



Legislation Text

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A Resolution Authorizing the Acquisition of Property Owned by Colorado Department of Transportation for the Powers Pump Station

From:

Jerry Forte, P.E., Chief Executive Officer, Colorado Springs Utilities

Summary:

Colorado Springs Utilities staff requests approval of an acquisition of real property for a purchase price in excess of \$50,000 required for the Powers Pump Station project in El Paso County.

Previous Council Action:

N/A

Background:

The Powers Pump Station project requires acquisition of a 2.46 acre parcel of land for construction of the future finished water pump station and storage tanks. The tank and pump station will be sited on 3.7 acres of land currently owned by Colorado Springs Utilities near the northeast corner of Powers and Woodmen and Colorado Springs Utilities needs an additional parcel of land that is adjacent to the existing site and is currently owned by the Colorado Department of Transportation (“CDOT”). The CDOT parcel has recently been designated as excess property by the State and is available for purchase by public entities, at fair market value. Acquisition of the parcel will provide flexibility for future facility layout, construction of the pump station and tanks, and future infrastructure needs. Utilities will also be able to realize reduced construction costs with the acquisition of this parcel.

Phase I of the Powers Pump Station (Phase I) includes a 5 MG tank and pump station to serve existing and new customers within the Templeton and Briargate pressure zone areas during peak demand conditions. The Powers Pump Station will use the Powers Tank for suction storage for delivery of water to the Briargate pressure zone. An alternatives analysis of tank options was performed in 2007 and 2008. Design of the facilities is not expected until approximately 2023 as determined by the 2009 Finished Water Master Plan, B&V (2011). Construction is anticipated to take place within the two-year period following the design. A second 5 MG Powers Reservoir and increased pump station capacity (Phase II) is planned beyond year 2025. The timing of facilities is subject to change due to current and future drought conditions, development growth, and water distribution infrastructure reliability needs.

The acquisition of the parcel is subject to CDOT procedures and The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests (the “Real Estate Manual”). Staff has followed CDOT procedures and the Real Estate Manual real property acquisition procedure.

CDOT's appraiser determined the fair market value for the CDOT parcel to be \$214,400. Pursuant to section 4.1 of the Real Estate Manual, if the total acquisition amount exceeds \$50,000, the Project Manager must seek City Council acquisition approval. Subject to City Council's approval, the Memorandum of Agreement, which is attached to the proposed resolution as Exhibit A, has been or will be signed by the Real Estate Services Manager. The sale of the property has been approved by the Colorado State Transportation Commission. Utilities' Staff recommends approval of this transaction.

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. Utilities requests City Council's approval of the acquisition of the CDOT parcel in accordance with the Memorandum of Agreement.

Financial Implications:

This land acquisition is budgeted in the 2014 Utilities budget for acquisition of land for the Powers Pump Station. If Utilities does not purchase the CDOT property then CDOT will offer the property for public sale.

Board/Commission Recommendation:

N/A

Stakeholder Process:

Negotiations with CDOT were conducted in accordance with CDOT procedures, applicable portions of the Real Estate Manual, and all applicable laws.

Alternatives:

Acquisition of land could be delayed or discontinued. However, choosing this alternative will likely result in increased project costs and the loss of opportunity to purchase the land for the Powers Pump Station project.

Proposed Motion:

Move approval of proposed resolution.

N/A