

RESOLUTION NO. _____ - 24

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 STRATMOOR HILLS WATER DISTRICT

WHEREAS, City Code §12.4.304 and Colorado Springs Utilities' Tariffs allow Colorado Springs Utilities to provide by contract for the use of or connection to its water supply system by institutions, plants, districts, governments, municipal corporations, or other similar users located outside the corporate limits of the City; and

WHEREAS, Stratmoor Hills Water District is a Colorado statutory water district with service boundaries located south of Colorado Springs, north of Fort Carson, and west of Security; and

WHEREAS, Stratmoor Hills Water District currently serves a customer base of approximately 2,000 taps; and

WHEREAS, Stratmoor Hills Water District is a participant in the Fountain Valley Authority and has been included within the Southeastern Colorado Water Conservancy District; and

WHEREAS, as a participant in the Fountain Valley Authority, Stratmoor Hills Water District is entitled to deliveries of Frying-Pan Arkansas Project water allocated to the Fountain Valley Authority utilizing its water distribution system; and

WHEREAS, the water allocated to Stratmoor Hills Water District by the Fountain Valley Authority is supplemented with other renewable water supplies owned by Stratmoor Hills Water District that are delivered to its service area through infrastructure other than the Fountain Valley Authority's distribution system; and

WHEREAS, Under a 1983 Agreement, Colorado Springs Utilities is obligated to provide water service to Stratmoor Hills Water District in the event the Fountain Valley Authority's distribution system is not in operation; and

WHEREAS, Stratmoor Hills Water District owns or otherwise controls renewable water supplies and intends to increase and further diversify its water supplies with additional renewable supplies that can be used to meet its water supply needs if there are disruptions to its normal water system operations; and

WHEREAS, Stratmoor Hills Water District does not have the necessary infrastructure to convey its renewable water supplies to its service area if its normal water system operations are disrupted and has requested Standby Regional Water Service

from Colorado Springs Utilities under which its renewable water supplies, or fully reusable water owned or controlled by Colorado Springs Utilities, will be treated and delivered through Colorado Springs Utilities' infrastructure to the existing point of connection between Colorado Springs Utilities' water system and Stratmoor Hills Water District's water system subject to volumetric limitations if there are disruptions to its normal water system operations; and

WHEREAS, Colorado Springs Utilities currently has sufficient infrastructure capacity in its water system; water transportation displacement, and storage capacity not including Utilities' excess capacity storage space in the Fryingpan-Arkansas Project; and water treatment capacity to provide interruptible Standby Regional Water Service to Stratmoor Hills Water District; and

WHEREAS, in exchange for Standby Regional Water Service, Stratmoor Hills Water District has agreed to pay the rates and fees set forth in Colorado Springs Utilities' Tariffs for such service; and

WHEREAS, Colorado Springs Utilities requests that City Council authorize and direct the Chief Executive Officer of Colorado Springs Utilities to enter into a long-term Agreement for Standby Regional Water Service with Stratmoor Hills Water District; and

WHEREAS, City Council recognizes that approving an Agreement for Standby Regional Water Service with Stratmoor Hills Water District does not set precedent for future requests for regional water service.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. City Council finds and determines that a long-term Agreement for Standby Regional Water Service between Colorado Springs Utilities and Stratmoor Hills Water District will benefit the public health, safety and welfare of the surrounding community and is in the best interest of the City.

Section 2. The Chief Executive Officer of Colorado Springs Utilities is authorized and directed to enter into a long-term Agreement for Standby Regional Water Service with Stratmoor Hills Water District in a form substantially similar to that attached hereto.

Section 3. This Resolution shall be in full force and effect immediately upon its adoption.

Dated at Colorado Springs, Colorado this __ day of _____, 2024.

Council President

ATTEST:

Sarah B. Johnson, City Clerk