



Legislation Text

File #: 23-150, **Version:** 1

A Resolution Authorizing and Directing the Chief Executive Officer of Colorado Springs Utilities to Enter Into an Agreement for Standby Regional Water Service between Colorado Springs Utilities and Security Water District

Presenter:

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Summary:

Security Water District (Security) has requested Standby Regional Water Service from Colorado Springs Utilities. Colorado Springs Utilities is seeking City Council approval of a resolution authorizing and directing its Chief Executive Officer to enter into an Agreement for Standby Regional Water Service with Security.

Background:

Security's service area is located south of the City and east of I-25. Security has requested Standby Regional Water Service from Colorado Springs Utilities through a special contract with a twenty-five (25) year term for the treatment and delivery through Colorado Springs Utilities' water system to Security's water system of up to 2,800 acre-feet per year of water owned or controlled by Security or, from time to time, fully consumable water owned or controlled by Colorado Springs Utilities. Contracts for regional water service require prior approval from City Council.

Previous Council Action:

City Council has approved short term regional water service agreements with Security since 2017.

Financial Implications:

Based on the Water Regional System Availability Fee, Colorado Springs Utilities would collect at least \$33,330 per year for standby service to Security. Utilities would also collect a commodity charge for any deliveries of water under the Agreement.

City Council Appointed Board/Commission/Committee Recommendation:

The Utilities Board recommended bringing the proposed Agreement for Standby Regional Water Service to City Council for consideration.

Stakeholder Process:

Security's Board of Directors has approved the proposed Agreement for Standby Regional Water Service.

Alternatives:

(1) Approve the resolution authorizing the Chief Executive Officer to enter into the Agreement for Standby Regional Water 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 Standby Regional Water Service with Security.

N/A