



Legislation Details (With Text)

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Title: A resolution authorizing the acquisition of an easement across property owned by Tee Cross Ranches, LLC and an easement across property owned by Terrence M. Myers and Sharon L. Myers to be used for Southern Delivery System project improvements

Presenter:
Lyman Ho, SDS Land Acquisition Manager
Jerry A. Forte, P.E., CEO, Colorado Springs Utilities

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Attachments: 1. CC Presentation November 14 (Tee Cross and Myers).pdf, 2. SDSPurchasePriceForAcquisition_TeeCrossMyersRES-2017-08-31.pdf, 3. TeeCross_Myers_EasementAcquisition_Resolution Exhibits.pdf, 4. Signed Resolution 121-17

Date	Ver.	Action By	Action	Result
11/14/2017	2	City Council	adopted	Pass

A resolution authorizing the acquisition of an easement across property owned by Tee Cross Ranches, LLC and an easement across property owned by Terrence M. Myers and Sharon L. Myers to be used for Southern Delivery System project improvements

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Summary:

Southern Delivery System (SDS) staff requests City Council approval of a resolution authorizing the acquisition of an easement across property owned by Tee Cross Ranches LLC ("Tee Cross") and an easement across property owned by Terrence M. Myers and Sharon L. Myers (the "Myers") to the City of Colorado Springs for the Gary M. Bostrom Reservoir formerly known as the Upper Williams Creek Reservoir project (UWCR).

Previous Council Action:

None with respect to the parcel of real property. Since September 8, 2009, City Council has passed a number of resolutions authorizing the acquisition of more than 200 property transactions for the SDS project.

Background:

On December 10, 2013, City Council approved Resolution No. 134-13 authorizing negotiations to

acquire properties necessary for the SDS Upper Williams Creek Reservoir (UWCR) project. These easement acquisitions join 2,188.5 acres of property already acquired for the project. Presuming approval of the two easements on today's agenda, approximately 5 additional properties will be required for the reservoir and buffer area and 2 additional easements will be required for the associated pipelines as indicated on the preliminary design of the UWCR.

The Tee Cross easement is being acquired for purposes of a drain pipeline and a fill pipeline for the UWCR, according to the terms of a Settlement Agreement related to the acquisition of land for UWCR in 2013. The compensation amounts and other terms are consistent with that Agreement. The easement being acquired contains approximately 9.740 acres and the compensation amount is \$69,397.50.

The easement across the Myers property is for an approximately 0.842 acre flowage easement in the event this portion of the Myers property is ever inundated by UWCR water. An offer was made to the Myers based on an independent appraisal obtained by the City establishing a fair market value of \$1,450. As with other SDS transactions, the Myers were given the opportunity to obtain their own appraisal and in lieu of obtaining an additional appraisal, the Myers requested some additional compensation. The proposed settlement totals \$3,000, an amount that under The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests does not require City Council approval. However, the SDS project has consistently requested formal approval from City Council on all acquisitions including \$200 temporary construction easements for the sake of transparency. The easement being acquired is across vacant, unimproved land but is a part of a developed lot within the Hammer Ranch development.

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. Additionally, Section 8.6 of The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests (the "RES Manual") requires that whenever the total acquisition amount is determined to exceed \$50,000, City Council shall approve the transaction.

Colorado Springs Utilities requests that City Council adopt the attached resolution authorizing the acquisition of easements on the Tee Cross and Myers properties. Additionally, the attached resolution authorizes the City's Real Estate Services Manager to execute all documents necessary to close the transaction.

This item supports the City's strategic goal of investing in future infrastructure.

Financial Implications:

This land acquisition has been budgeted in the 2017 SDS project budget. If City Council does not approve the Resolution, Utilities will be lacking a portion of a buffer area considered as a minimum amount to protect the UWCR watershed and a portion of the easements needed to connect the reservoir with the Bradley Pump Station.

Board/Commission Recommendation:

This item was presented at the October 18, 2017 Utilities Board meeting as a discussion item.

Stakeholder Process:

Staff has been in contact with property owners impacted by the SDS project and will continue to communicate with stakeholders on a regular basis. In addition, negotiations with property owners were conducted in accordance with the Federal Uniform Act, the RES Manual, and all applicable law.

Alternatives:

Approve the attached Resolution authorizing the acquisition of easements on property owned by Tee Cross and the Myers; or do not approve the attached Resolution, however choosing this alternative will result in delayed land acquisition and potential increased land acquisition costs for developing the Gary M. Bostrom Reservoir.

Proposed Motion:

Move approval of the proposed Resolution.

N/A