

RESOLUTION NO. ____ - 26

A RESOLUTION AUTHORIZING COLORADO SPRINGS UTILITIES TO TAKE ALL ACTIONS NECESSARY TO ABANDON CERTAIN WATER RIGHTS ASSOCIATED WITH THE SUGAR LOAF RESERVOIR

WHEREAS, the City of Colorado Springs ("City") by and through its enterprise Colorado Springs Utilities ("Utilities"), currently provides utility service, including water service, as authorized by Article 1, § 1-20(d) of the Charter of the City of Colorado Springs; and

WHEREAS, the City Charter of the City of Colorado Springs, Article 6, § 6-50 provides: "The City shall have the authority to buy, exchange, augment, lease, own and control water and water rights"; and

WHEREAS, the City owns certain conditional water rights originally decreed by the District Court of Chaffee County, Colorado on July 9, 1969, in Case No. CA5141 (the "Subject Water Rights") that are summarized below:

Name of Water Right	Source	Decreed Amount	Appropriation Date/Adjudication Date
Upper Sugar Loaf Reservoir	Lake Fork of the Arkansas River	3,120 acre-feet	July 2, 1892/July 9, 1969
Sugar Loaf Reservoir Enlargement and Amendment	Lake Fork of the Arkansas River	10,238 acre-feet (3,900 acre-feet absolute, 6,338 acre-feet conditional) Rate of fill – 200 c.f.s. by way of the Tennessee Fork Feeder Canal (150 c.f.s. absolute, 50 c.f.s. conditional) and 200 c.f.s. by way of the East Fork Feeder Canal (150 c.f.s. absolute, 50 c.f.s. conditional), a combined total of 400 c.f.s. (300 c.f.s. absolute, 100 c.f.s. conditional)	May 1, 1902/July 9, 1969

WHEREAS, the Subject Water Rights were acquired by the City from the CF&I Corp. and Evergreen Land and Resource Company by purchase contract dated March 13, 1984. The primary purpose of the purchase was the acquisition of the 17,416 acre-feet of perfected storage right in Sugarloaf Reservoir, now known as Turquoise Reservoir.

Utilities has used the 17,416 acre-feet of storage space that was the primary purpose of the purchase, but has never developed the conditional portions of the Subject Water Rights since the 1984 purchase; and

WHEREAS, since acquiring the rights in 1984, Utilities has filed diligence applications in Water Court several times to maintain the conditional status of the Subject Water Rights. The most recent application for a finding of due diligence was filed on March 31, 2025; and

WHEREAS, in Case No. 21CW3078, Water Division No. 2, certain water rights necessary for further development of the Subject Water Rights were Court decreed abandoned; and

WHEREAS, Utilities' staff has evaluated the Subject Water Rights and determined that due to physical, legal, and regulatory constraints and de minimis system benefit, developing the Subject Water Rights does not justify any legal risk and cost related to the effort required to maintain the Subject Water Rights; and

WHEREAS, the abandonment of the City's interest in the Subject Water Rights will not impact Utilities' ability to serve its customers now or in the future as such water rights add de minimis additional yield to the water system; and

WHEREAS, Utilities is requesting approval of Council to take all actions necessary to abandon the City's interest in the Subject Water Rights listed above.

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

Section 1. City Council hereby authorizes Utilities to take all actions necessary to abandon the City's interest in the Subject Water Rights.

Section 2. This Resolution shall be in full force and effect immediately upon its adoption.

Dated at Colorado Springs, Colorado, this ____ day of _____, 2026.

Lynette Crow-Iverson, Council President

ATTEST:

Sarah B. Johnson, City Clerk