



## Legislation Text

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### **A Resolution Seeking Inclusion of a Portion of the City of Colorado Springs, Colorado, into the Lower Fountain Metropolitan Sewage Disposal District and Authorizing the President of City Council to Execute and Colorado Springs Utilities to Submit a Petition for Inclusion to the Lower Fountain Metropolitan Sewage Disposal District**

**From:**

Jerry Forte, CEO, Colorado Springs Utilities

**Summary:**

With City Council approval of the Amended and Restated Intergovernmental Agreement between the City of Colorado Springs and Colorado Centre Metropolitan District (CCMD) for interim water and wastewater service (Amended IGA), which was approved by City Council on June 9, 2015, the next step towards provision of interim and permanent water and wastewater service to currently unserved portions of Colorado Springs requires Inclusion of a portion of the City into the Lower Fountain Metropolitan Sewage Disposal District (LFMSDD). Under the Amended IGA inclusion in LFMSDD is a condition precedent to interim service. The area proposed for Inclusion is described and identified in the map attached to the Inclusion Petition included with this memo and generally consists of portions of the Jimmy Camp Creek Basin South of Highway 24 that are within the City of Colorado Springs. This item requests City Council approval of a formal Resolution requesting Inclusion of a portion of the City into LFMSDD.

**Previous Council Action:**

On June 9, 2015, City Council approved the Amended IGA for interim water and wastewater service. Utilities made a presentation regarding the inclusion process to the Utilities Board at its July 22, 2015, meeting. Following this presentation, the Council President requested that the attached Resolution be considered as a part of the City Council Consent Agenda.

**Background:**

The developers of property within the Jimmy Camp Creek Basin are responsible for the cost of all water and wastewater infrastructure necessary to obtain service from Utilities for any new development projects. In order for these projects to obtain service from Utilities, costly offsite water and wastewater facilities are required; and as a result, development has not occurred. Consequently, the City and CCMD have agreed to the Amended IGA, which is anticipated to better facilitate development projects in the lower portion of the Jimmy Camp Creek Basin. Under the Amended IGA, Utilities will acquire a portion of CCMD's capacity in the LFMSDD wastewater collection and treatment facilities, which is required to implement Utilities' long-term plan for service to the Jimmy Camp Creek Basin and necessitates the City's Inclusion in LFMSDD. The process for Inclusion is governed both by state law and LFMSDD policy and involves the following steps:

1. Approval of a resolution requesting Inclusion by the Colorado Springs City Council, and submission of the resolution and an inclusion petition to LFMSDD along with a \$25,000 application fee and a review fee to be determined by LFMSDD (both of which are to be paid by the developers of the Bradley Heights development).

2. Acceptance of the resolution and petition by the LFMSDD Board of Directors. Upon acceptance, the LFMSDD Board will conduct a feasibility study to determine whether the Inclusion area may be feasibly served by LFMSDD and to identify any terms and conditions for such Inclusion. These terms and conditions must then be set forth in a resolution of the LFMSDD Board.

3. If the City finds the LFMSDD terms and conditions to be acceptable, then the City Council must adopt an ordinance approving Inclusion.

4. After receiving the City's ordinance, the LFMSDD Board must adopt a resolution incorporating the Inclusion area of the City within LFMSDD and accepting the City as a member of LFMSDD. LFMSDD's resolution will then be filed for acceptance with the Colorado Division of Local Affairs.

As outlined above, in order to begin the Inclusion process, the first step is approval of a City Council resolution requesting Inclusion. The ultimate decision to accept Inclusion will not be made until after the City receives a response from LFMSDD as to the feasibility of and identifying the terms and conditions for Inclusion.

The final step towards interim service will involve development of service agreements between Utilities and the lower BLR developers and the Bradley Heights Metropolitan District to set forth the developers' obligations under the amended Interim Service IGA.

**Financial Implications:**

N/A

**Board/Commission Recommendation:**

N/A

**Stakeholder Process:**

Utilities staff have worked closely with developers within the proposed inclusion area.

**Alternatives:**

(1) Approve the attached Resolution Seeking Inclusion of a Portion of the City of Colorado Springs, Colorado, into the Lower Fountain Metropolitan Sewage Disposal District and Authorizing the President of City Council to Execute and Colorado Springs Utilities to Submit a Petition for Inclusion to the Lower Fountain Metropolitan Sewage Disposal District; or (2) do not approve the attached Resolution.

**Proposed Motion:**

Move approval of the attached Resolution Seeking Inclusion of a Portion of the City of Colorado Springs, Colorado, into the Lower Fountain Metropolitan Sewage Disposal District and Authorizing the President of City Council to Execute and Colorado Springs Utilities to Submit a Petition for Inclusion to the Lower Fountain Metropolitan Sewage Disposal District.

N/A