



## Legislation Text

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**File #:** 14-0053, **Version:** 1

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A Resolution granting permission to close Consensual Transaction for the acquisition of property for Southern Deliver System Project Improvements.

**Summary:** Southern Delivery System (SDS) staff requests permission to close on a consensual acquisition of real property required for construction of the SDS project in El Paso County.

**Previous Council Action:** Since September 8, 2009, City Council has passed a number of resolutions authorizing the closings of more than 200 property transactions for the SDS project.

**Background:** On September 8, 2008, City Council approved Resolution No. 170-08 authorizing negotiations to acquire properties necessary for the SDS project, including Colorado Springs Land Associates (CSLA). Negotiations with CSLA were initiated to acquire parcels needed for the SDS Water Treatment Plant (WTP) and a Possession and Use Agreement was obtained based on the SDS appraisal amount for the WTP and two permanent utility easements. Later, after the property owner obtained its own appraisal, an eminent domain action was filed to determine the final value. This action was authorized by City Council on September 26, 2010 by Resolution No. 193-10. This case didn't proceed through the complete Court process as both parties ultimately settled the acquisition at a price between the two appraised values.

As a part of SDS work package N2B, the final pipeline section needing to be constructed as part of Phase I of SDS, the design identified the need to acquire temporary construction easements along the alignment of the permanent easements previously acquired. A proposal for this acquisition was made based on the earlier acquisition of the WTP and permanent easements and was accepted by the property owner. The property owner has executed the agreement and easement document and delivered the same to staff. The calculations for this transaction are attached as the Summary Statement of Just Compensation. The location of the proposed temporary construction easement is shown on the attached Parcel Figure highlighted in blue.

Negotiations to obtain the Possession and Use Agreement allowed SDS to proceed with the design and current construction of the Water Treatment Plant. Filing of the condemnation action provided both parties with an opportunity to have an independent third party decide the ultimate value. Flexibility on both sides allowed this acquisition to be settled without going through a costly trial process. Due to these considerations, both sides have worked successfully to complete this needed minor acquisition without prolonged negotiations or additional appraisals.

Pursuant to the provisions of the Colorado Constitution and the Colorado Springs City Charter, the City is empowered to acquire real property necessary for Utilities projects. Colorado Springs Utilities requests permission to close the transaction listed on Exhibit A, attached to the resolution.

This resolution authorizes Colorado Springs Utilities staff to complete the purchase of this real

property.

**Financial Implications:** This land acquisition is budgeted in the 2014 SDS Project budget

**Board/Commission Recommendation:** Not Applicable

**Stakeholder process:** Staff has been in contact with property owners impacted by the SDS project and will continue to communicate with stakeholders on a frequent basis. In addition, negotiations with property owners were conducted in accord with the Federal Uniform Act, the City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests and all applicable law.

**Alternative:** Acquisition of land could be delayed or discontinued. However, choosing this alternative will likely result in increased project costs and possible schedule delays for SDS.

**Recommendation:**

Approve the Resolution granting permission to close Consensual Transaction for the acquisition of property for Southern Deliver System Project Improvements.

**Proposed Motion:** Approval of proposed resolution.