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Title: A Resolution Finding A Public Purpose In A Lease For Less Than Fair Market Value To The State Of Colorado, Department Of Higher Education, By The State Board For Community Colleges And Occupational Education For The Use And Benefit Of Trinidad State Junior College In Support Of The Rocky Mountain Line Technician Program

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Date	Ver.	Action By	Action	Result
7/11/2023	1	City Council	adopted	Pass

A Resolution Finding A Public Purpose In A Lease For Less Than Fair Market Value To The State Of Colorado, Department Of Higher Education, By The State Board For Community Colleges And Occupational Education For The Use And Benefit Of Trinidad State Junior College In Support Of The Rocky Mountain Line Technician Program

Presenter:

Jessica K. Davis, Land Resource Manager, Colorado Springs Utilities
Travas Deal, Chief Executive Officer, Colorado Springs Utilities

Summary:

Colorado Springs Utilities (“Utilities”) requests that City Council approval of a Resolution finding a public purpose in a lease of less than fair market value to the State of Colorado, Department of Higher Education, by the State Board for Community Colleges and Occupational Education for the use and benefit of Trinidad State Junior College in support of the Rocky Mountain Line Technician Program.

Background:

Utilities has been working with Trinidad State Junior College (“Trinidad”) in support of the Rocky Mountain Line Technician Program since 2008, when it entered into a Memorandum of Understanding regarding what was then known as the “Rocky Mountain Lineman School,” which provided for the collaboration of Utilities and Trinidad in the formation of a program to help train students to become line technicians in the electric utility service industry. On May 1 2018, Utilities and Trinidad signed a new memorandum of understanding for five-years with an additional five-year renewal option.

Trinidad’s Line Technician Program, which provides a benefit to the electrical and communications utility industry, in general, and to Utilities, more specifically, by providing training and development

opportunities for future electric line technicians. This program provides important hands-on laboratory training and practical application in the line technician field.

Additionally, Utilities signed a five-year lease agreement with Trinidad in 2018 that expired on April 30, 2023, but did not allow for a renewal. Utilities wishes to continue its collaboration with Trinidad by entering into a zero-dollar, five-year lease with an option to extend the lease for three additional five-year terms with Trinidad for a portion of its Pinello Ranch site for use by Trinidad to provide hands-on field training to participants in the Rocky Mountain Line Technician Program at Trinidad State Junior College. Under the Lease, Trinidad will be responsible for all costs associated with use of the Pinello Ranch site.

Utilities has realized substantial benefits from the Trinidad's program, including training of a local workforce of electric line technicians and would like for those benefits to continue.

Chapter 11.2(c)(iii)(2) of The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests, Revised 2021 provides that if the rent under a lease in which the City is landlord is for less than fair market value, then City Council, acting by resolution, must find a public purpose or a community benefit in the below-market lease.

Previous Council Action:

On June 26, 2018, City Council passed Resolution No. 64-18 finding a public purpose in a lease of less than fair market value for the Rocky Mountain Line Technician Program.

Financial Implications:

N/A

City Council Appointed Board/Commission/Committee Recommendation:

Utilities Board has considered this request at its regular meeting on June 21, 2023.

Stakeholder Process:

Colorado Springs Utilities is working closely with Trinidad State Junior College and the Colorado Department of Higher Education to prepare the lease.

Alternatives:

Approve the resolution.

Deny the resolution.

Proposed Motion:

Motion to approve the proposed Resolution authorizing a below fair market value lease for the Rocky Mountain Line Technician Program.

N/A