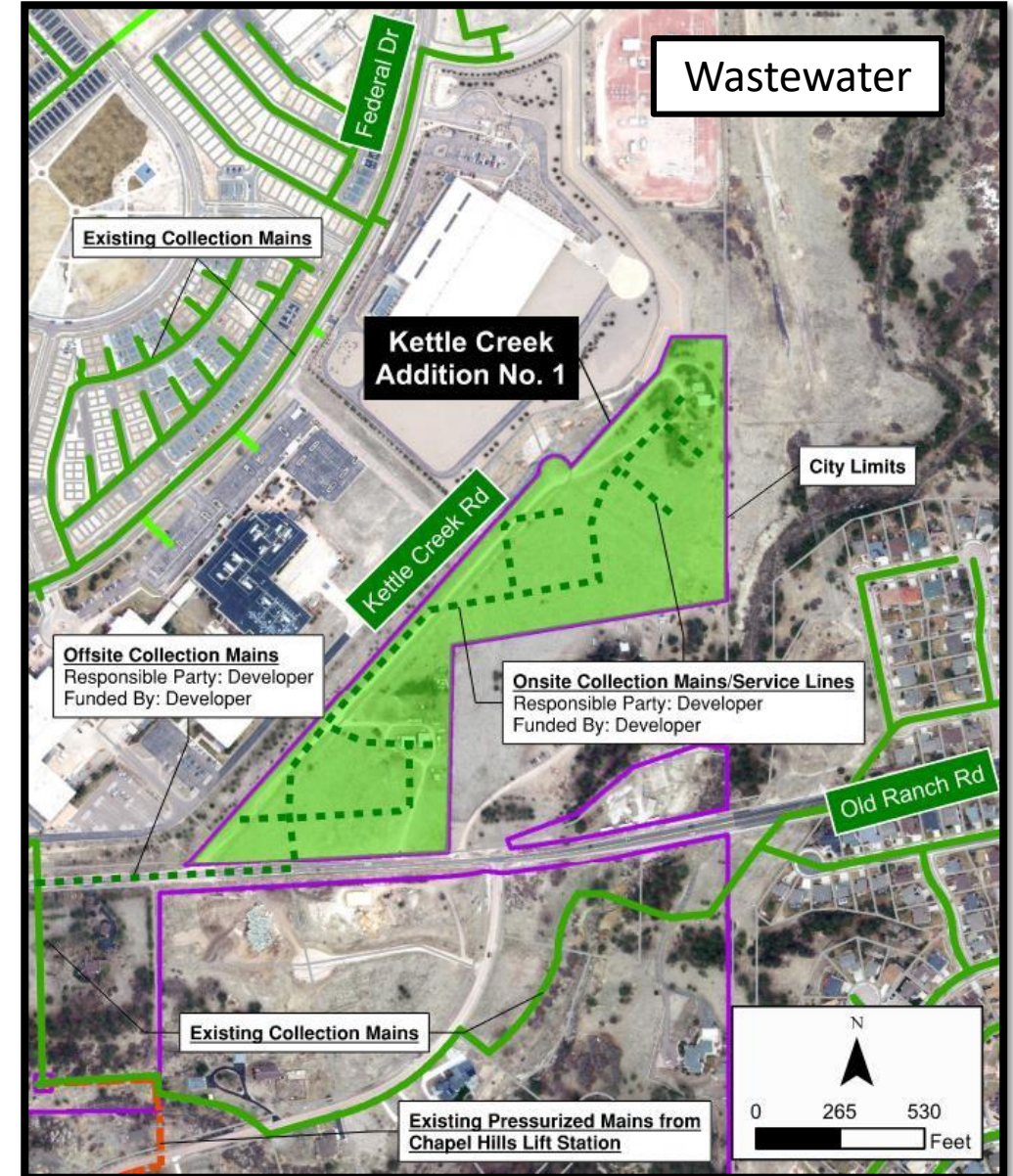
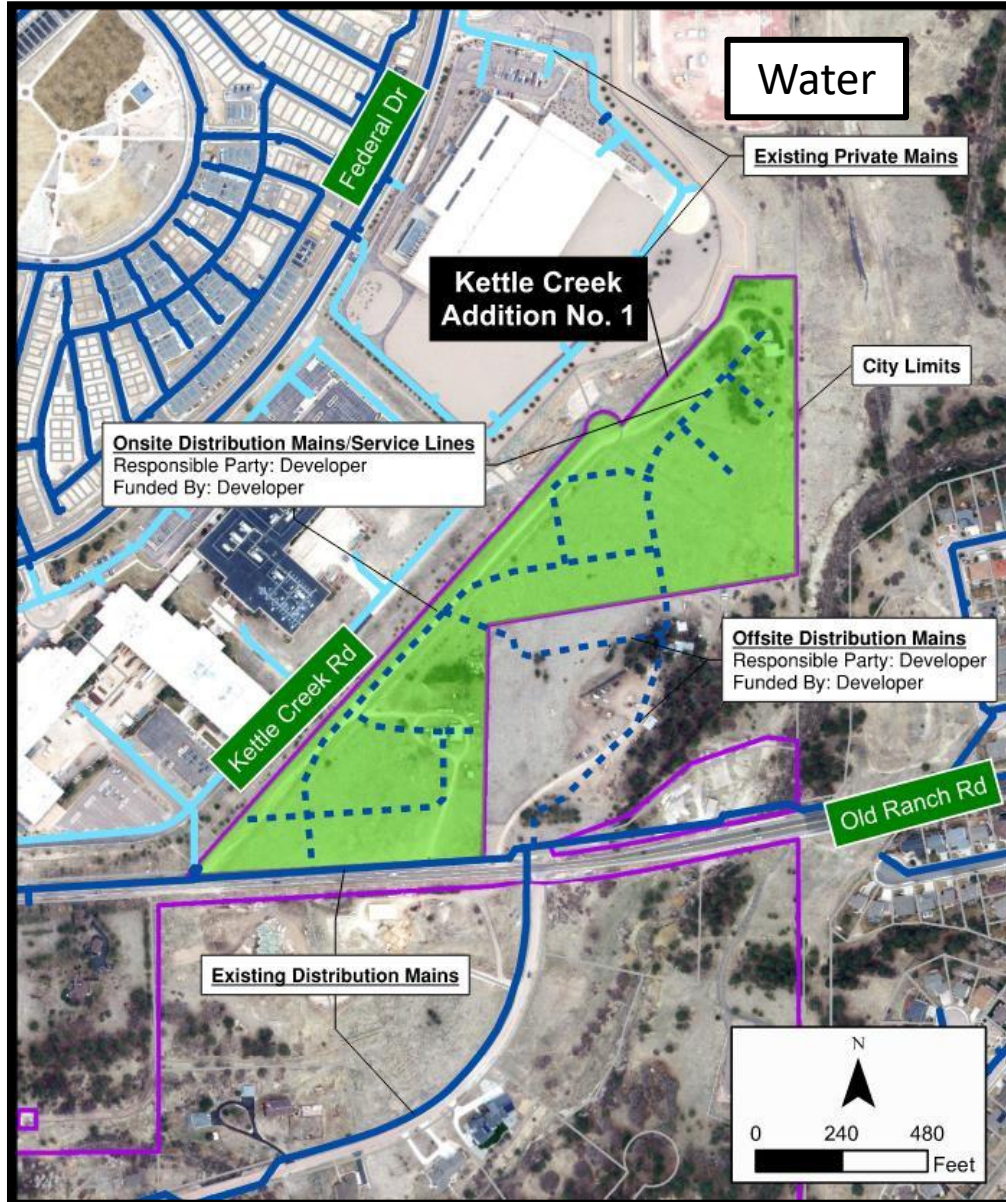
(5) Utility Extensions

Whether utility services and facilities can be extended to serve the property proposed to be annexed at the time of annexation or sometime in the future.

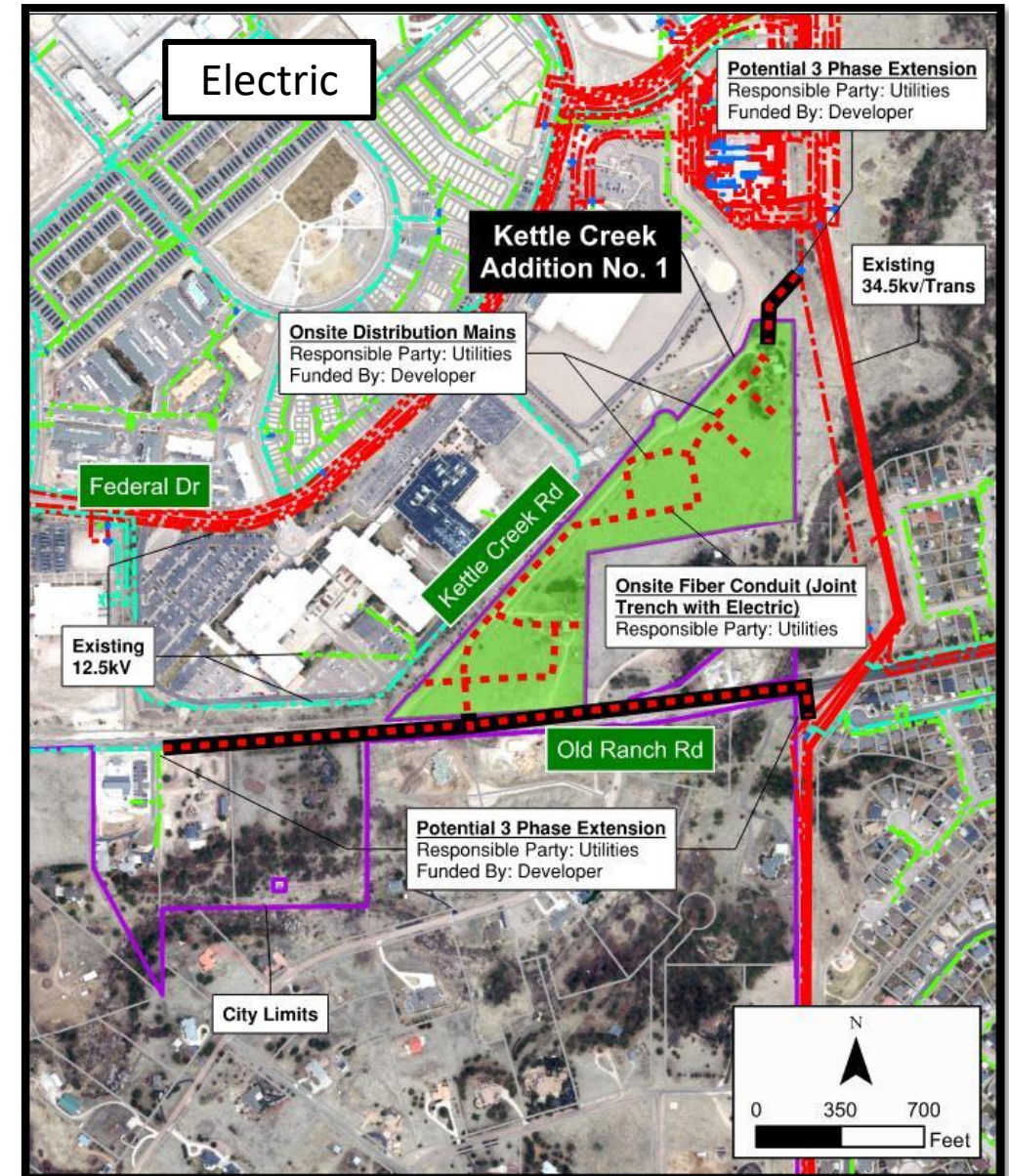
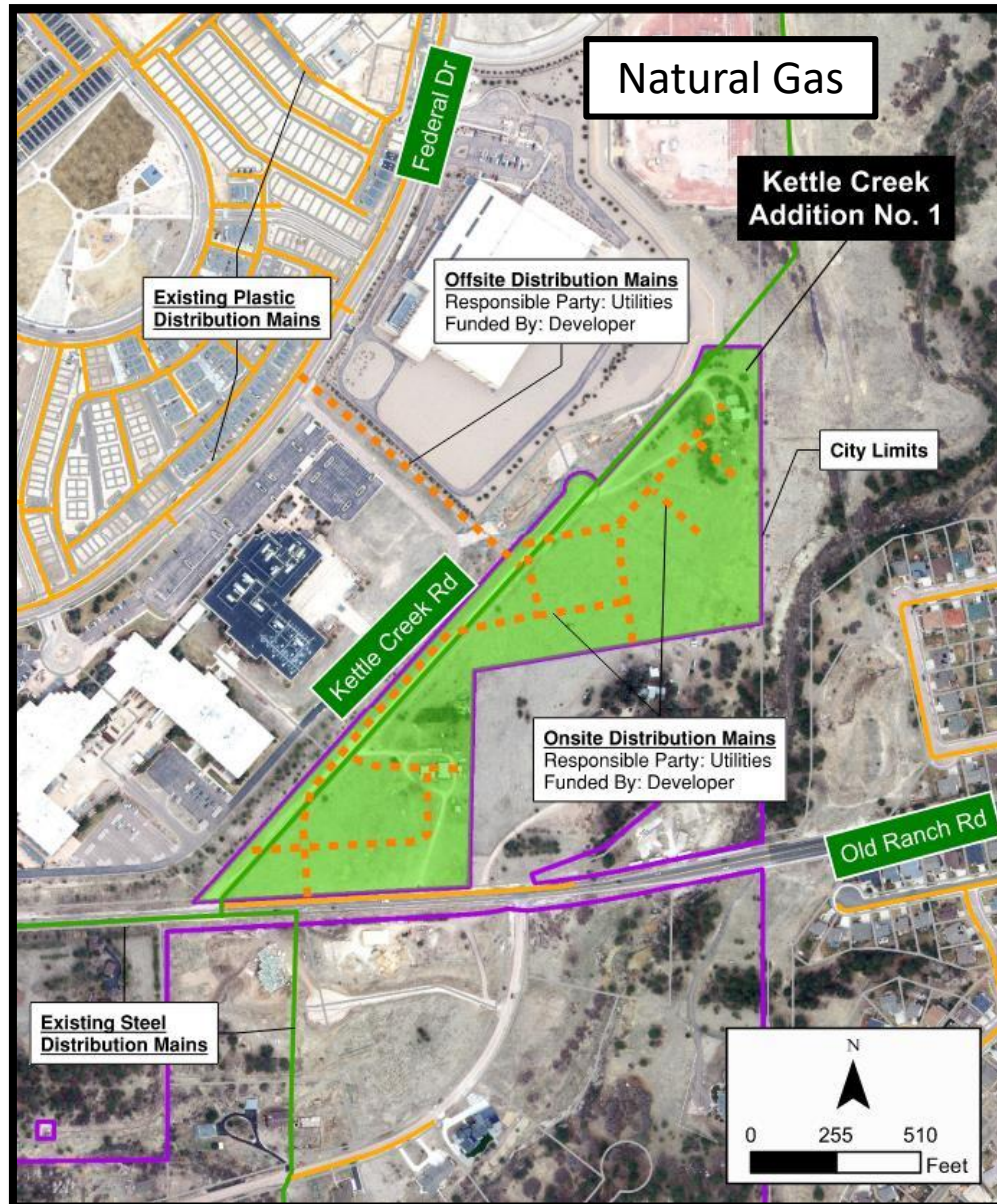
(8) Utilities' Revenues

Whether the Utilities' revenues expected to be generated by the development of the proposed annexation will offset the estimated immediate and long-range costs to Utilities for the acquisition of utility resources, extension of utilities services, development of utilities infrastructure, and operations and maintenance as required by Utilities Rules and Regulations.





Water and Wastewater Infrastructure



Natural Gas and Electric Infrastructure



Springs Utilities' Capital Cost Estimate

		Springs Utilities' Estimated Cost (millions) ^{1,2}		
	Electric	Low	Mid	High
	Infrastructure (Meters)	\$0.04	\$0.04	\$0.05
	Resource (Generation)	\$0.45	\$0.56	\$0.68
	Natural Gas			
	Infrastructure (Meters)	\$0.04	\$0.06	\$0.07
	Wastewater			
	Facilities (Treatment Plant)	\$0.00	\$0.00	\$0.00
	Water			
	Facilities (Treatment Plant)	\$0.10	\$0.13	\$0.15
	Infrastructure (Meters)	\$0.05	\$0.06	\$0.08
Total Springs Utilities' Capital Cost		\$0.7	\$0.9	\$1.0

¹ Utilities Financial Risk: Approved annexation costs that occur prior to 2029 have not been included in our financial planning.

² Estimated 2025 costs are rough order of magnitude and may vary based on external factors, including but not limited to market conditions, material costs and phasing.



Colorado Springs Utilities

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