



## Legislation Text

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A Resolution Authorizing the Acquisition of Permanent Easements on the Properties Identified by El Paso County Tax Schedule Numbers 6420300033 and 6419100027 to be Used for the Kelker to South Plant Transmission Project

**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 approve a resolution that will allow Utilities to purchase easements on the properties located at South Royer Drive, Colorado Springs, Colorado owned by Billy G. Mandel identified by Tax Schedule Numbers 6419100027 and 6420300033 in El Paso County, Colorado (“Properties”) for the Kelker to South Plant Transmission Project.

**Background:**

On June 26, 2020, the Utilities Board approved the Electric and Gas Integrated Resource Plans. On June 21, 2023, an update to the Electric Integrated Resource Plan was approved by Utilities Board. The Electric and Gas Integrated Resource Plans, as updated are referred to as the “IRPs”). The IRPs commit Utilities to a new energy future that is cost-effective, resilient and environmentally sustainable. Aligned with our Energy Vision, the IRPs achieve an 80% carbon reduction by 2030 and decommission all Utilities coal generation by 2030. The IRPs call for grid modernization, integration of more cost-effective renewable energy and incorporation of new technologies like energy storage.

The Kelker to South Plant Transmission Project (“Project”) will provide a new overhead single circuit 115kV transmission line from Kelker Substation to South Plant Substation. This added transmission infrastructure is needed to support the decommissioning of Martin Drake Power Plant. The Project is approximately 5 miles long and staff has been working with 19 private property owners, Colorado Department of Transportation, Union Pacific and BNSF Railroads, and City departments to acquire the property rights needed for the Project.

Pursuant to the provisions of the Colorado Springs City Charter, the City is empowered to acquire real property necessary for Utilities’ projects. Section 9.6 of The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests, Revised 2021 (the “RES Manual”) provides that if the total acquisition amount is greater than \$100,000, City Council must approve the acquisition amount.

Utilities desires to purchase permanent easements, which are approximately 6.77 acres, (the “Easements”) which will encumber the Properties. The Easements have been identified as necessary for the Project and the property owner desires to sell the Easements to the City for a purchase price

of \$950,000.

Staff is requesting authorization to acquire the easements for the total acquisition amount of \$950,000 as supported by an independent appraisal.

**Previous Council Action:**

N/A

**Financial Implications:**

This easement acquisition is accounted for in Utilities' 2023 project budget.

**City Council Appointed Board/Commission/Committee Recommendation:**

Utilities Board will consider this acquisition at its regular meeting on October 18, 2023.

**Stakeholder Process:**

Staff has met with and had regular communication with property owners impacted by the Kelker to South Plant Transmission Project for over a year and will continue to communicate with stakeholders on a regular basis. In addition, negotiations with property owners are conducted in accordance with the RES Manual, and all applicable laws.

**Alternatives:**

Approve the resolution.

Deny the resolution.

**Proposed Motion:**

Motion to approve the proposed Resolution authorizing the acquisition of easements to be used for the Kelker to South Plant Transmission Project.

N/A