

Title

Resolution Authorizing and Directing the Chief Executive Officer of Colorado Springs Utilities to Enter Into an Agreement for Regional Wastewater Treatment Service between Colorado Springs Utilities and Cheyenne Mountain Estates (CME)

Presenter:

Bryan English, PMP, Development Projects Manager, Customer Utilities Connections, Colorado Springs Utilities

Summary:

Colorado Springs Utilities and Cheyenne Mountain Estates (CME) have negotiated the attached Agreement for Regional Wastewater Service under which Utilities would provide wastewater service to CME for maximum daily flows of up to 0.02 million gallons per day (20,000 gallons per day).

Background:

Cheyenne Mountain Estates MHC Holdings, LLC (CME) owns a manufactured housing community (MHP) and owns and operates a wastewater collection and treatment system located at 8160 Piute Road, Colorado Springs, CO. The wastewater service area includes 221 units within the MHP as well as adjacent, independently owned single-family residences. The properties are located southwest of Colorado Springs, within one-half mile of the City limits in unincorporated El Paso County, and are near the approved Rock Creek Mesa annexation.

Due to complications with CME's existing wastewater treatment system, and a directive from Colorado Department of Public Health and Environment (CDPHE) to remedy the situation by a date certain, CME is requesting regional wastewater service from Colorado Springs Utilities.

The long-term (25-year) Agreement for Regional Wastewater Service will be consistent with current regional policy and tariffs and will provide a positive revenue benefit to Colorado Springs Utilities' customers.

Previous Council Action:

N/A

Financial Implications:

Consistent with Regional Tariffs and Utilities Rules and Regulations (URRs), Colorado Springs Utilities would collect approximately \$35,000 per year providing Regional Wastewater Service to CME.

City Council Appointed Board/Commission/Committee Recommendation:

On June 18, 2025, Utilities Board voted unanimously to move the proposed Agreement for Regional Wastewater Service to City Council for consideration at the Regular City Council Meeting on July 22, 2025.

Stakeholder Process:

CME has approved the proposed Agreement for Regional Wastewater Service.

Alternatives:

(1) Approve the resolution authorizing the Chief Executive Officer to enter into the Agreement for Regional Wastewater Service; (2) not approve the resolution; (3) modify the resolution or the Agreement; or (4) refer the matter back to Colorado Springs Utilities for further consideration.

Proposed Motion:

Motion for City Council to approve the resolution authorizing and directing the Chief Executive Officer of Colorado Springs Utilities to enter into an Agreement for Regional Wastewater Service with CME in a form substantially similar to that attached hereto.

Summary of Ordinance Language

N/A