



## **BOARD OF TRUSTEES MEETING**

**Thursday, June 23, 2022 at 5:00 PM**

Palmer Lake Town Hall – 28 Valley Crescent, Palmer Lake, Colorado

**\*In-person & LIVE STREAM available at Town website\***

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### **AGENDA**

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*This agenda is subject to revision 24 hours prior to commencement of the meeting.*

#### **Call to Order**

#### **Pledge of Allegiance**

#### **Roll Call**

#### **Introductions/Presentations**

1. Presentation of The Loop Project - Renewable Water Project

#### **Consent Agenda**

*Items under the consent agenda may be acted upon by one motion. If, in the judgment of a board member, a consent agenda item requires discussion, the item can be placed on the regular agenda for discussion and/or action.*

2. Minutes from June 9, 2022 Meeting
3. Checks over \$15,000 - TN Parker (\$17,349.45)
4. Financials (May)

#### **Staff/Department Reports**

5. Attorney
6. Administrator/Clerk

#### **Public Comment**

*Public comments are encouraged to be emailed to the Town office at [info@palmerlake.org](mailto:info@palmerlake.org) with subject line of Public Comment (48 hour prior to meeting) and shall be announced, distributed, and addressed at the meeting. Otherwise, please step to the microphone, state your name and address for the record and address the Board on matters not on the agenda. Please note that the Board will not take action on your concern but may refer it to staff and/or to a future meeting agenda. Public members are allowed up to 3 minutes for comments. Thank you!*

**Public Hearing**

- [7.](#) PUBLIC HEARING - Preliminary Review of Conditional Use for Metal-Wood Craft Shop & Residential Dwelling (Hwy 105)

**Business Items**

- [8.](#) Resolution 37-2022 to Approve Conditional Use for Metal-Wood Crafting and Mixed Residential Dwelling in CC Zone (Hwy 105)
- [9.](#) Update/Additional Information on FAMLI Program
10. Establish Joint Meeting with Planning Commission - Concept Proposals for Elephant Rock (6/29)

**Board Reports****Next Meeting (Workshop Dates, July 14) and Future Items****Convene to Executive Session**

*For the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under C.R.S. 24-6-402(4)(e) – possible annexation.*

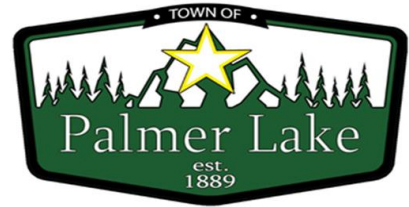
**Reconvene to Open Session****Adjourn**

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**Americans with Disabilities Act**

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Reasonable accommodations for persons with a disability will be made upon request. Please notify the Town of Palmer Lake (at 719-481-2953) at least 48 hours in advance. The Town of Palmer Lake will make every effort to accommodate the needs of the public.



**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> June 23, 2022	<b>ITEM NO.</b>	<b>SUBJECT:</b>
<b>Presented by:</b> Town Administrator /Clerk		Presentation of Loop Project

**Background**

A number of agencies have been working on a water “loop” project. Being that Palmer Lake will have an emergency water interconnect to the Monument water line, the Town may be party to this project.

Individuals, including Jessie Shaffer (Woodmoor) and Jeff Hodge (Donala), representing the project will present this project in detail and update the Board on the progress including possible partners and routes for the water line project.

This is an update and information item.

# PIKES PEAK REGIONAL WATER AUTHORITY REGIONAL REUSE STUDY



*February 2022*

**FORSGREN**  
*Associates Inc.*

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# ACKNOWLEDGMENTS

## PROJECT TEAM



Will Koger, P.E., Mike Waresak, P.E.,  
James Adams, P.E., Pierce Powers, E.I.,  
Anne Burton



Brett Gracely, P.E., D.WRE

Colorado Springs Utilities (Springs  
Utilities)

Cherokee Metropolitan District (CMD)

Donala Water and Sanitation District  
(DWSD)

Forest Lakes Metropolitan District  
(FLMD)

Town of Monument

Security Water and Sanitation District  
(DWSD)

Triview Metropolitan District (TMD)

Woodmoor Water and Sanitation  
District (WWSD)

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## ACRONYMS

AF:	acre-feet
AFY:	acre-feet per year
CCF:	hundred cubic feet
CMD:	Cherokee Metropolitan District
CSU:	Colorado Springs Utilities
CWCB:	Colorado Water Conservation Board
FT:	feet
FT-MSL:	feet, mean sea level
GAL:	gallons
GPCD:	gallons per capita per day
GPD:	gallons per day
GPM:	gallons per minute
HP:	horsepower
IPR:	Indirect potable reuse
KGAL:	one thousand gallons
MCL:	maximum contaminant level
MGAL:	one million gallons
MGD:	million gallons per day
PER:	persons
PPRWA:	Pikes Peak Regional Water Authority
SAFB:	Schriever Air Force Base
SDS:	Southern Delivery System
SFE:	single family equivalent
WRF:	water reclamation facility
WSMP:	water supply master plan
WTP:	water treatment plant
WWTF:	waste water treatment facility

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## EXECUTIVE SUMMARY

The Pikes Peak Regional Water Authority (PPRWA) is made up of several El Paso County water providers with shared interests in water supply planning and water quality. Many of the PPRWA water providers depend heavily on nonrenewable Denver Basin water supplies, which will not be economically viable over time given their declining water levels. Other providers also see the need to make full use of their water supplies to the extent practicable. Therefore, the PPRWA initiated this study to evaluate the feasibility of capturing and reusing return flows from lower Fountain Creek. The specific PPRWA members participating in this study are:

- Cherokee Metropolitan District (CMD)
- Colorado Springs Utilities (Springs Utilities)
- Donala Water and Sanitation District (DWSD)
- Forest Lakes Metropolitan District (FLMD)
- Town of Monument
- Security Water and Sanitation District (DWSD)
- Triview Metropolitan District (TMD)
- Woodmoor Water and Sanitation District (WWSD)

Following review of background information and previously developed concepts and alternatives specifically addressing the recapture, storage, and delivery of reuse water, our study team conducted interviews with each entity to identify how they could benefit from a regional reuse concept. We quantified participant return flows that can be recaptured from lower Fountain Creek for return and reuse. But we also identified how the return system could also allow for beneficial use (or better use) of their water rights available for diversion from lower Fountain Creek. Based on projected average-year return flows of 8,750 AFY in 2050 and water rights flows of 4,670 AFY, the planned system would deliver a total of 13,420 AFY.

After an initial screening with the participants, we developed a series of eight conceptual alternatives with diversions at or downstream of the Las Vegas WWTF and located on the east side of Fountain Creek and Interstate I-25, generally affording closer proximity to Springs Utilities’ SDS transmission pipeline. Those alternatives vary with respect to the diversion, storage, treatment and conveyance of water from Fountain Creek into the SDS.

We then compared the alternatives through numerical scoring of: Selection Criteria, Site Development, Technical Criteria-Reservoir Storage and Conveyance, and Environmental/ Permitting Criteria. After review and adjustments, we moved forward with six alternatives for comparison on the bases of capital costs, operation and maintenance costs, total present worth and net production after water losses.

A regional water reuse system as described in this study is feasible and could prove to be very cost effective to implement once all costs are identified. Each participant can benefit from the “savings of scale” that a single regional system offers vs. having each entity independently develop their own

system. The regional system could also provide the means for delivery of current and future water rights available from Fountain Creek. Overall costs for the recommended alternatives are shown in Table ES-1.

Table ES-1: Cost Comparison

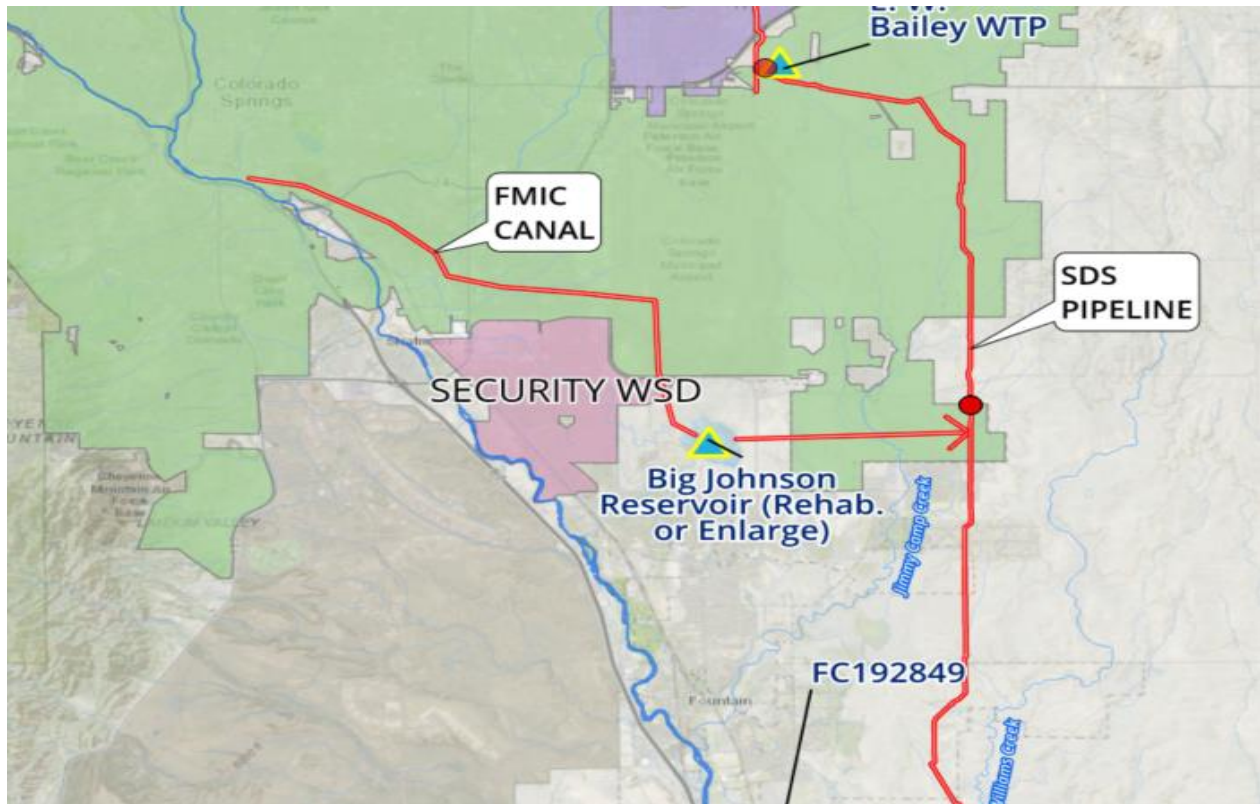
ALTERNATIVE	CAPITAL COST	ANNUAL O&M	TOTAL PRESENT WORTH	COST PER ACRE-FOOT DELIVERED
<b>ALT A-2 Without Pretreatment</b>	\$14.6-18.7M	\$0.25M	\$27.4-31.4M	\$2,790
<b>ALT A-3 With Pretreatment</b>	\$46.0-50.1M	\$1.44M	\$69.7-73.6M	\$6,140

***When considering the yield and costs for each alternative, Alt A-2 is the lowest cost at \$2,790 per AFY delivered if no pretreatment is required. Alt A-3 is the lowest cost at \$6,140 per AFY delivered if pretreatment is required (see figures that follow).***

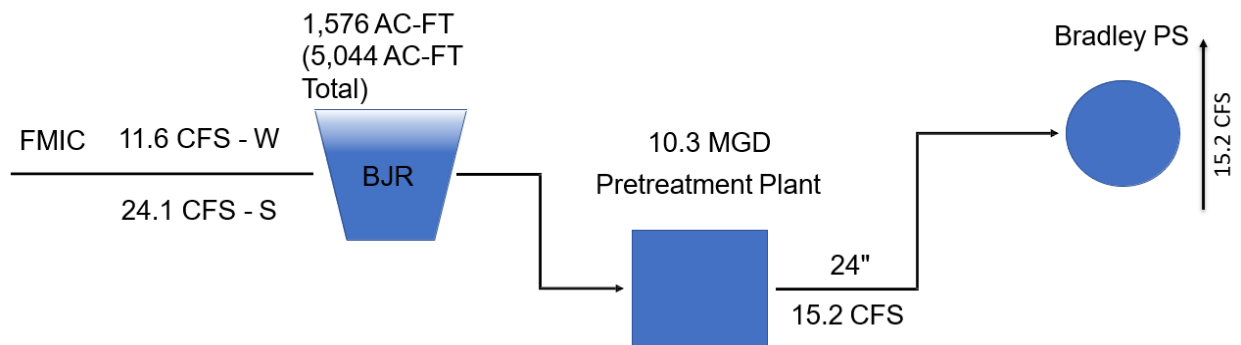
Costs need to be confirmed (or identified) for three critical topics before the full financial picture can be known. Specifically, those areas are: (1) FMIC/Big Johnson Reservoir; (2) pretreatment vs. treatment consolidation at the Bailey WTP; and (3) Springs Utilities charges for treatment/delivery.

- The alternatives making use of the FMIC canal and 500 AF of expanded storage in Big Johnson Reservoir are the more cost-effective options. The participants should open discussions with the rest of the FMIC ownership to explore the possibilities of how they can mutually benefit from shared use of the FMIC facilities as a key part of the regional reuse system.
- It will likely be more cost effective to consolidate treatment of Fountain Creek water at the SDS-Bailey WTP rather than provide some level of pretreatment at a separate facility. To confirm, Springs Utilities will need to determine what (if any) treatment modifications would be needed at Bailey and what operational costs could be incurred.
- Moreover, Springs Utilities will need to charge each of the other participants for their respective share of finished water treatment and delivery costs to points of connection to those other water systems. Those cost shares will need to be factored into the overall cost determination for each participant.

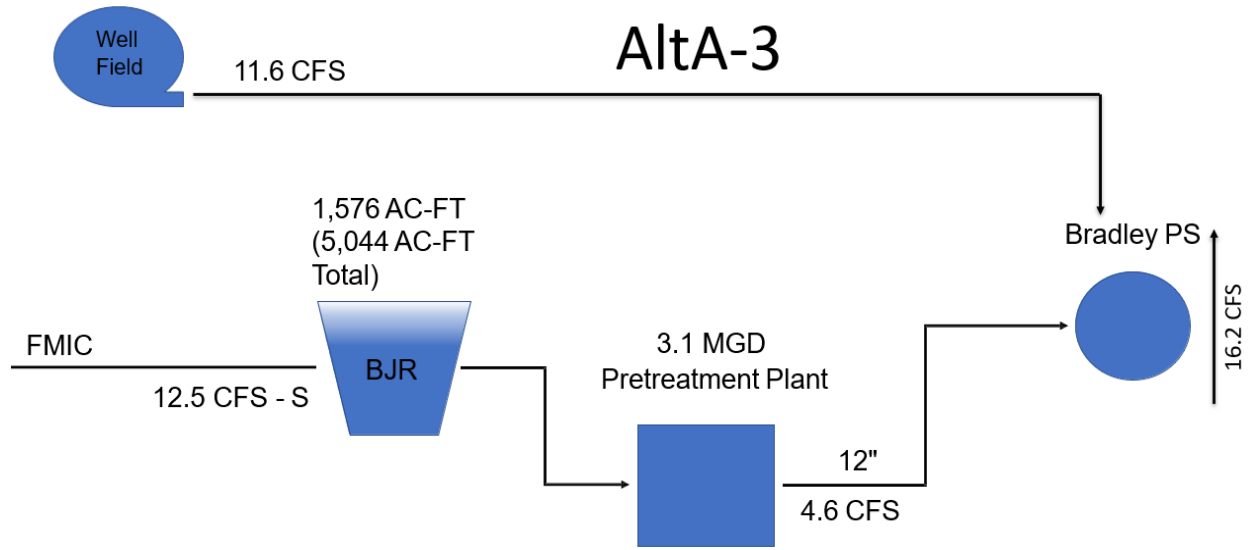
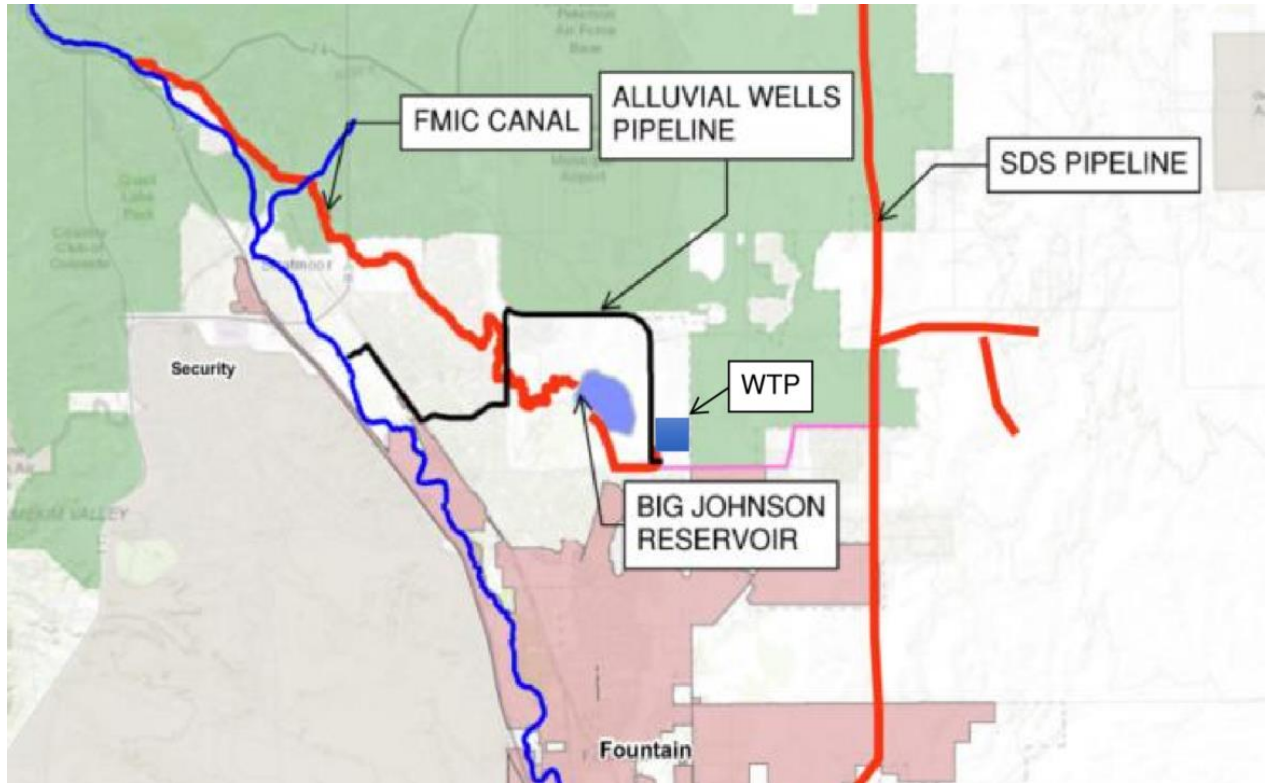
Map & Diagram AltA-2



# AltA-2



Map & Diagram AltA-3



## CHAPTER 1 INTRODUCTION

The Pikes Peak Regional Water Authority (PPRWA) is made up of several El Paso County water providers with shared interests in water supply planning and water quality. At the forefront of discussion among the group's members is availability of water supply considering rapid population growth throughout El Paso County. Many of the PPRWA water providers depend heavily on nonrenewable Denver Basin water supplies, which will not be economically viable over time given their declining water levels. Other providers also see the need to make full use of their water supplies to the extent practicable. Therefore, the PPRWA initiated this study to evaluate the feasibility of capturing and reusing return flows from lower Fountain Creek. The specific PPRWA members participating in this study are:

- Cherokee Metropolitan District (CMD)
- Colorado Springs Utilities (Springs Utilities)
- Donala Water and Sanitation District (DWSD)
- Forest Lakes Metropolitan District (FLMD)
- Town of Monument
- Security Water and Sanitation District (DWSD)
- Triview Metropolitan District (TMD)
- Woodmoor Water and Sanitation District (WWSD)

This study builds upon concepts developed in prior PPRWA studies. The first of those was the Water Infrastructure Planning Study (WIPS) [R](#). The WIPS took a broad view of alternatives to use Denver Basin supplies more efficiently, and acquire and deliver new, renewable water supplies to the Monument area. PPRWA's Regional Infrastructure Study (RIS) [R](#) in 2015 developed the concept of connecting Springs Utilities' Southern Delivery System (SDS) to CMD's Sundance Pipeline to provide a regional backbone for water deliveries from the Fountain to Monument areas, along with reservoir storage, treatment and pumping facilities. PPRWA's Area 3 Preliminary Engineering Report [R](#) provided greater detail on the northernmost of the three RIS project areas.

### 1.1 PURPOSE

The PPRWA members share an interest in securing more water supplies while also optimizing use of current supplies for a more sustainable water portfolio. In this Regional Reuse Study, we evaluate the physical facilities needed to capture return flows from lower Fountain Creek and deliver them to the respective service areas as potable water via Springs Utilities infrastructure. Additionally, some of the service providers have water rights that can be accessed from lower Fountain Creek in addition to their reusable return flows. We also consider in this study what additional facilities or upsizing would be needed to make use of those supplies as well.

This study identifies alternatives to divert, store, and treat water from Fountain Creek and cost effectively deliver it to each participating member's service area. Additionally, this analysis identifies other water storage needs within El Paso County that could also be addressed with the storage

contemplated as part of this effort. The Regional Reuse Study facilitates a collaborative effort between participating entities in achieving a common goal to make best of their existing water supplies, while also positioning them to access additional supplies that may be developed in the Arkansas River basin.

## 1.2 SCOPING AND OBJECTIVES

The work of this Study was completed in four phases:

### 1. Reconnaissance

This phase consisted of reviewing background information and previously developed concepts and alternatives. We reviewed project data and concepts performed in the region over the last 10 years specifically addressing the recapture, storage, and delivery of reuse water. We then prepared an inventory of previously identified water storage needs within El Paso County. Each participating water provider was interviewed to develop minimum operational criteria for storage, conveyance capacity needed, ability to connect to existing infrastructure, and general treatment requirements for potential recapture, storage, and delivery. We then prepared a summary table of water recapture, storage and delivery needs that could be met through regional cooperation.

### 2. Comparative Analysis

This phase consisted of using the identified criteria to evaluate the viability of each concept. Based on feedback from the participants, we developed a set of qualitative and quantitative criteria to compare project concepts. Each criterion was numerically weighted then scores were tallied for each concept. Each was given a total score with the highest scoring concept receiving the top overall ranking.

### 3. Feasibility Analysis

In this phase, we carried forward all of the alternatives and developed the concepts further to allow for some very preliminary cost comparisons. Each identified concept was evaluated for costs of diversion, storage, treatment and transmission. Capital, operational and maintenance, and total present-worth costs were compared and some of the more costly alternatives were screened out.

### 4. Refined Costs

In the final phase of the study, we refined the conceptual capital, operational and maintenance, and total present-worth cost considerations for the top two recommended alternatives. The more favorable of two alternatives will depend on a closer analysis of whether pretreatment will be necessary prior to combining the Fountain Creek water with the SDS supply.

## CHAPTER 2 RECONNAISSANCE

This chapter summarizes our review of background information and previously developed concepts and alternatives specifically addressing the recapture, storage, and delivery of reuse water. We also conducted interviews with each entity to identify how they could benefit from a regional reuse concept and their specific needs regarding collection, storage, treatment, and delivery components. Our reconnaissance work included the following:

- Collected and reviewed relevant project work performed in the region over the last 10 years, specifically addressing reuse water.
- Gathered data and formulated an inventory of previously identified water storage needs within El Paso County.
- Developed minimum operational criteria (conveyance capacities, storage volumes, potential treatment requirements, and delivery points to existing infrastructure).
- Formulated concept plans in sufficient detail to evaluate the viability of identified alternatives.
- Developed criteria to facilitate a qualitative screening of the alternatives.

Existing studies providing background information varied from large-scale planning documents covering all of El Paso County (e.g., El Paso County Water Master Plan, Forsgren 2019) to local, purpose-specific studies of particular infrastructure projects (e.g., Feasibility Study for Big Johnson Reservoir Enlargement, Applegate 2009). These studies were performed for a variety of different entities and purposes at varying levels of detail. However, we reviewed them for information relevant to the purposes of this study for consideration and possible inclusion. Below are brief summaries highlighting the relevance of a few prior studies.

### 2.1 POTENTIAL RETURN FLOWS AND CONVEYANCE

- The PPRWA Area 3 Preliminary Engineering Report proposed using flows from five water systems, assuming 75 percent of the effluent was available for recapture. This would add about 1680 to 2570 AFY of available water.
- The Monument Water Master Plan proposed making use of returns derived from lawn irrigation return flows (LIRFs) and treated wastewater effluent from the Tri-Lakes WWTP. Monument anticipated net return flows of 150 AFY, deducting the flows committed to augmentation.
- The Monument/Woodmoor Water Reuse Plan considered reusing flows by conveying and discharging WWTF effluent upstream of Monument Lake. This system would allow the water to be withdrawn from Monument Creek downstream of Monument Lake through a new raw water intake at Woodmoor’s existing diversion. Monument’s share would be treated through a new WTP and pumped into their water distribution system. WWSD would

be able to capture a greater share of their return flow than currently possible, either pumping the water to Lake Woodmoor or to their existing South WTP. This system could have the capacity to convey 0.76 MGD to Monument and 2.16 MGD to WWSD.

- The *El Paso County Water Authority Water Report R* proposed reuse options that distinguished between the northern and southern water providers in the region. The northern water providers would capture treated wastewater return flows using a new or existing reservoir. All but one of the southern water providers are already interconnected and have the means to reuse water via a system of water rights in Pueblo Reservoir and wells in the Widefield alluvial aquifer. Although the southern providers have a system in place, they still need raw water storage to aid in the reuse/recapture efforts.
- The Springs Utilities *Integrated Water Resource Plan Tech Memo No. 23* explored using available SDS capacity in the months of May-September and October-April. The October-April window showed sufficient capacity to convey all regional demands considered. Up to 36,000 AFY total could be conveyed.

## 2.2 STORAGE

- The *PPRWA Area 3 Preliminary Engineering Report* options included:
  - Home Place Ranch Reservoir, which would be newly constructed,
  - Enlargement of Monument and Woodmoor Lakes, identified as too costly for the minimal storage increase,
  - Aquifer storage and recovery (ASR) well conversions in Springs Utilities’ Northgate well field, and
  - Upper Black Squirrel Creek (UBSC) alluvial storage using existing CMD water transmission lines that cross the basin.
- The PPRWA Regional Infrastructure Study included the following storage options:
  - Fountain gravel pits would store water from Fountain Creek, with storage capacity of 4,100 – 15,900 AF.
  - Callahan Reservoir could be enlarged from its current storage capacity of 674 AF. The reservoir is filled with Fountain Creek water conveyed by the Chilcott Ditch. The enlargement of Callahan would increase storage capacity to 3,200-8,400 AF.
  - Big Johnson Reservoir could be enlarged from its current capacity of 5,000 AF to its design capacity of 10,000 AF. Big Johnson Reservoir is filled from Fountain Creek using the FMIC Canal.
- The 2009 Feasibility Study for Big Johnson Reservoir Enlargement proposed the dam crest be raised 15 feet to create more storage. This was considered the most feasible option in the study and would increase storage by 5,000 AF.
- The El Paso County Water Authority Water Report outlined similar options for storage as in the PPRWA Study including:
  - Purchase of Lake Woodmoor, however, the reservoir was under restrictions from a dam safety standpoint. This option, if viable, would yield 936 AF of capacity.

- Monument Lake to be used as a future terminal storage facility following rehabilitation.
  - Bristlecone and Pinion Reservoirs were considered surplus storage that could aid in regulating direct flow rights.
  - Springs Utilities could offer storage if available in either Bostrom or Williams Creek Reservoirs, if constructed, to other county water providers.
  - Jimmy Camp and New Forest Lakes Reservoirs could be used as reuse storage. The reservoirs were estimated to have sufficient storage capacity to supply 2,550 AF and 2,480 AF, respectively. The total supply of 7,440 AFY would potentially meet demands for the northern water providers that took part in the study.
  - Alluvial storage in the UBSC Designated Groundwater Basin would include rapid infiltration basins for indirect potable reuse of CMD’s treated effluent.
  - Gravel pits in the Fountain area could be converted into water storage reservoirs.
- *The City of Fountain Gravel Pit Reservoir Feasibility Study* reviewed the feasibility of using two gravel pits for two separate uses; augmentation, and pre-treatment. Three different gravel pits were considered in the study, with Schmidt and LaFarge being the two pits considered able to meet the target volume of 1,400 AF – 5,000 AF.
  - *The Springs Utilities Integrated Water Resource Plan Tech Memo No. 23* explored the Lower Arkansas and the Upper Williams Creek Reservoir Expansion (later named Bostrom Reservoir) as potential storage options. Conveyance and storage possibilities for the Upper Williams Creek Reservoir would store 40,000 AF – 50,000 AF. This option was selected due to being readily available to provide new supply storage in the best location for meeting local demands.
  - *The Springs Utilities Regional Water and Wastewater Service Technical Studies* presented new projects that were added to the Integrated Water Resource Plan buildout portfolio, including the expansion of Bostrom Reservoir and Fountain Creek Effluent Storage. These projects would add up to 22,000 AF and 20,000 AF respectively.
  - *In Bird Strike Hazard Assessment for LaFarge Reservoir*, the City of Fountain proposed acquiring the LaFarge property to be used as a storage reservoir. This would allow it to store up to 2,500 AFY of water supplied from the SDS pipeline as the City expected water demands to increase significantly in the following years.

### 2.3 PARTICIPANT INTERVIEWS

As part of this study, the eight participating entities were interviewed about potential reuse opportunities through future recapture, storage, and delivery projects. Representatives of each entity were asked the following questions, and their responses are summarized in Appendix II.

- Why is this organization participating in this study?
- Each organization has participated in the Regional Infrastructure Study and the El Paso County Water Master Plan and has completed other studies specific to its own needs. In light of said studies, what has changed and what is still true or current?
- What is the organization’s most significant challenge with respect to the indirect reuse of reusable return flows?
- Any indication that the current trajectory toward build-out is going to accelerate, decelerate, or change in magnitude?
- Does the organization have organizational or legal challenges that must be surmounted in order to participate in shared or co-developed infrastructure, e.g., limitation on being a co-applicant in new water right applications?
- Is the organization in the process of acquiring or changing any current supplies that are pertinent to this study in the timeframe within this study?
- Are there any ‘in system’ water quality issues that would be exacerbated or mitigated with the import of (a) new water source(s), i.e., treated, partially treated, untreated?
- Does the organization have adequate storage currently and is there an estimate of future storage needs, either solely or cooperatively?
- Can you describe any reuse and/or storage alternatives that you have considered in the past? If so, which ones do you think hold the most promise? On your own accord or with regional partners?
- What alternatives do you think hold the most promise for your organization, whether previously evaluated or not?
- Do you have any reports or tech memos (other than what is included in the RFP References) that will help us better understand those alternatives?
- What alternatives seem most promising if your organization has to act on its own accord?

Responses to these questions were considered in development of the alternatives considered in the following chapters. The specific data requested from each entity are listed below:

- Reusable return flows to be recaptured
  - Current
  - Buildout (2050)
- Location of return flows
- Desired location for delivery
- Operational timing needs (immediate delivery vs. delayed/timed delivery)
- Reuse storage need
- Project timing need
- Secondary – Volumes, locations and rates for the collection, storage, and delivery of other water supplies

## CHAPTER 3 AVAILABLE FLOWS

This chapter identifies the primary interest of this Study: quantifying participant return flows that can be recaptured from lower Fountain Creek for return and reuse. But a secondary benefit of a conceptual reuse plan would be to also allow the participants to make beneficial use (or better use) of their water rights available for diversion from lower Fountain Creek. Those potential flows are also identified in this chapter.

### 3.1 RETURN FLOWS

Return flows available for reuse consist of water that is “new” to the surface water system—water for which there are no ownership claims from downstream users. In El Paso County, available return flows are primarily derived from:

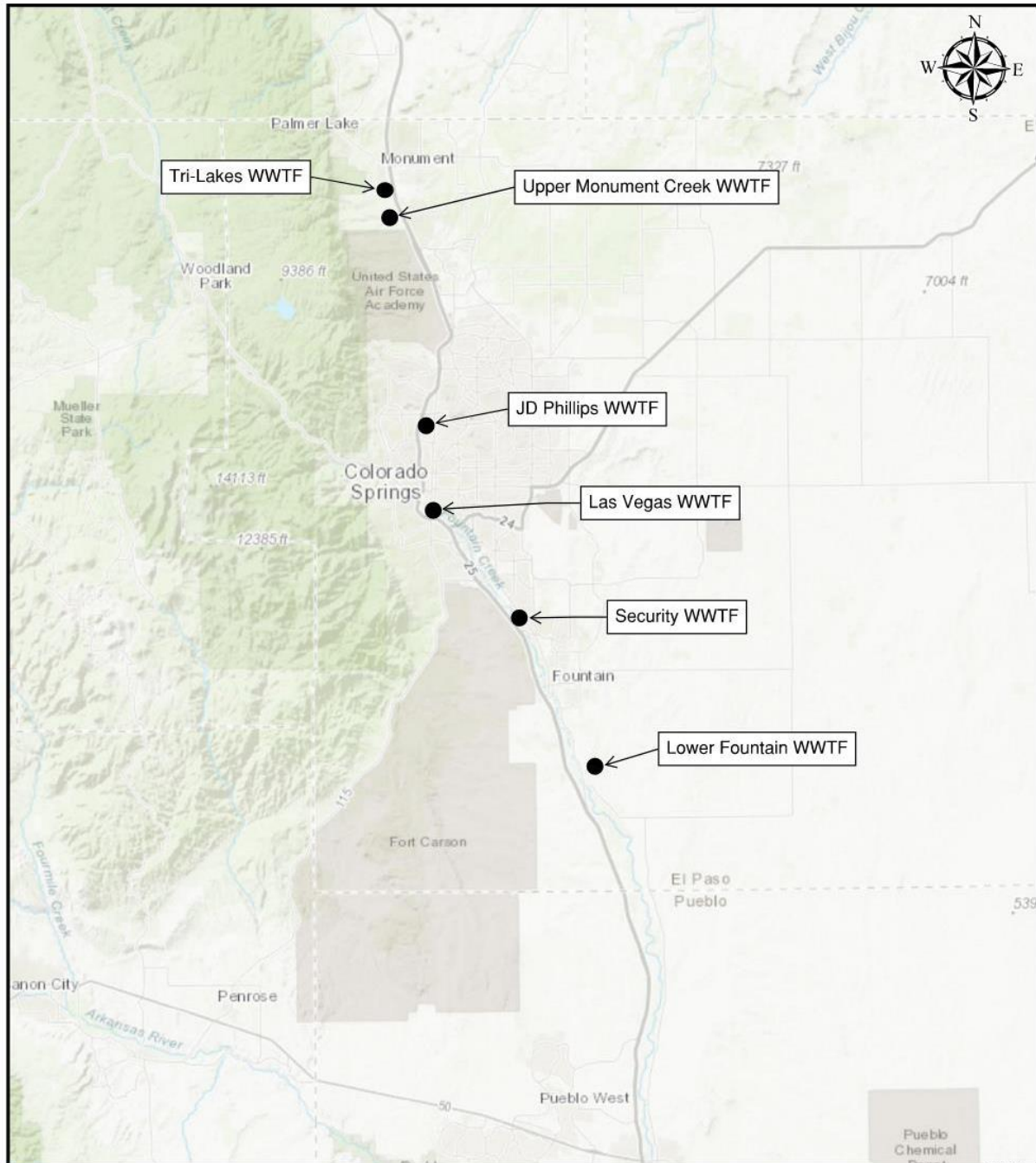
- **Nontributary Groundwater.** Several water providers in northern and eastern El Paso County rely heavily on pumping Denver Basin groundwater from bedrock aquifers having no significant influence on surface water flows.
- **Transmountain Diversions.** Springs Utilities and other water providers in southern El Paso County benefit from flows diverted into the Arkansas River basin from the West Slope.
- **Consumptive Portion of Water Rights.** Many water providers convert agricultural water rights for municipal use. The portion of agricultural water previously consumed through crop evapotranspiration may become available as a return flow.

Once water from these sources is used within a service provider’s system, a portion of it accrues to a stream such as Monument Creek or Fountain Creek primarily in the form of treated wastewater effluent. That effluent is from indoor water usage at a fairly constant rate year-round. A small share of reuse returns can be attributed to lawn irrigation return flows (LIRFs) during the irrigation season, April through October. But for purposes of this study, we will consider reuse return flows to be relatively constant year-round.

Treated wastewater return flows from five of the eight participants are currently discharged into Monument Creek from one of two treatment facilities. The Tri-Lakes WWTF in southwest Monument treats flows from Monument and WWSD (in addition to Palmer Lake, see Figure 3.1). The Upper Monument Creek WWTF treats flows from DWSD, TMD and FLMD.

In an offer for regional consolidation, Springs Utilities has proposed that those two WWTFs be decommissioned and that all flows be conveyed by a new North Monument Creek Interceptor (NMCI) to Springs Utilities’ JD Phillips WWTF. That WWTF has sufficient capacity available for consolidation, and can more readily meet increasingly stringent effluent limits for phosphorous and nitrogen. An added benefit of the interceptor would be to reduce stream losses to the return flows. Whether the five Monument-area participants join Springs Utilities in developing NMCI or not, their return flows will still be discharged into Monument Creek and available downstream of its confluence with Fountain Creek.

Figure 3-1: Area WWTFs on Monument and Fountain Creeks



In an offer for regional consolidation, Springs Utilities has proposed that those two WWTFs be decommissioned and that all flows be conveyed by a new North Monument Creek Interceptor (NMCI) to Springs Utilities' JD Phillips WWTF. That WWTF has sufficient capacity available for consolidation, and can more readily meet increasingly stringent effluent limits for phosphorous and nitrogen. An added benefit of the interceptor would be to reduce stream losses to the return flows. Whether the five Monument-area participants join Springs Utilities in developing NMCI or not, their return flows will still be discharged into Monument Creek and available downstream of its confluence with Fountain Creek.

The majority of Springs Utilities' treated wastewater flows are discharged into Monument Creek at the JD Phillips WWTF, and into Fountain Creek at its Las Vegas WWTF. SWSD's flows are treated at its own WWTF downstream of the Las Vegas WWTF for discharge to Fountain Creek. A small portion of Springs Utilities' flows are treated and discharged even further downstream at the Lower Fountain WWTF.

CMD has no current return flows discharged into the Fountain Creek basin. All treated wastewater flows from their UBSC WWTF are conveyed to recharge basins in the UBSC Basin aquifer east of Colorado Springs. A portion of that flow is pumped from a downgradient well field for indirect potable reuse within CMD's service area. CMD may consider future scenarios that would result in having return flows or water rights available from lower Fountain Creek.

Based on the background documents review and participant interviews, Table 3-1 summarizes the expected reusable return flow rates for participants. The storage volumes needed for reuse should be understood as narrative or qualitative in nature based on existing studies or participant estimates. The subsequent phase of this Study, Comparative Analysis, develops conceptual plans for operation considering the dynamics of diversion and conveyance rates, necessary storage volume, and forecast treatment capacity.

Table 3-1: Reusable Return Flows

Entity	Location / Notes	Wastewater Effluent Flow – Current Conditions		Wastewater Effluent Flow - 2050 Conditions	
		[AFY]	[cfs]	[AFY]	[cfs]
<b>CMD</b>	Not currently a discharger to the Fountain Creek system.	n/a	n/a	n/a	n/a
<b>Springs Utilities</b>	Discharge from JD Phillips and Las Vegas WWTFs (potentially Lower Fountain WRRF)	3,620	5.00	3,620 <sup>1</sup>	5.00
<b>DWSD</b>	Return flows from DBGW & Willow Creek discharged from UMCWWTF	507	0.700	507	0.700
<b>FLMD</b>	Return flows from DBGW & Beaver Creek /Bristlecone Reservoir discharged from <b>UMCWWTF</b>	53	0.073	203	0.280
<b>TMD</b>	Return flows from DBGW & transferred ag water rights (under development) discharged from UMCWWTF	405	0.560	688	0.950
<b>Town of Monument</b>	Return flows from DBGW discharged from TLWWTF	145	0.200	574	0.793
<b>Security Water and Sanitation District</b>	Return flows from transferred ag water rights discharged from Security WWTF	1,000	1.38	2,000	2.76
<b>Woodmoor Water and Sanitation District</b>	Return flows from <sup>2</sup> DBGW & transferred ag water rights (under development) discharged from TLWWTF	652	0.900	1,160	1.60
<b>Total</b>		<b>6,382</b>	<b>8.81</b>	<b>8,752</b>	<b>12.09</b>

<sup>1</sup> Utilities expects to expand its IPR/DPR reuse significantly by 2070 up to the goal of 50-75 MGD capacity set in the 2017 IWRP. Such increase may be accomplished by a significant expansion of the system identified in this study or by a separate system

### 3.2 WATER RIGHTS FLOWS

As previously noted, water rights flows owned by the participants and available on lower Fountain Creek could be accessed through some upsizing of the infrastructure needed to recover and return their reuse flows. Those water rights are listed in Table 3-2. They are generally available for diversion during the irrigation season, April through October.

**Table 3-2: Water Rights for Delivery**

<b>Entity</b>	<b>Location/Notes</b>	<b>Water Rights (AFY)</b>
<b><i>Springs Utilities</i></b>	NA	NA
<b>DWSD</b>	Laughlin Ditch	300
<b>FLMD</b>	NA	NA
<b>Monument</b>	NA	NA
<b>SWSD</b>	Fountain Creek	1,000
<b>TMD</b>	FMIC Shares	740
<b>WWSD</b>	JV Ranch	2,630
<b>TOTAL</b>		<b>4,670</b>

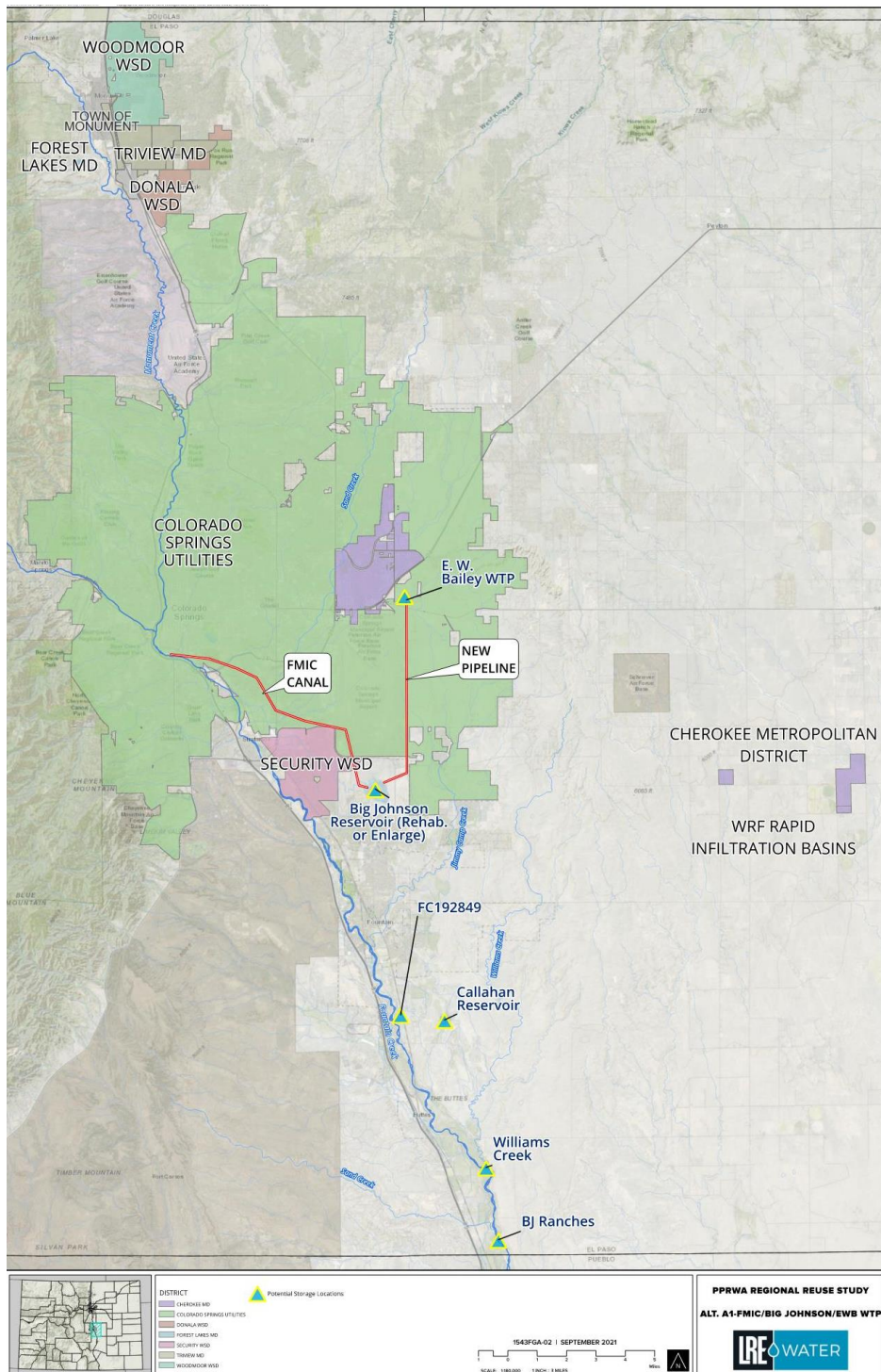
## CHAPTER 4 ALTERNATIVES

For each of the entities with return flows and water rights available within the Fountain Creek basin, we reviewed a number of conveyance and storage possibilities. After an initial screening with the participants, we developed a series of conceptual alternatives with diversions at or downstream of the Las Vegas WWTF and located on the east side of Fountain Creek and Interstate I-25, generally affording closer proximity to Springs Utilities’ SDS transmission pipeline.

Those eight alternatives vary with respect to the diversion, storage, treatment and conveyance of water from Fountain Creek into the SDS:

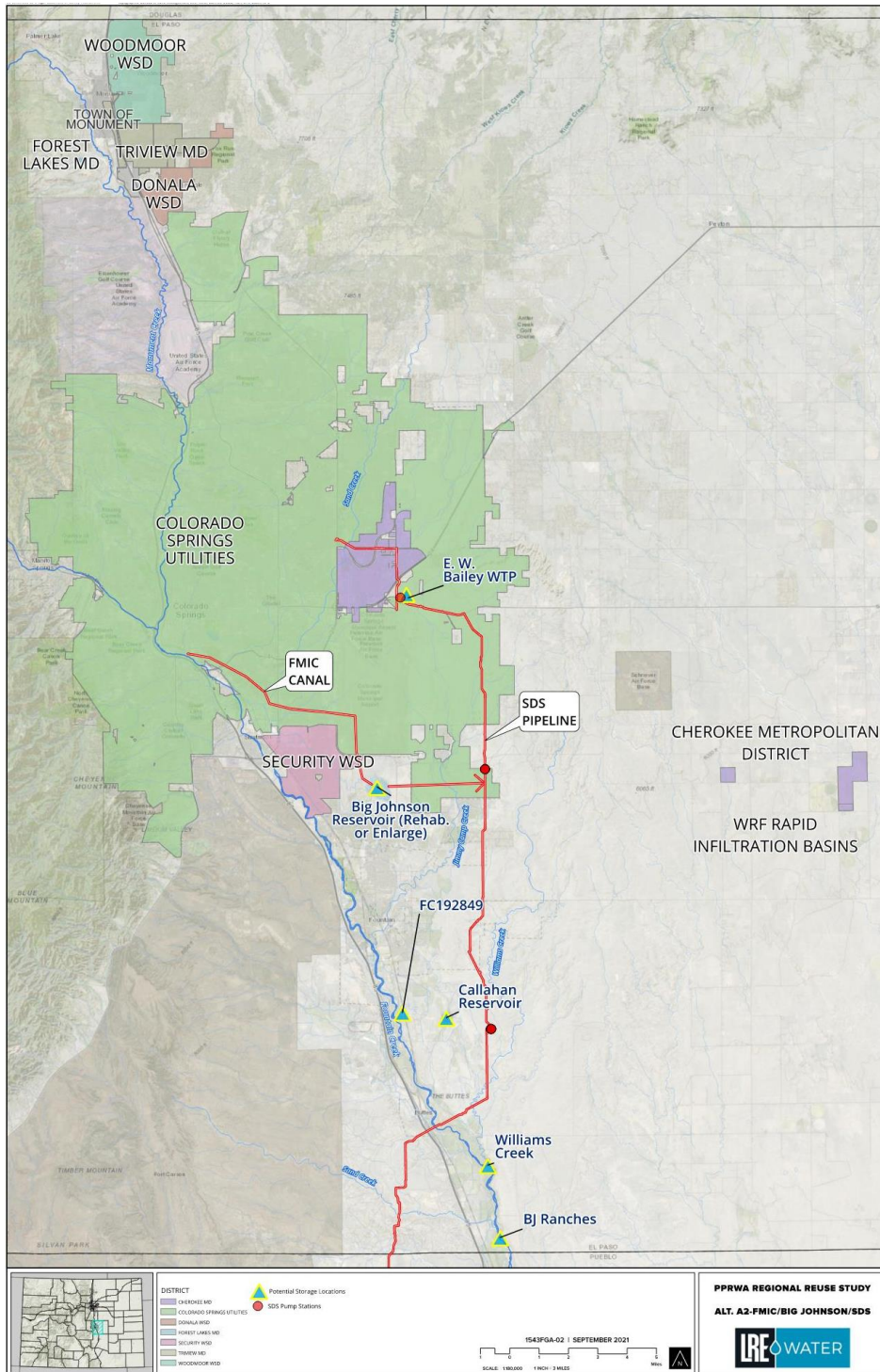
<b>ALTERNATIVE</b>	<b>DIVERSION</b>	<b>STORAGE RESERVOIR</b>	<b>SDS CONNECTION</b>
<b>A-1</b>	FMIC Canal	Big Johnson	Bailey WTP
<b>A-2</b>	FMIC Canal	Big Johnson	Bradley Pump Station
<b>B-1</b>	Chilcott Canal	Callahan	Bailey WTP
<b>B-2</b>	Chilcott Canal	Callahan	Williams Creek Pump Station
<b>B-3</b>	New Diversion & Pipeline	Callahan	Williams Creek Pump Station
<b>B-4</b>	Modified Owen & Hall Diversion & Pipeline	Callahan	Williams Creek Pump Station
<b>C-1</b>	Chilcott Canal	New Williams Creek via Callahan	SDS Transmission Line
<b>C-2</b>	New Diversion	New County Line	SDS Transmission Line

These initial alternatives are depicted in the figures that follow, along with a description of each. Conceptually, each alternative was thought to possibly include some level of pretreatment to assure compatibility with SDS water quality prior to connecting to the SDS. With each, the water would be treated to finished standards at the Bailey WTP, and conveyed to the participants via the Springs Utilities distribution system.



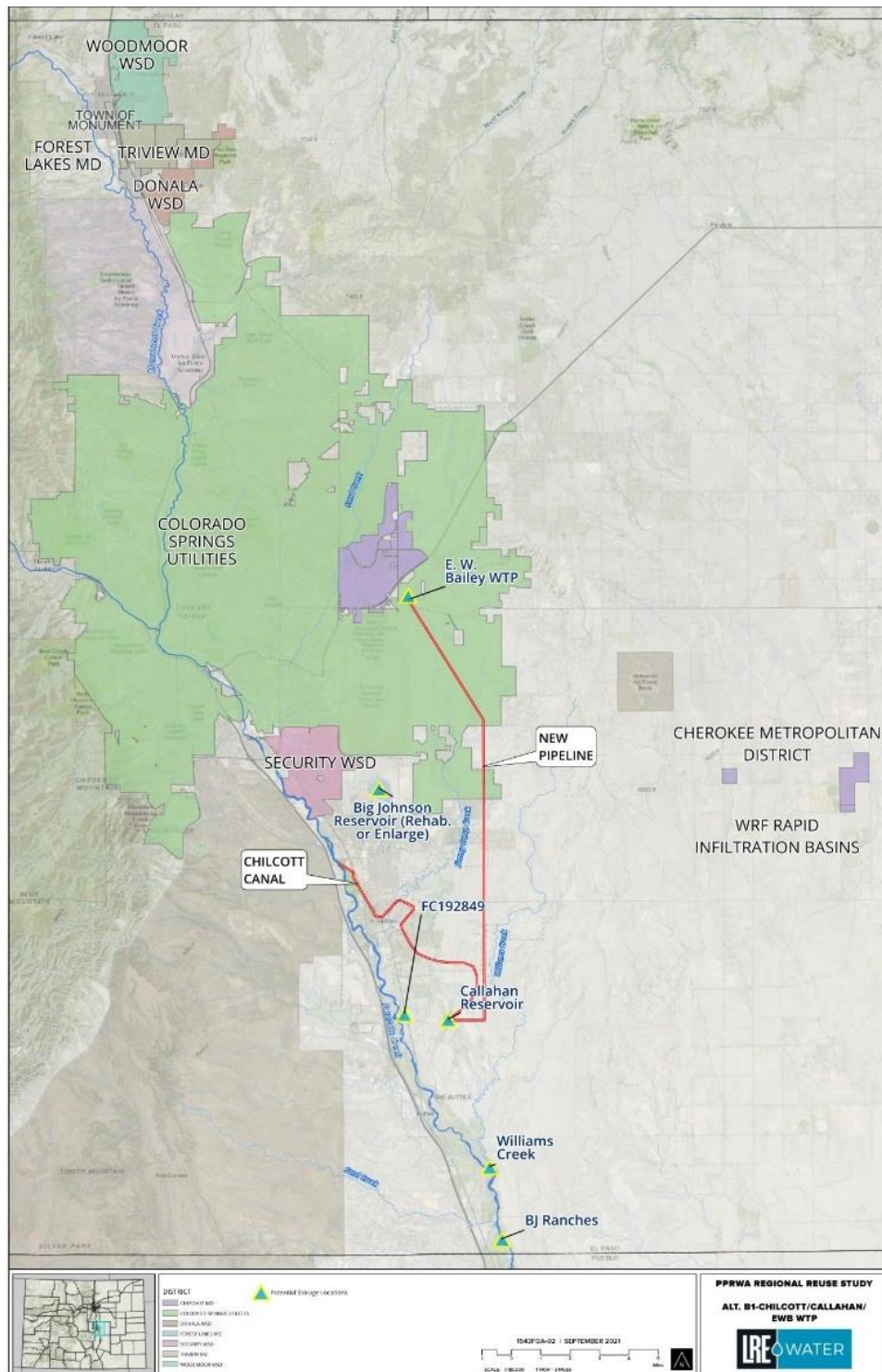
**Figure 4-1: Alt A-1**

*Alt A-1 uses the FMIC canal to divert water from Fountain Creek to Big Johnson Reservoir. A new pipeline would be built to take water from Big Johnson Reservoir to the Bailey WTP.*



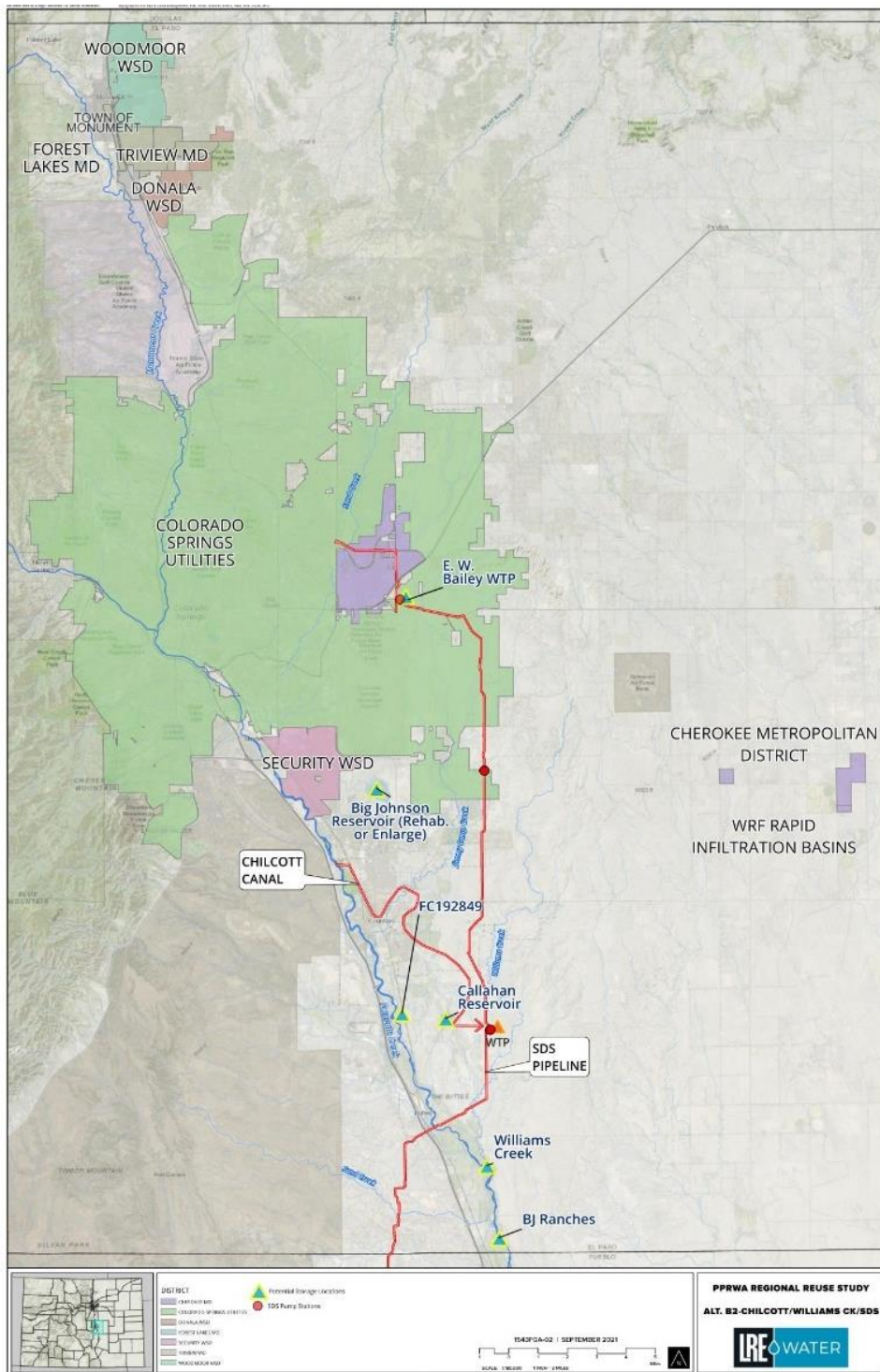
**Figure 4-2: Alt A-2**

*Alt A-2 uses the FMIC canal to divert water from Fountain Creek into Big Johnson Reservoir. A new pipeline would convey water from Big Johnson Reservoir to the SDS Bradley Pump Station.*



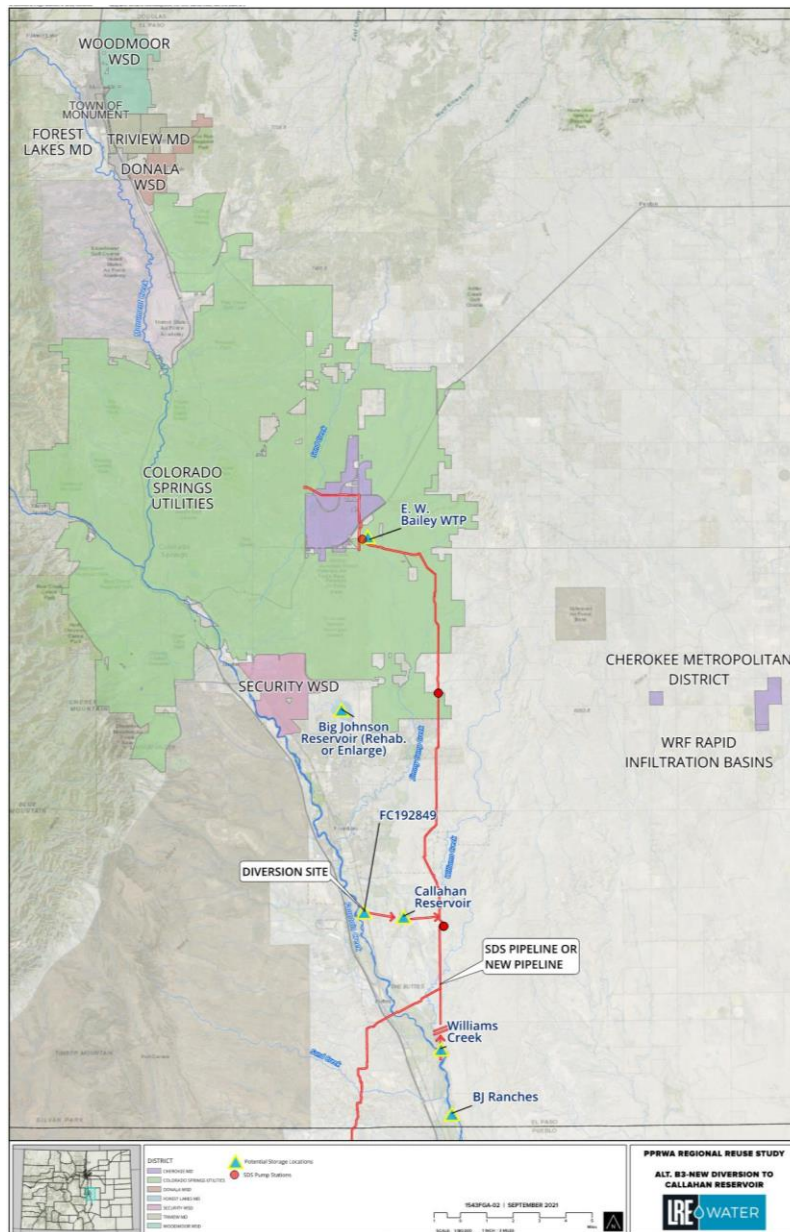
**Figure 4-3: Alt B-1**

*Alt B-1 uses the Chilcott canal to divert water from Fountain Creek to Callahan Reservoir. A new pipeline would be constructed to convey the water from Callahan Reservoir to the Bailey WTP.*



**Figure 4-4: Alt B-2**

*Alt B-2 uses the Chilcott canal to divert water from Fountain Creek to Callahan Reservoir for storage. Water would be piped from Callahan Reservoir to the SDS Williams Creek Pump Station.*



**Figure 4-5: Alt B-3**

*Alt B-3 would use a new diversion and pipeline from a location previously identified as a possible detention pond site by the Fountain Creek Flood Control District **R** to convey water from Fountain Creek to Callahan Reservoir. Water from Callahan Reservoir would be piped over to the SDS Williams Creek Pump Station.*

*Alt B-4 would similarly use a modified diversion (close to the Alt B-3 diversion) to convey water from Fountain Creek to Callahan Reservoir. The Owen & Hall diversion structure would be modified to provide an outlet on the east side of the creek. Water from Callahan Reservoir would be piped over to the SDS Williams Creek Pump Station.*

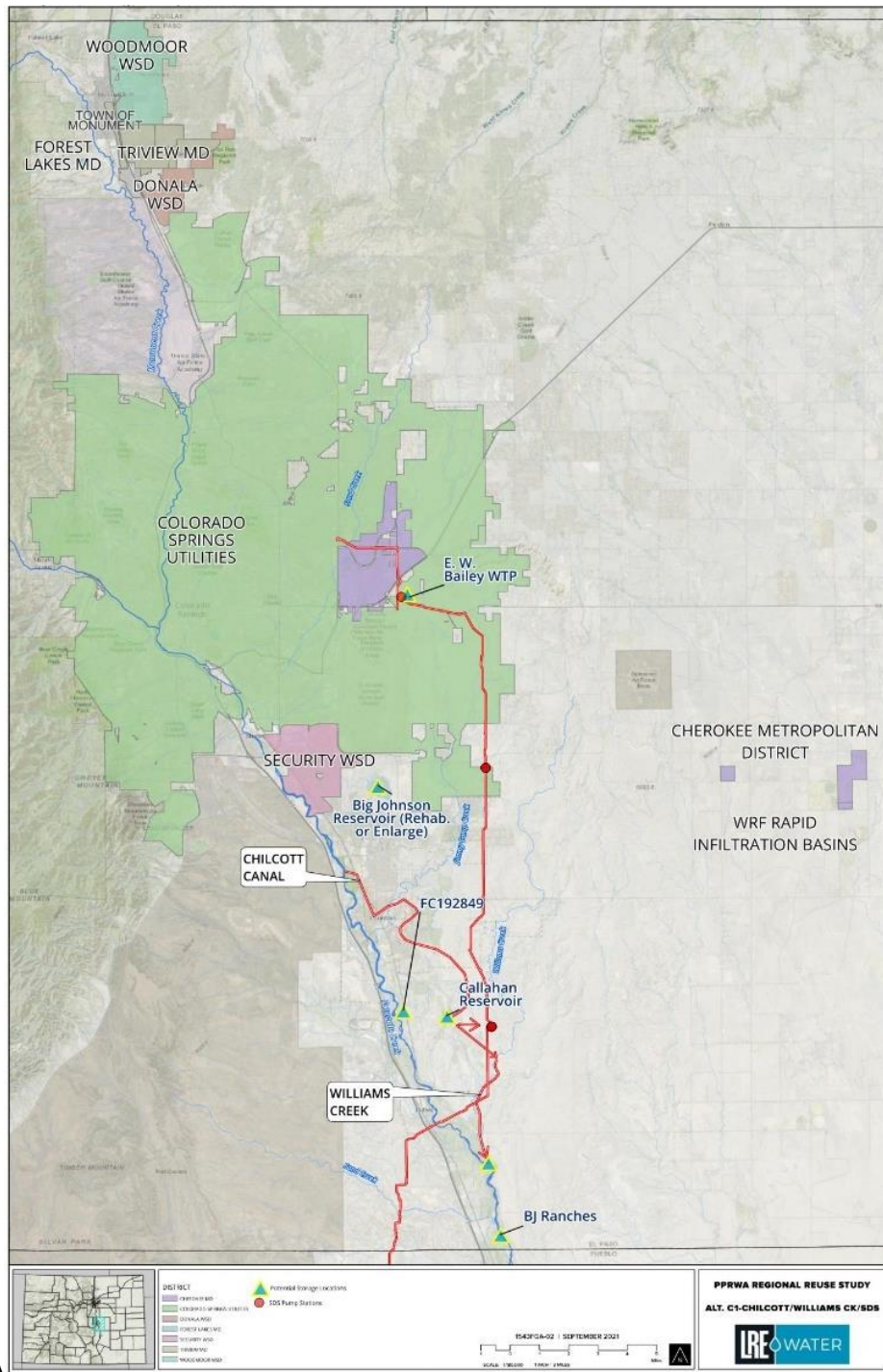
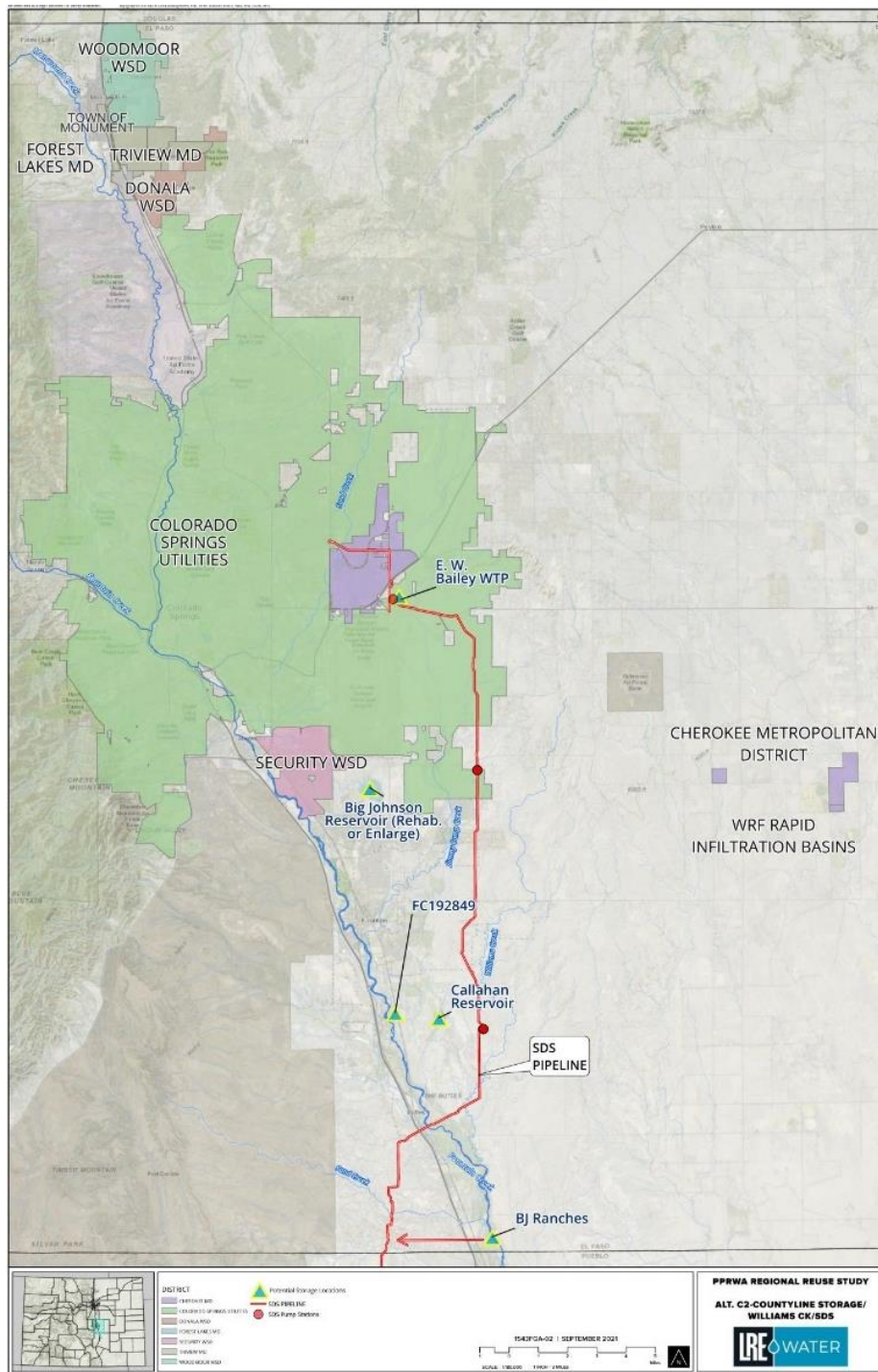


Figure 4-6: Alt C-1

*Alt C-1 uses Chilcott canal to divert water from Fountain Creek to Callahan Reservoir. Water would flow past Callahan Reservoir for storage at a new Williams Creek Reservoir. The water would then be pumped to a connection with the SDS transmission pipeline.*



**Figure 4-7: Alt C-2**

*Alt C-2 would include a new diversion structure and some operational storage at the BJ Ranches property located just north of the Pueblo County line. The water would be piped west to a connection with the SDS transmission pipeline.*

## CHAPTER 5

### SCREENING OF ALTERNATIVES

In order to screen the eight conceptual alternatives for closer analysis, we developed an evaluation matrix consisting of five categories. Those categories are Selection Criteria, Site Development, Technical Criteria, and Environmental/Permitting Criteria and there are subcategories for each. The ability of each alternative to meet each criterion is quantified by a numerical score, then tallied to identify the better alternatives for closer review. The tabulated results are shown in Appendix III and summarized in this chapter.

#### 5.1 SELECTION CRITERIA

The first category used to evaluate each alternative was Selection Criteria. This category consists of two criteria, Connection and Capacity Available. The Connection criterion scores the alternative's ability to connect to existing or reasonably foreseeable conveyance, storage and treatment facilities; it must be conceptually feasible and integrate with known or planned operations of the participants. The Capacity Available criterion scores whether minimum storage is available to meet the capacity requirements for each alternative.

**Alts. A-1, A-2, B-1, and B-2 scored highest for this category.**

#### 5.2 SITE DEVELOPMENT CRITERIA

The second category used to evaluate each alternative was Site Development. This category consists of two different criteria, Property Conflicts and Road Relocation. The Property Conflicts criterion quantifies the number of parcels within each site and allocates a score based upon likelihood of property conflicts during construction of an alternative. Road Relocation considers the length of roads that would need to be relocated.

**Alts. B-1 and B-2 scored highest for this category.**

#### 5.3 TECHNICAL CRITERIA – RESERVOIR STORAGE

The third category used to evaluate each alternative was Technical Criteria – Reservoir Storage. This category contains seven subcategories:

1. Return Flow Capture. This criterion considers how much of the participant return flows can be captured directly from diversion.
2. Existing or New Storage. This criterion considers whether new storage is required.
3. Average Depth. This criterion considers the average depth of the storage reservoir and its effect on potential for evaporative losses.
4. Dam Height. This criterion considers the maximum dam height needed. Higher dams are less desirable.
5. Dam Length. This criterion considers dam length, and alternatives that required longer dams are less desirable due to higher costs and permitting.

6. Site Geometry. This criterion considers site geometric efficiency. A square reservoir makes more efficient use of space than a rectangular one.
7. Drainage Basin Size. This criterion considers the drainage basin size that drains into the reservoir. A larger drainage basin is more undesirable due to an increased need to mitigate flooding with added infrastructure (such as a larger spillway).

**Alts. A-1 and A-2 scored highest for this category.**

#### 5.4 TECHNICAL CRITERIA-CONVEYANCE

The fourth category used to evaluate each alternative was Technical Criteria – Conveyance. This category contains five criteria:

1. Existing or New Diversion. This criterion considers if a new diversion is required to deliver water to a reservoir.
2. Existing or New Conveyance. This criterion considered whether new conveyance is required to deliver water to the Bailey WTP.
3. Pumping to Storage. This criterion considers if pumping will be required or if gravity can convey water from Fountain Creek to the reservoir.
4. Pumping Return. This criterion considers the level of pumping required to convey water from the intake point into the reservoir.
5. Distance from Headgate. This criterion considers the distance of the reservoir from the headgate. The longer the distance from the headgate results in increased ditch losses and capacity issues.

**Alts. A-1, A-2, B-1, and B-2 scored highest for this category.**

#### 5.5 ENVIRONMENTAL/PERMITTING CRITERIA

The fifth category used to evaluate each alternative was Environmental and Permitting. This category contains three criteria:

1. Environmental Permitting. This criterion considers possible environmental permitting impacts of construction of the alternative. Specifically, wetlands issues would be expected to present more difficulty in obtaining environmental permits.
2. Water Rights Issues. This criterion considers potential water rights issues with the possible need to purchase additional land for a given alternative. If the purchased land contains more senior water rights or has irrigated areas, it would be more difficult to obtain.
3. 1041 Permitting. This criterion considers the difficulty of obtaining a 1041 Permit.

**Alts. A-1 and A-2 scored the highest for this category.**

## 5.6 EVALUATION SUMMARY

The top alternatives identified were A-1 and A-2 with a tied score. Alternatives B-1 and B-2 were closely tied at the second highest score. The differentiating category among the top alternatives was Environmental/Permitting, given 1041 permitting impacts and environmental permitting. The Callahan dam would require improvements of the outlet works, while Big Johnson's dam will likely require less permitting for expansion, and its outlet was already upgraded in recent years.

Alts. B-3, B-4, C-1 and C-2 scored much lower. They would require new storage facilities further downstream than Big Johnson and Callahan Reservoirs, resulting in a more complex system with greater stream losses and requiring return flow pumping from lower elevations over greater distances. These alternatives were eliminated from further consideration.

## 5.7 REFINED ALTERNATIVES

Upon consideration by the project participants, the alternatives were refined for the more detailed analysis that followed. Alts. A-1 and B-1 would both require construction of a new return pipeline to the Bailey WTP, essentially paralleling the SDS transmission pipeline. But the SDS pipeline has sufficient capacity to include those return flows making Alts. A-2 and B-2 more cost effective, so Alts. A-1 and B-1 were eliminated from further consideration.

Given that the Chilcott canal is normally taken out of service during the winter, three new alternatives were added for consideration: C-3.1, C-3.2 and C-3.3. For all three, water rights flows would be conveyed by Chilcott Ditch during irrigation season, but each would have a different means for diverting and conveying year-round return flows. Alt. C-3.1 would use the reconfigured Owen & Hall diversion and pumping, C-3.2 would use the detention pond site diversion and pumping, and C-3.3 would require pumping from an alluvial well field at Fountain Creek.

It was also noted that there could be some improvement in the water quality of Fountain Creek return flows through riverbank filtration; filtering that occurs naturally in the alluvium with the use of shallow wells along the creek. That could result in added benefit for Alt. C-3.3. Similarly, an alluvial well field could be incorporated to pump return flows with the Big Johnson Reservoir option, and that became Alt. A-3. These two alluvial well field options could allow the return flows to bypass storage and some or all of the pretreatment processes for conveyance directly to one of the SDS pump stations, allowing for smaller pretreatment facilities.

We also considered three possible split combinations, Alts. D-1, D-2 and D-3 whereby the summer flows (water rights and return flows) would be conveyed by the FMIC canal for storage at Big Johnson Reservoir, and winter return flows would be conveyed from the Owen & Hall diversion (D-1), the detention pond diversion (D-2) or an alluvial well field (D-3) to Callahan Reservoir and then to the SDS Williams Creek pump station. All three were dismissed due to their complexity and the extent of infrastructure required.

## CHAPTER 6 ALTERNATIVE ANALYSIS

Following reconnaissance, and identifying and screening of alternatives, this chapter documents further analysis of the six remaining alternatives listed in Table 6-1. (Please see Appendix IV for mapping and diagrams for each.) This analysis identifies the better alternatives to be considered further for implementation.

<b>ALTERNATIVE</b>	<b>DIVERSION</b>	<b>STORAGE RESERVOIR</b>	<b>SDS CONNECTION</b>
A-2	<i>FMIC Canal</i>	<i>Big Johnson</i>	<i>Bradley Pump Station</i>
A-3	<i>Water Rights-FMIC Canal; Return Flows-Alluvial Well Field</i>	<i>Big Johnson</i>	<i>Bradley Pump Station</i>
B-2	<i>Chilcott Canal</i>	<i>Callahan</i>	<i>Williams Creek Pump Station</i>
C-3.1	<i>Water Rights-Chilcott Canal; Return Flows-Owen &amp; Hall Diversion</i>	<i>Callahan</i>	<i>Williams Creek Pump Station</i>
C-3.2	<i>Water Rights-Chilcott Canal; Return Flows-Detention Pond Diversion</i>	<i>Callahan</i>	<i>Williams Creek Pump Station</i>
C-4	<i>Water Rights-Chilcott Canal; Return Flows-Alluvial Well Field</i>	<i>Callahan</i>	<i>Williams Creek Pump Station</i>

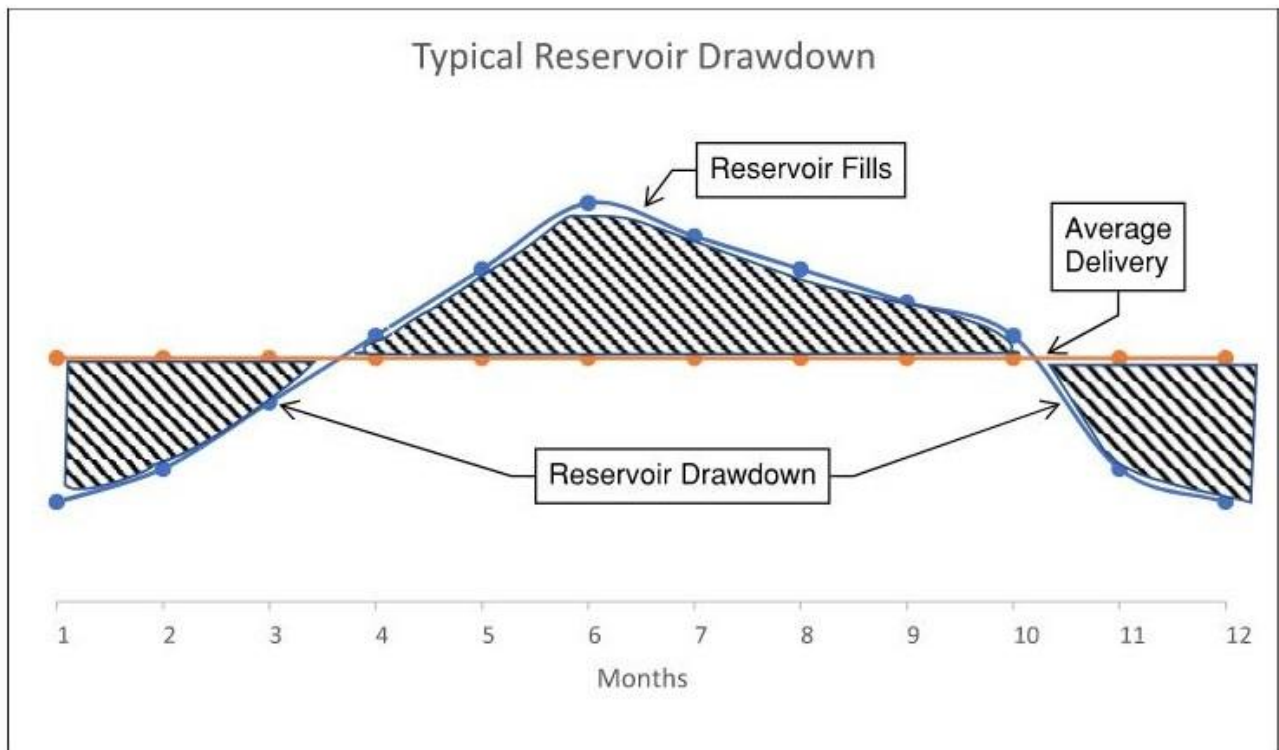
The components of each alternative are described further for comparison and contrast. First, we explain how return flows and water rights flows affect system planning differently. That leads to discussion of the diversion options, storage, treatment, and conveyance for connection to the SDS.

### 6.1 RETURN FLOWS VS. WATER RIGHTS FLOWS

As described in detail in Chapter 3, reuse return flows are relatively constant year-round. The return flows recaptured from Fountain Creek can then be available for use at approximately those same rates (less system losses) in respective participant water systems. Water rights diversions, however, occur primarily during the irrigation season.

An underlying condition of this study is that deliveries to suburban water providers must be at relatively constant rates year-round so as not to require Springs Utilities to reserve system capacity to deliver peak demands to those providers. Water storage is needed to dampen the water rights flows such that they fill the reservoirs during the irrigation season (when diversions exceed deliveries) and draw down the rest of the year (when deliveries exceed diversions). The reservoir would operate to discharge those flows at a fairly constant rate year-round as illustrated by Figure 6-1.

Figure 6-1: Typical Reservoir Drawdown



## 6.2 DIVERSION OPTIONS

All of the remaining alternatives use existing diversions and conveyances for at least a portion of their flows. Alts. A-2 and A-3 use the FMIC canal, and the others use the Chilcote canal.

### 6.2.1 FMIC CANAL

The FMIC canal would be used for Alts. A-2 and A-3. Interestingly, three participants in this study are members of FMIC and comprise a majority interest; TMD, Springs Utilities and SWSD. The FMIC canal is approximately 9.5 miles long from the headgate to Big Johnson Reservoir. Flow is currently restricted to 15-20 cfs in the upper portion of the canal, from the headgate to the Spring Creek augmentation station/turnout (approximately 3300 feet). Below that point, the canal has capacity to deliver at least 20 cfs to the reservoir and its capacity could be increased through ditch lining. Ditch losses from the headgate to the reservoir are estimated at 10 percent.

### 6.2.2 CHILCOTT CANAL

The Chilcott canal would be used for Alts. B-2, C-3.1, C-3.2 and C-4. WWSD has an ownership interest in this canal. It is slightly longer than the FMIC canal at 9.6 miles. The Chilcott canal is expected to have ample capacity available for purposes of this study, and it could also be improved in areas. Although actual losses are comparable to those of the FMIC canal, Chilcott requires that conveyance agreements account for a 15 percent loss in their accounting for delivery to Callahan Reservoir.

### 6.2.3 NEW/MODIFIED DIVERSIONS

Three alternatives would add a second means of diverting/conveying to (or bypassing) Callahan Reservoir for only the return flows, in addition to conveying the water rights flows in the Chilcott canal. All three would have minimal losses due to piping conveyance vs. ditches.

Alt. C-3.1 would require modifications to the existing Owen & Hall diversion structure with pumping and piping to the reservoir. Alt. C-3.2 would require acquisition of the detention pond property, along with approval and construction of a new diversion structure with pumping and piping to the reservoir. Alt. C-4 would require property acquisition and construction of an alluvial well field to pump directly to the SDS Williams Creek pump station (assuming that riverbank filtration would counter the need for pretreatment).

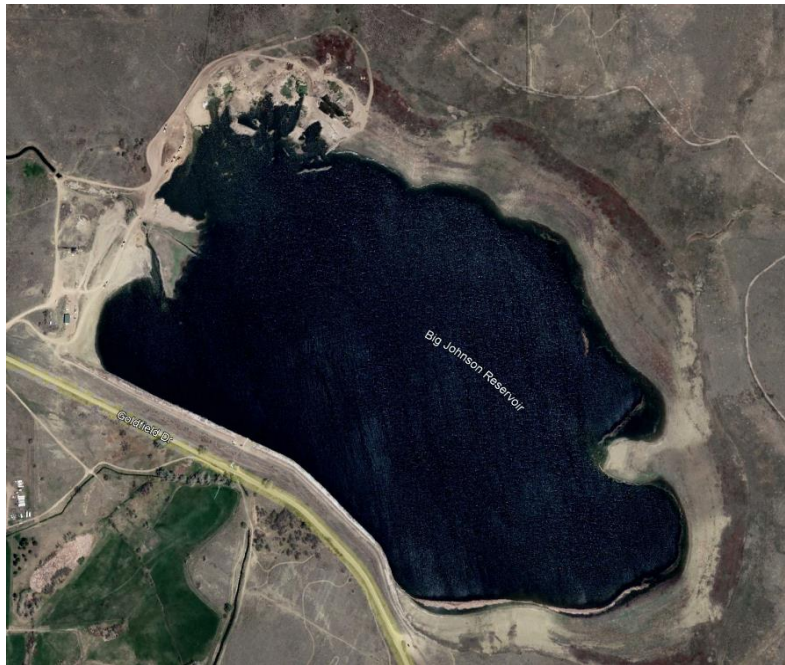
## 6.3 WATER STORAGE OPTIONS

An analysis of water rights flows vs. storage capacity indicates that 1,500 to 1,600 AF of capacity would be needed in either Big Johnson Reservoir or Callahan Reservoir to optimize year-round use of 4,670 AFY in water rights (see Chapter 3) owned by the participants in this study. Differences in how the two reservoirs are operated point to very different expansion requirements to accommodate the water rights flows considered in this study.

Because reuse flows will be diverted and returned also at fairly constant rates year-round, no storage is theoretically needed to facilitate regional reuse. The return flows diverted from lower Fountain Creek can be delivered to the entities at those same constant rates (not accounting for system losses). Some storage may be needed only to maintain operations in the event of a water transmission line break, pump station failure or some other system upset. The storage to be provided to accommodate the water rights can also function as operational storage for this purpose.

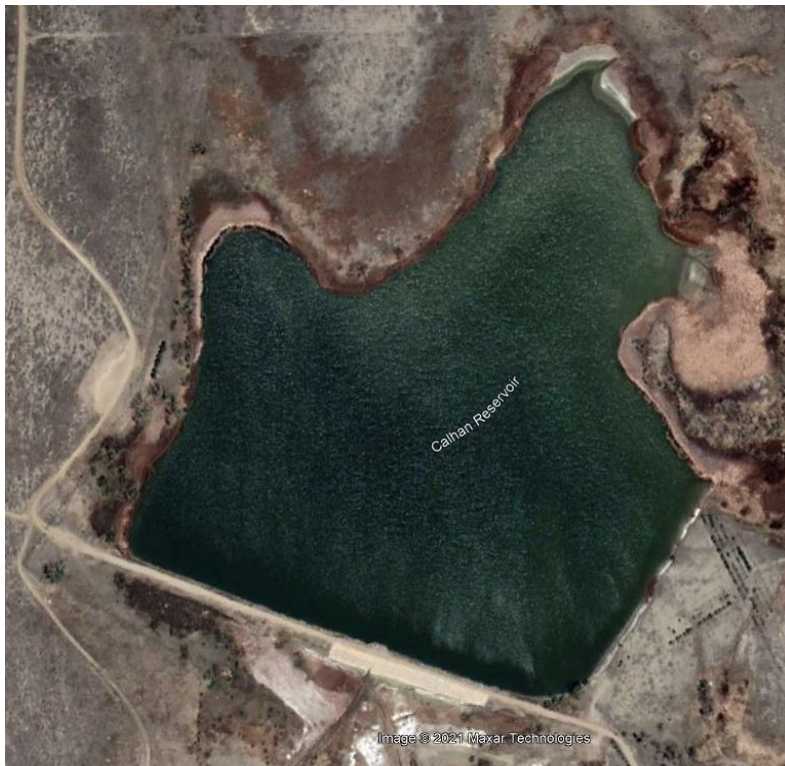
### 6.3.1 BIG JOHNSON RESERVOIR

Big Johnson Reservoir fills for “winter storage” throughout the non-irrigation season, typically reaching its highest level in March each year. The reservoir is then drawn down to accommodate irrigation usage throughout the summer. Because those current uses are “out of phase” with storage needs for the participants’ water rights, a large share of existing storage capacity could also accommodate those water rights. If so, a nominal expansion of 500 AF could be sufficient.



**6.3.2 CALLAHAN RESERVOIR**

Callahan Reservoir on the other hand, is operated for summer storage, filling seasonally at the same time as needed for diversion of the participants’ water rights. Therefore, Callahan’s existing capacity is not available to accommodate those water rights and an expansion of 1,500 to 1,600 AF would be required.



## 6.4 WATER TREATMENT

The extent and capacity of water treatment required for each of the alternatives are significant factors in comparing the capital, operation and maintenance costs. For all alternatives, the water would be conveyed to Springs Utilities' SDS-Bailey Water Treatment Plant (BWTP) prior to distribution to participant systems. It will likely be more cost effective for all participants to consolidate treatment for the Fountain Creek return flows/water rights at the BWTP, but more water quality information is needed to determine what additional treatment processes or plant modifications would be needed.

Otherwise, some level of pretreatment for the Fountain Creek water could be required to make it more compatible with SDS water quality originating in Pueblo Reservoir. Additionally, water from alluvial wells along Fountain Creek would benefit from riverbank filtration, resulting in better quality water compared to surface flows diverted from the creek. If pretreatment is required for Fountain Creek water, some or all pretreatment processes could be bypassed for the supply portion drawn from alluvial wells.

## CHAPTER 7 COST COMPARISONS

This chapter provides further screening of the six remaining alternatives listed below for closer analysis and recommendations. The alternatives are compared on the bases of capital costs, operation and maintenance costs, total present worth and net production after water losses.

- Alt. A-2: FMIC Canal to Big Johnson Reservoir to SDS-Bradley Pump Station
- Alt. A-3: Similar to Alt. A-2 but includes alluvial wells pumping return flows to bypass Big Johnson Reservoir
- Alt. B-2: Chilcott Ditch to Callahan Reservoir to SDS-Williams Creek Pump Station
- Alt. C-3.1: Owen & Hall diversion to Callahan Reservoir to SDS-Williams Creek Pump Station
- Alt. C-3.2: Detention pond diversion to Callahan Reservoir to SDS-Williams Creek Pump Station
- Alt. C4: Similar to Alt. B-2 but includes alluvial wells pumping return flows to bypass Callahan Reservoir

Capital cost opinions, annual operations and maintenance costs, and total present worth in 2022 dollars to build, operate and maintain the alternative systems for 20 years are shown in the tables that follow. Table 7-1 shows the costs if no pretreatment is required and all treatment is provided at the BWTP. Table 7-2 that follows shows the costs if pretreatment is necessary prior to combining the Fountain Creek return/water rights flows with SDS sourced water.

**Table 7-1: Alternative Costs Without Pretreatment**

ALTERNATIVE	CAPITAL COST	ANNUAL O&M	TOTAL PRESENT WORTH
ALT A-2	\$19.3-23.3M	\$0.25M	\$27.4-31.4M
ALT A-3	\$26.0-30.0M	\$0.44M	\$37.6-41.6M
ALT B-2	\$19.7-31.9M	\$0.10M	\$24.3-36.5M
ALT C-3.1	\$27.2-39.3M	\$0.16M	\$33.5-45.6M
ALT C-3.2	\$25.4-37.6M	\$0.16M	\$31.8-44.0M
ALT C-4	\$29.5-41.6M	\$0.25M	\$37.4-49.5M

Table 7-2: Alternative Costs With Pretreatment

ALTERNATIVE	CAPITAL COST	ANNUAL O&M	TOTAL PRESENT WORTH
ALT A-2	\$61.5-65.6M	\$1.50M	\$85.6-89.6M
ALT A-3	\$46.0-50.1M	\$1.44M	\$69.7-73.6M
ALT B-2	\$68.5-80.7M	\$1.31M	\$88.0-100.2M
ALT C-3.1	\$77.5-89.7M	\$1.38M	\$98.4-110.2M
ALT C-3.2	\$75.9-88.1M	\$1.37M	\$96.4-108.5M
ALT C-4	\$56.1-68.3M	\$1.25M	\$74.7-86.8M

### 7.1 CAPITAL COSTS

Alts. A-2 and A-3 using the FMIC canal and Big Johnson Reservoir (with A-3 also including alluvial wells) mirror Alts. B-2 and C-4 using Chilcott canal and Callahan Reservoir (with C-4 including alluvial wells), but are expected to have lower capital costs. Because the return and water rights flows of this Study require storage off peak from current storage requirements in Big Johnson Reservoir, the reservoir need only be expanded by up to 500 AF. Current storage in Callahan Reservoir matches the seasonal needs of the flows of this study and would require expansion by more than 1,500 AF.

Alts. C-3.1 and C-3.2, the alternatives adding new or modified diversions for piping and pumping surface flows to Callahan Reservoir, would be more costly than Alt. B-2 because of the additional infrastructure needed vs. conveying flows to Callahan Reservoir via the existing Chilcott canal.

### 7.2 O&M COSTS

Intuitively, O&M costs for the Callahan Reservoir alternatives would be higher than for the Big Johnson Reservoir alternatives because Callahan is approximately 240 ft lower in elevation and 9 miles further downstream, requiring more pumping energy to convey the return/water rights flows to the BWTP. That pumping component is not included in this evaluation however, as it would be added to Springs Utilities operations and this Study only identifies the costs to convey the water to a point of connection to the SDS. The O&M costs shown in the tables are based on pumping flows 4.3 miles from Big Johnson Reservoir to the SDS-Bradley Pump Station vs. only 1.1 miles from Callahan Reservoir to the SDS-Williams Creek Pump Station.

### 7.3 TOTAL PRESENT WORTH COSTS

The total present worth costs, the funds needed in 2022 dollars to build, operate and maintain the system for 20 years, are generally lower for the FMIC canal-Big Johnson Reservoir alternatives (A-2 and A-3) than the Chilcott canal-Callahan Reservoir alternatives (B-2 and C-4). With no pretreatment required, Alt. A-2 using only FMIC canal to convey flow to Big Johnson Reservoir is more cost-effective than adding an alluvial well field for conveyance of return flows bypassing the reservoir. If pretreatment is required, the improved water quality from alluvial wells results in lower costs of treatment, offsetting the added costs of the alluvial well field and conveyance piping/pumping.

### 7.4 NET PRODUCTION

It is also helpful to consider the widely varying water losses of the six remaining alternatives in addition to the cost analyses. The alternatives generally have a mix of Fountain Creek transit losses, ditch losses, reservoir evaporative losses, and treatment losses. Overlaying the cost analyses with the net production after deducting the losses of each alternative, the median cost per AF delivered is determined as shown in Table 7-3 and 7-4.

**Table 7-3: Alternative Costs without Pretreatment**

ALTERNATIVE	AVERAGE YIELD (AFY)	TOTAL PRESENT WORTH	COST PER AFY DELIVERED
ALT A-2	10,520	\$27.4-31.4M	\$2,790
ALT A-3	11,660	\$37.6-41.6M	\$3,400
ALT B-2	9,550	\$24.3-36.5M	\$3,180
ALT C-3.1	10,040	\$33.5-45.6M	\$3,940
ALT C-3.2	10,040	\$31.8-44.0M	\$3,770
ALT C-4	11,310	\$37.4-49.5M	\$3,840

Table 7-4: Alternative Delivery Costs with Pretreatment

ALTERNATIVE	AVERAGE YIELD (AFY)	TOTAL PRESENT WORTH	COST PER AFY DELIVERED
ALT A-2	10,520	\$85.6-89.6M	\$8,330
ALT A-3	11,660	\$69.7-73.6M	\$6,140
ALT B-2	9,550	\$88.0-100.2M	\$9,850
ALT C-3.1	10,040	\$98.4-110.2M	\$10,390
ALT C-3.2	10,040	\$96.4-108.5M	\$10,200
ALT C-4	11,310	\$74.7-86.8M	\$7,140

## 7.5 RECOMMENDED ALTERNATIVES

***When considering the yield and costs for each alternative, Alt A-2 is the lowest cost at \$2,790 per AFY delivered if no pretreatment is required. Alt A-3 is the lowest cost at \$6,140 per AFY delivered if pretreatment is required.***

It is recommended that capacity in the FMIC Canal be used to convey flows for storage in an expanded Big Johnson Reservoir, then on to the SDS-Bradley Pump Station. If pretreatment is found to be necessary, an alluvial well field on Fountain Creek should be evaluated for conveying reuse return flows bypassing treatment of water rights flows from reservoir storage.

## CHAPTER 8 IMPLEMENTING THE PLAN

A regional water reuse system as described in this study is feasible and could prove to be very cost effective to implement, once all costs are identified. Each participant can benefit from the “savings of scale” that a single regional system offers vs. having each entity independently develop their own system. The regional system could also provide the means for delivery of current and future water rights available from Fountain Creek.

Costs need to be confirmed (or identified) for three critical topics before the full financial picture can be known. Specifically, those areas are: (1) FMIC/Big Johnson Reservoir; (2) pretreatment vs. treatment consolidation at the Bailey WTP; and (3) Springs Utilities charges for treatment/delivery. Each is described further below.

### 8.1 FMIC/BIG JOHNSON RESERVOIR

As developed through this study, the alternatives making use of the FMIC canal and expanded storage in Big Johnson Reservoir are the more cost-effective options. The participants should open discussions with the rest of the FMIC ownership to explore the possibilities of how they can mutually benefit from shared use of the FMIC facilities as a key part of the regional reuse system. Sizing the possible reservoir expansion will need to be considered for joint operation of current needs with those of the study participants.

### 8.2 TREATMENT

It will likely be more cost effective to consolidate treatment of Fountain Creek water at the SDS-Bailey WTP rather than provide some level of pretreatment at a separate facility. To confirm, Springs Utilities will need to determine what (if any) treatment modifications would be needed at Bailey and what operational costs could be incurred.

That analysis will depend on a comparing water quality for the Fountain Creek return flows to that of the SDS raw water quality that Bailey currently treats, including seasonal variations. Additional sampling over some extended period of time may be required. Tables showing the water quality constituents currently sampled for both supplies are shown in Appendix V. If all treatment is to be provided at the Bailey WTP, Alt. A-2 would be the more cost-effective plan for the regional reuse system (vs. Alt. A-3 with an alluvial well field) as noted in Chapter 6.

### 8.3 SPRINGS UTILITIES

Moreover, Springs Utilities will need to charge each of the other participants for their respective share of finished water treatment and delivery costs to points of connection to those other water systems. Those cost shares will need to be factored into the overall cost determination for each participant.

#### 8.4 OTHER CONSIDERATIONS

Two other considerations are noted as the participants move toward performing their “due diligence” with regard to a regional system: point of diversion and storage need. With regard to point of diversion, it is assumed for this study that the participants can legally obtain their return flows at the FMIC headgate (or from an alluvial well field in the area). It is assumed that the water rights flows can also be obtained at the headgate or could be transferred to that point of diversion. Each participant will need to review their water rights decrees and discuss with their water attorney to confirm.

Although allocation of costs is beyond the purposes of this study, it is helpful to again note that expanding reservoir storage would primarily accommodate the water rights flows. Some operational storage is helpful to manage return flows, but existing storage capacity in Big Johnson Reservoir could reasonably fulfill that need. Therefore, reservoir expansion costs would be funded primarily by those participants drawing water rights from Fountain Creek in excess of their return flows.

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## APPENDIX II: INTERVIEW SUMMARIES

Below are the summaries of interviews conducted with each participating entity to this study.

### Cherokee Metropolitan District

Cherokee Metropolitan District (Cherokee) is generally sufficient in its current supply portfolio and is working toward decreasing its reliance on Denver Basin groundwater through ongoing development of its reuse system in the Upper Black Squirrel Creek Designated Groundwater Basin (UBSCDGB). The sustainability of its water rights and well systems will be greatly enhanced with the approval of a Replacement Plan to the UBSCDGB. At the same time, Cherokee is interested in acquiring renewable surface water supplies that might further enhance its supply portfolio and could also be used for replacement to the UBSCDGB. Cherokee has an extensive water infrastructure system for both raw and treated water that may be useful in a regional context.

### Colorado Springs Utilities

Colorado Springs Utilities (CSU) is the County’s largest water and wastewater service provider and serves as a central hub for the region. It is participating in this study because it may be able to optimize use of its infrastructure and improve efficiencies through regional cooperation. In recent years, CSU has considered related policy direction in the following areas:

- Regional collaboration without impairing the ability to serve existing customers;
- Leadership in regional water reuse of existing supplies;
- Ways to identify economies of scale and potential for efficiencies including use of the JD Philips Wastewater Recovery Facility (JDP), and development of the North Monument Creek interceptor (NMCI) in connection with the USAFA visitor center.

From the Water Services perspective, CSU is looking for the ability to craft contracts and water services without compromising collaborative storage and use by multiple entities. It is interested in pursuing a greater regional leadership role, and collaboratively using existing systems. CSU prefers to work with regional entities and get away from ‘one off’ or custom arrangements with multiple partners.

Additionally, CSU is developing a new Nonpotable Water Resource Plan with a goal of increasing nonpotable water use by 1,250 – 1,500 AF/yr., and perhaps as much as 2,500 AF/yr. They have an approved regional services plan, and will close the coal-fired Drake Power Plant in 2023 and the Nixon Power Plant in 2030. Both plants use wet cooling technologies they are currently the largest nonpotable water customers. CSU is also pursuing an Indirect Potable Reuse (IPR) demonstration project that dovetails with the NMCI and regionalization, and mitigates against limited exchange potential. Related to the IPR demonstration project, CSU is building a mobile direct potable reuse (DPR) unit with Colorado School of Mines using donated equipment and in-kind services. The unit will connect at JDP for direct reuse as a demonstration and proof of concept to gauge public support.

Utilities did not participate in the *PPRWA Regional Infrastructure Study*, but did participate in the *EPC Water Master Plan* and has completed numerous other studies including the IWRP. Their regional technical study is the most significant recent development. Going forward in CSU’s master planning,

there will be a greater focus on anticipated growth in and out of the current service area where there may be opportunities to annex and coordinate with existing infrastructure. Their new Nonpotable Water Resource Plan can dovetail with the PPRWA Regional Reuse Study as both are on the same timeline for completion in 2021.

CSU's most significant challenges with respect to indirect or direct reuse of return flows are:

- Public acceptance;
- Recapture, storage and delivery mechanisms;
- Difficulty coordinating with a large group with different goals and objectives while trying to move in the same direction; and
- Administration and accounting of return flows is not merely a mathematical or engineering challenge, but also has political and socioeconomic implications.

With respect to demand growth, CSU's trajectory is tracking with the medium path identified in the IWRP with more indoor than outdoor use, resulting in a higher percentage of sewer return flows from the same demand level; a ratio of approximately 60/40 indoor/outdoor. Consumptive use is 43% over a 10-year average with 57% return flow system-wide.

CSU has numerous legal challenges associated with regionalization and reuse including the Pueblo County 1041 permit for SDS, not violating existing agreements, and non-injury to existing water rights. For example, CSU cannot deliver water outside of the Arkansas River basin. They need a lot of storage for different purposes including Restoration of Yield (ROY) storage pertaining to the Pueblo Management Program. High-level internal studies on sizes completed or underway, but not reviewed or published.

CSU recognizes that there may be better site options for the Williams Creek Reservoir as conceived in the 1990s during SDS permitting, but will maintain its interest in the selected site until a better alternative is proven. It may be best implemented in combination with storage elsewhere.

#### Donala Water and Sanitation District

Donala Water and Sanitation District (Donala) is a member of, and operates the Upper Monument Creek Regional Wastewater Treatment Facility. Its blended Denver Basin groundwater and transferred agricultural water supplies generate reusable return flows that accrue to Monument Creek and are either leased to downstream users or combine with native Fountain Creek and Arkansas River water uncredited to reuse by Donala. First use of its transferred surface water rights derived from lands in Lake County accrue to Pueblo Reservoir stored under a long-term Excess Capacity contract, and the water is subsequently conveyed, treated, and delivered through an arrangement with CSU using the SDS and an interconnect with CSU's treated water distribution system. Donala also owns Laughlin Ditch water that is currently unchanged for use in its service territory, but will also generate reusable return flows available for recovery. Donala continues to look for opportunities to acquire more renewable surface water supplies to decrease its reliance on nonrenewable groundwater adding redundancy and resilience to its supply portfolio.

In the context of this study, Donala is interested in identifying regional collaborative opportunities to recapture its reusable return flows for the sources described above.

### Forest Lakes Metropolitan District

Forest Lakes is participating in this study due to noticeable changes in its lake volume. In 2020, the District's lake dropped about eight feet and if this continued, it could become a serious problem. The District has adequate water supplies; however, some of the water is tied up by developers. Reuse had not previously been considered as an option or pursued by the District. This year, 2021, the lake water level has been rising.

Currently, all water the District uses is reusable to extinction. The water rights were bought from CSU, and the only restriction is that the water must be used in Forest Lakes.

The District has not participated in a reuse study before, although some prior studies pointed to possible use of their reservoir as part of a reuse system. They also did not participate in the *PPRWA Regional Infrastructure Study*, but did participate in the *El Paso County Water Master Plan*. With respect to regional partnerships, the Northern Delivery System makes a lot of sense for the District.

Significant challenges for Forest Lakes are directly related to the water source and water quality. Forest Lakes must receive treated water as part of the reuse system. They are unable to receive raw water since this could create additional treatment and storage expenses.

Forest Lakes' build-out was expected to occur in 2024-2025 for residential sites; however, they now anticipate a slower trajectory. Currently, there are 262 taps connected, and the District expects to have 505 taps connected at buildout. Commercial sites are expected to be built out before the residential sites. There is currently one commercial tract that is 250 acres. Another commercial tract south of Baptist is accelerating and some services have already been extended. Sixty lots south of Bristlecone may go into a conservation easement.

Surface and groundwater rights are all held by a combination of developers and the District, however, the District has the power to move and/or change all water rights. With respect to water rights changes, Forest Lakes deeded all of the groundwater, but retained approximately 300 AF. They have also executed a warrant deed for 137 AF each in the Denver and Laramie Fox Hills aquifers.

Forest Lakes has a 1.5 MG storage tank for treated water in Bristlecone, of which 0.5 MG is licensed to Monument. There is another smaller tank on the west end. The district also has 1520 AF of raw water storage.

### Town of Monument

Monument depends heavily on Denver Basin and wants to reduce the draw on its wells by making use of its reusable return flows. Participating in this study will help them figure out the most viable way to get return flows back, whether it is through a regional system or a more localized return as studied with Woodmoor WSD a few years back. If a regional system is favorable, they must consider whether it is connected to the CSU system or is an alternative possibly using Cherokee's Sundance pipeline. Capital, operational, maintenance, and carrying costs may be acceptable with enough regional partners, but that

needs to be evaluated. A flow-based allocation is preferred for infrastructure costs because the Town’s demands are relatively small vs. those of some neighboring districts.

Demand is growing at 5% per year, but return flows are growing at 3% per year. Monument’s demand growth is most likely to accelerate over past forecasts, and it may build out to 910 AF in as little as 10 years based on recent projections. In addition, much has changed since the Town’s 2014 Water Master Plan—some projects have been completed and some developments delayed. The Town has no plans to buy additional water rights at this point, but regularly looks at such opportunities.

With respect to water quality, the long-distance delivery for a regional system may dissipate chlorine and introduce disinfection byproduct concerns. Raw water could be a bigger challenge—would either need to be treated at a new Monument water plant or regional Monument-area plant. If participating in a regional system, Monument may need terminal storage to help with meeting seasonal demands. It may also be worth reconsidering ASR.

**Security Water and Sanitation District**

Security Water and Sanitation District (SWSD) is a participant of the FVA and SDS systems, which puts SWSD in a good position with respect to water resources. They have some return flows accessible on Fountain Creek based on treated effluent credits and fully consumable water rights. SWSD is interested in being a part of this study to help the region succeed and seek out opportunities to work with the northern entities. SWSD is also interested in this study as a potential backup plan for water resources.

New water right acquisitions have occurred since the *PPRWA Regional Infrastructure Study* and the *El Paso County Water Master Plan*. SWSD recently completed an update to their Water Resource Report. SWSD also bought a ranch in Coaldale, on the Arkansas River. The property is a total of 200 acres and the water right is 200 AFY, which will be delivered via the FVA system. SWSD is also a SuperDitch participant and continues to look for more water rights on the Arkansas to have more resilient supplies in case of a possible Fry-Ark Project call out in the Colorado River Basin. They hold many of the FMIC shares and can use return flows for well augmentation.

CWPDA leases SWSD’s return flows to farmers that allows SWSD to have 75% of that volume in Pueblo Reservoir. The trade can be 1:1 during the summer; however, there have been some changing conditions with CWPDA and the farmers. This is one of the challenges that SWSD currently faces.

SWSD is 80% built out and expects to reach full buildout by 2035. Development has leveled off, however and there is little activity.

The District does not foresee drastic challenges with the water quality from the potential new sources; however, they are aware that some type of treatment will be required. SWSD is also interested in lead and copper thus, enhanced lead and copper sampling is necessary when switching between water supplies.

**Triview Metropolitan District**

Triview’s status is well stated in the background section of its draft Environmental Assessment in pursuit of a long-term Excess Capacity contract in Pueblo Reservoir:

Triview owns and maintains facilities that provide water, wastewater, and stormwater services to a 2,590-acre service area within the Town of Monument. Currently, this includes more than 1,900 homes and 60 commercial customers. Triview’s service area is located entirely within the Arkansas River Basin. Historically, Triview’s water supply has been derived from nonrenewable deep aquifers in the Denver Basin, which are being depleted and are not a sustainable resource in the long-term. In recent years, Triview has been actively acquiring renewable sources to supplement its Denver Basin groundwater, and the resources to convey such renewable resources to Triview:

- Decreed Denver Basin groundwater, representing 3,722.4 acre-feet (AF) of deliverable yield;
- 1,057 shares of the FMIC, representing an average annual yield of approximately 739.9 AF;
  - Access to water storage in Big Johnson Reservoir through its ownership of 1,057 shares of the FMIC.
- Approximately 50% share of Excelsior, representing an average annual yield of approximately 720.8 AF;
- Ownership of 2,050 AF of conditional water storage rights in the Stonewall Springs Reservoir Complex (SSRC) as filled with the Excelsior Ditch, and 19,538 shares in the Stonewall Springs Reservoir Company (SSRCo), representing approximately 19,538 AF of conditional storage capacity;
- Ownership of the AVIC representing an average annual yield of approximately 439.8 AF;
- Ownership of the Bale Ditch No.1 and 50% of the Bale Ditch No. 2 representing approximately 82.0 AF.

All of the average annual yields of historical consumptive use water from the above sources can be used and reused to extinction in accordance with their existing or anticipated decrees under Colorado water law. These water rights vary seasonally and inter-annually and the return flows resulting from Denver Basin groundwater use accrue to the Fountain Creek watershed on a continuous basis. Additional storage is needed to manage that variability and to recapture the reusable return flows resulting from their first use. Triview is requesting a contract to store up to 999 AF in Pueblo Reservoir if and when space is available for municipal purposes within Triview’s service area. This contract will not be used to expand the district’s service area, but instead will be used to support Triview’s efforts to replace its non-renewable Denver Basin groundwater supplies with renewable surface water supplies.

In the context of this study, Triview is interested in identifying regional collaborative opportunities to recapture its reusable return flows for the sources described above that are potentially more efficient, less risky, and more cost-effective than exchanging its return flows into Pueblo Reservoir or capturing them at the Excelsior Ditch on the Arkansas River.

**Woodmoor Water and Sanitation District (WWSD)**

Woodmoor would like to explore the costs and alternatives associated with regional storage of recaptured reusable return flows, and the potential to capture additional water rights in the future. Knowing the Northern Monument Creek Interceptor (NMCI) Project will move return flows to the J.D. Phillips Water Resource Recovery Facility outfall, it may be cost-effective to return these flows to WWSD

facilities to meet current and future potable demands. If not, WWSD may opt for a localized reuse system previously studied with the Town of Monument.

CSU's and other entities' willingness to explore regional water use and recapture of reusable return flows has been a significant change since previous studies were performed. The costs that CSU will charge to convey, treat, and deliver water are a significant factor in whether the larger regional system can be cost effective.

WWSD must also consider how best to deliver the water rights they own at JV Ranch, south of Colorado Springs. The estimated annual consumptive use volume assumption of JV Ranch in normal years is approximately 3,500 AFY; 4,500 AFY in wet years and 2,500 AFY in dry years.

Public perception is one of the largest challenges WWSD faces in the use of direct and indirect return flows, with indirect being the less challenging of the two. In addition, under the NMCI plan, moving WWSD's return flow from the Tri-Lakes WWTF discharge site to the J.D. Phillips site could result in injury to intervening water rights holders.

Current information indicates that the District is growing at a higher than median growth rate. Tracking also indicates that this growth rate will continue for the next five to seven years. Buildout to 6557 SFEs within current boundaries is expected to occur by 2035. However, the boundaries could be expanded, increasing buildout to 7801 SFEs.

Concerns with respect to water quality have to do with blending different waters; this goes for both potable and raw water sources. Water quality has been a topic of discussion and concern that needs further evaluation once sources are known. The possible options include blending potable water from CSU's system into Woodmoor's system and blending raw water returns from Fountain Creek into CSU's SDS system. Woodmoor expects this study to identify whether any pre-treatment will be necessary for blending reuse water with CSU's raw water supplies prior to potable treatment.

Woodmoor has surface water storage of approximately 600 AF in Lake Woodmoor. However, to store all of Woodmoor's water rights so that conveyance capacities remain manageable, Woodmoor would need approximately 2,000 AF of storage.

Woodmoor has the Monument Creek Exchange System, a reuse system. The system works by exchanging reusable wastewater return flows upstream for diversions and storage in Lake Woodmoor. Woodmoor knows that this system is not 100% efficient partly due to stream flow limitations throughout the year. Historical exchange and diversion rates have indicated that Woodmoor's exchange is approximately 42% efficient, meaning that Woodmoor captures and reuses 42% of its treated wastewater flow on average. Woodmoor has also explored constructing an advanced water treatment plant at the wastewater facility, referred to as their localized IPR option. This WTP would increase Woodmoor's reuse system efficiency to near 95%. This option is feasible and would yield the largest quantity of reusable water on a net basis, meaning there would be little to no transit losses associated with conveyance down Monument and Fountain Creeks prior to recapture.

Woodmoor has considered different alternatives with respect to reuse and storage. Aside from constructing its own infrastructure, two other alternatives could be cost-effective for reuse and to

facilitate use of the District’s JV Ranch surface water. One would be to contract with CSU to convey, treat, and deliver the District’s surface water. The other would be to collaborate with a larger group to construct the infrastructure that was outlined in the *PPRWA Regional Infrastructure Study* that would exclude CSU. Woodmoor expects a thorough economic analysis comparing capital and O&M costs for both options to identify which is better. Both options require constructing storage infrastructure and conveyance systems that will require long-term O&M and/or service costs.

Woodmoor anticipates that the Northern Delivery System will provide average annual flow and Woodmoor will use the water directly to meet high demands from June through September, but October to May deliveries could be dechlorinated and stored in Woodmoor Lake. That water could then be re-treated and used seasonally to help meet high demands.

APPENDIX III: CHAPTER 5 TABLES

Table 5-1: Selection Criteria

Alternatives								
Criteria	Discussion	AltA1	AltA2	AltB1	AltB2	AltB3	AltC1	AltC2
		Points						
<b>Category 2: Site Development Criteria</b>								
<b>Property Conflicts</b>	This criterion considers number of parcels within each site. A higher number of parcels within a given site increases the likelihood of potential property acquisition issues.	0	0	1	1	0	0	0
<b>Road Relocation</b>	This criterion considers the length of county roads that would need to be relocated. Relocating county roads is not desirable because of costs, public involvement, and permitting.	1	1	1	1	1	1	1
<b>SUBTOTAL</b>	<b>Max Possible Value = 2</b>	<b>1.0</b>	<b>1.0</b>	<b>2.0</b>	<b>2.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

Table 5-2: Site Development Criteria

Alternatives								
Criteria	Discussion	AltA1	AltA2	AltB1	AltB2	AltB3	AltC1	AltC2
		Points						
<b>Category 1: Selection Criteria</b>								
<b>Connection</b>	Connections to existing or reasonably foreseeable conveyance, storage, and treatment facilities must be conceptually feasible and integrate with the known or planned operations of the participants.	1	1	1	1	0	0	0
<b>Capacity Available</b>	Min. Storage available?	1	1	1	1	1	1	1
<b>SUBTOTAL</b>	<b>Max Possible Value = 2</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>1.0</b>	<b>1.0</b>	<b>1.0</b>

Table 5-3: Technical Criteria – Reservoir Storage

Alternatives								
Criteria	Discussion	AltA1	AltA2	AltB1	AltB2	AltB3	AltC1	AltC2
		Points						
<b>Category 3: Technical Criteria - Reservoir Storage</b>								
<b>Return Flow Capture</b>	This criterion considers how much of the participant return flows can be captured directly from diversion.	0.5	0.5	0.5	0.5	0.5	0.5	1
<b>Existing or New Storage</b>	This criterion considers whether new storage is necessary and whether rehabilitation or enlargement is necessary for existing storage.	1	1	0.5	0.5	0.5	0	0
<b>Avg. Depth</b>	This criterion considers avg. depth and its effect on potential for evaporative losses.	0	0	1	1	1	0	0
<b>Dam Height</b>	This criterion considers the maximum dam height. Taller dams are undesirable because of cost and permitting requirements.	1	1	1	1	1	1	1
<b>Dam Length</b>	This criterion considers the maximum dam length. Longer dams are undesirable because of cost and permitting requirements.	1	1	0	0	0	0.5	0.5
<b>Site Geometry</b>	This criterion considers the site geometry efficiency. A square site is desirable because it would be more efficient (i.e., less perimeter length - embankment, barrier wall, etc.) than a long, narrow site of the same size.	0	0	1	1	1	0.5	0.5
<b>Drainage Basin Size</b>	This criterion considers the drainage basin size that discharges to the reservoir. A larger drainage basin is undesirable because it may require a spillway and increase the likelihood of overtopping.	1	1	0	0	0	0	0.5
<b>SUBTOTAL</b>	<b>Max Possible Value = 7</b>	<b>4.5</b>	<b>4.5</b>	<b>4.0</b>	<b>4.0</b>	<b>4.0</b>	<b>2.5</b>	<b>3.5</b>

**Table 5-4: Technical Criteria - Conveyance**

<b>Category 4: Technical Criteria - Conveyance</b>									
<b>Existing or New Diversion</b>	This criterion considers whether a new diversion is necessary.	1	1	1	1	0	0.5	1	1
<b>Existing or New Conveyance</b>	This criterion considers whether new conveyance is necessary.	1	1	1	1	0	0	0	0
<b>Pumping to Storage</b>	This criterion considers if pumping will be required or if gravity conveyance can be utilized to fill the reservoir	1	1	1	1	0	0	1	0
<b>Pumping Return</b>	This criterion considers the level of pumping required to convey water from the intake point into the reservoir.	1	1	1	1	0	0	1	0
<b>Distance from Headgate</b>	This criterion considers the distance of the reservoir from the headgate. A longer distance from the headgate is undesirable because Increased losses and capacity issues.	0.5	0.5	0.5	0.5	1	1	0	1
<b>SUBTOTAL</b>	<b>Max Possible Value = 5</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>	<b>4.5</b>	<b>1.0</b>	<b>1.5</b>	<b>3.0</b>	<b>2.0</b>

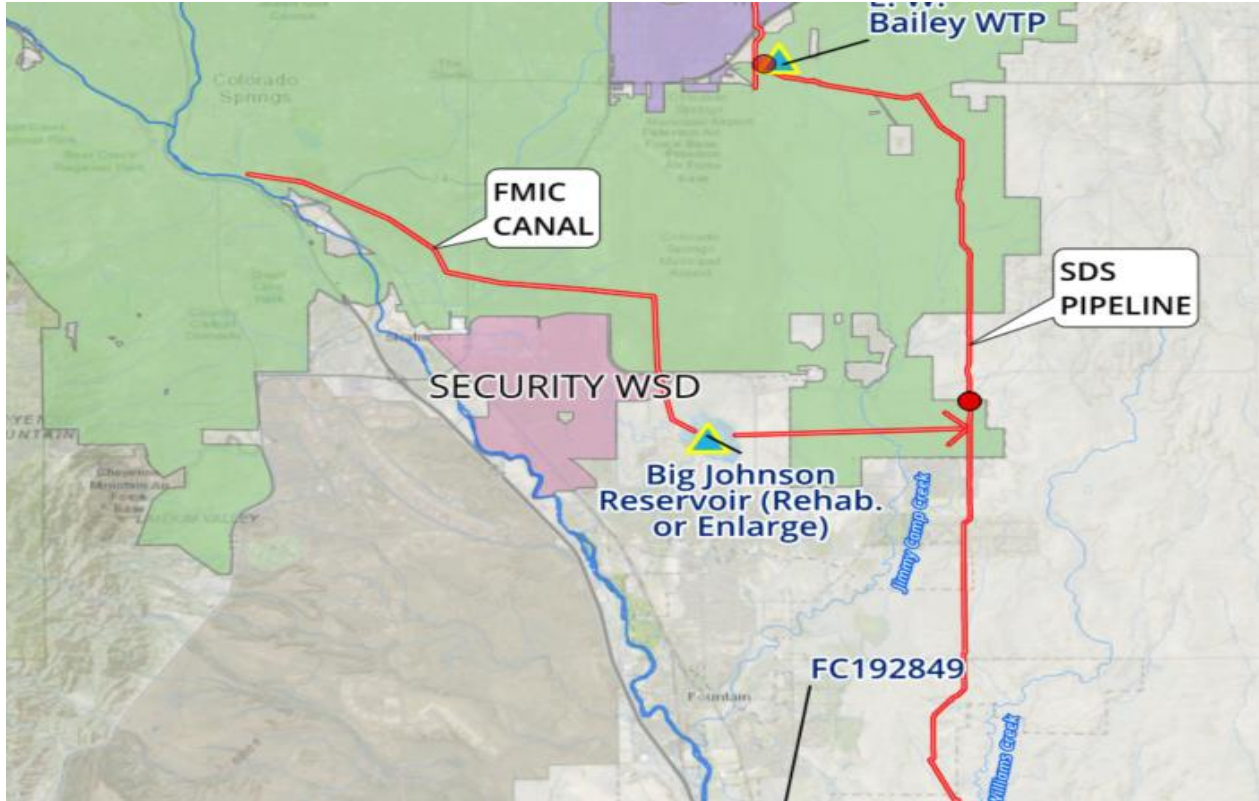
Table 5-5: Environmental/Permitting Criteria

Alternatives								
Criteria	Discussion	AltA1	AltA2	AltB1	AltB2	AltB3	AltC1	AltC2
		Points						
<b>Category 5: Environmental/Permitting Criteria</b>								
<b>Environmental Permitting</b>	This criterion considers possible environmental permitting impacts. A significant component in environmental permitting would be wetlands issues. Wetlands at a site would increase permitting complexity, time, and costs.	1	1	0	0	0	0	1
<b>Water Rights Issues</b>	This criterion considers potential water rights issues. Purchasing existing property with senior water rights and/or existing irrigated areas would be more difficult to obtain.	1	1	1	1	0	0.5	0.5
<b>1041 Permitting Impacts</b>	This criterion considers 1041 permitting issues. Some sites are located in areas that may have more 1041 permitting requirements.	1	1	0.5	0.5	0	0	0
<b>SUBTOTAL</b>	<b>Max Possible Value = 3</b>	<b>3.0</b>	<b>3.0</b>	<b>1.5</b>	<b>1.5</b>	<b>0.0</b>	<b>0.5</b>	<b>1.5</b>

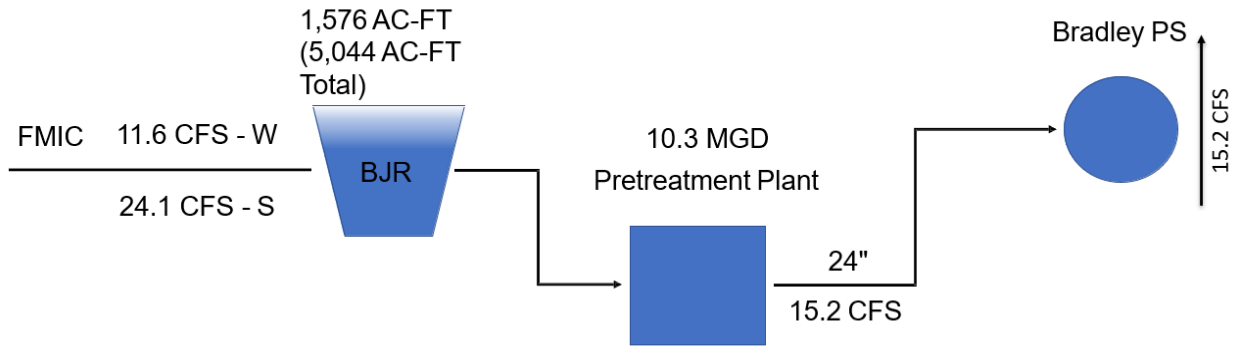
Alternatives								
		AltA1	AltA2	AltB1	AltB2	AltB3	AltC1	AltC2
		Points						
<b>Total</b>	<b>Max Possible Value = 19</b>	<b>15.0</b>	<b>15.0</b>	<b>14.0</b>	<b>14.0</b>	<b>7.0</b>	<b>8.0</b>	<b>9.0</b>

APPENDIX IV: CHAPTER 6 MAPS & DIAGRAMS

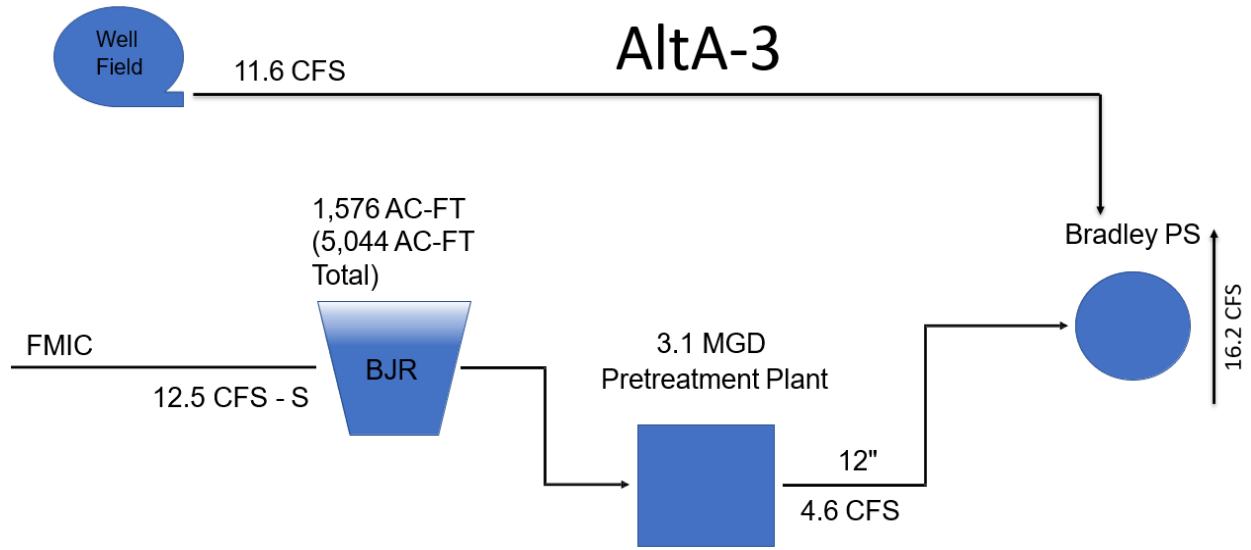
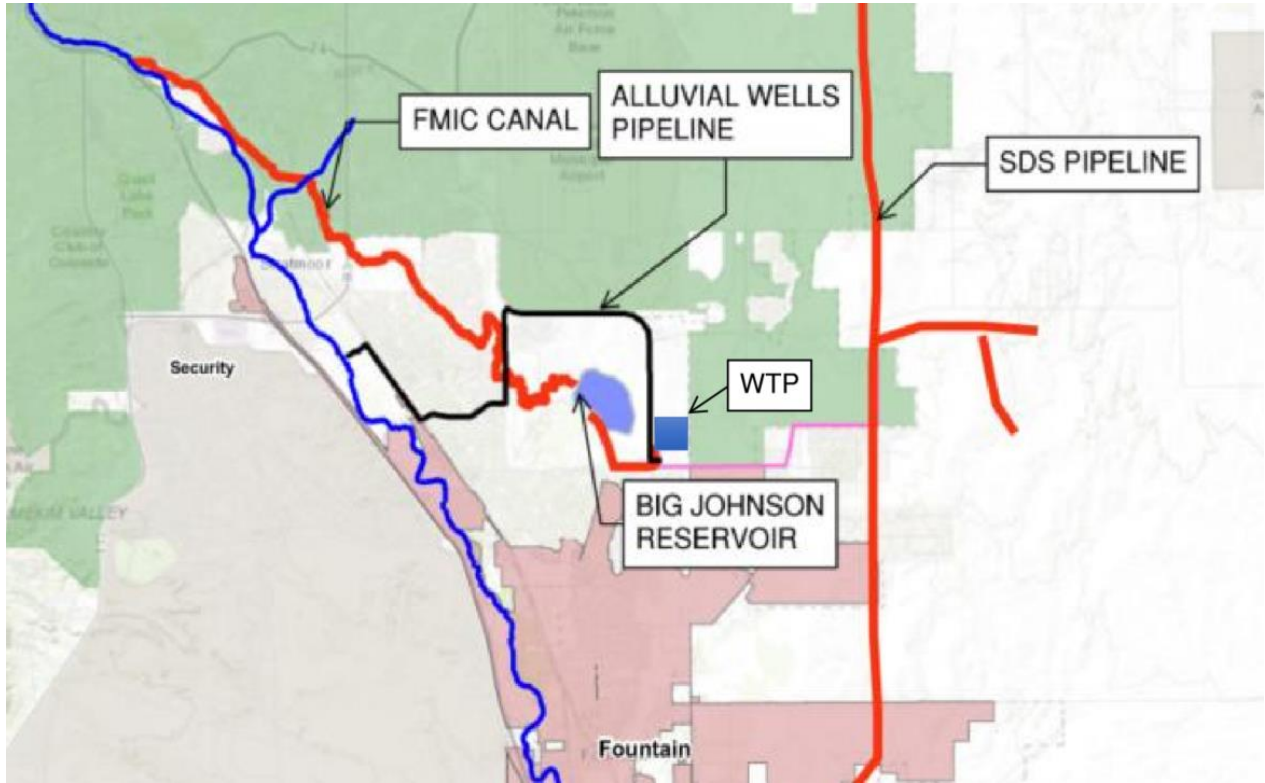
Map & Diagram AltA-2



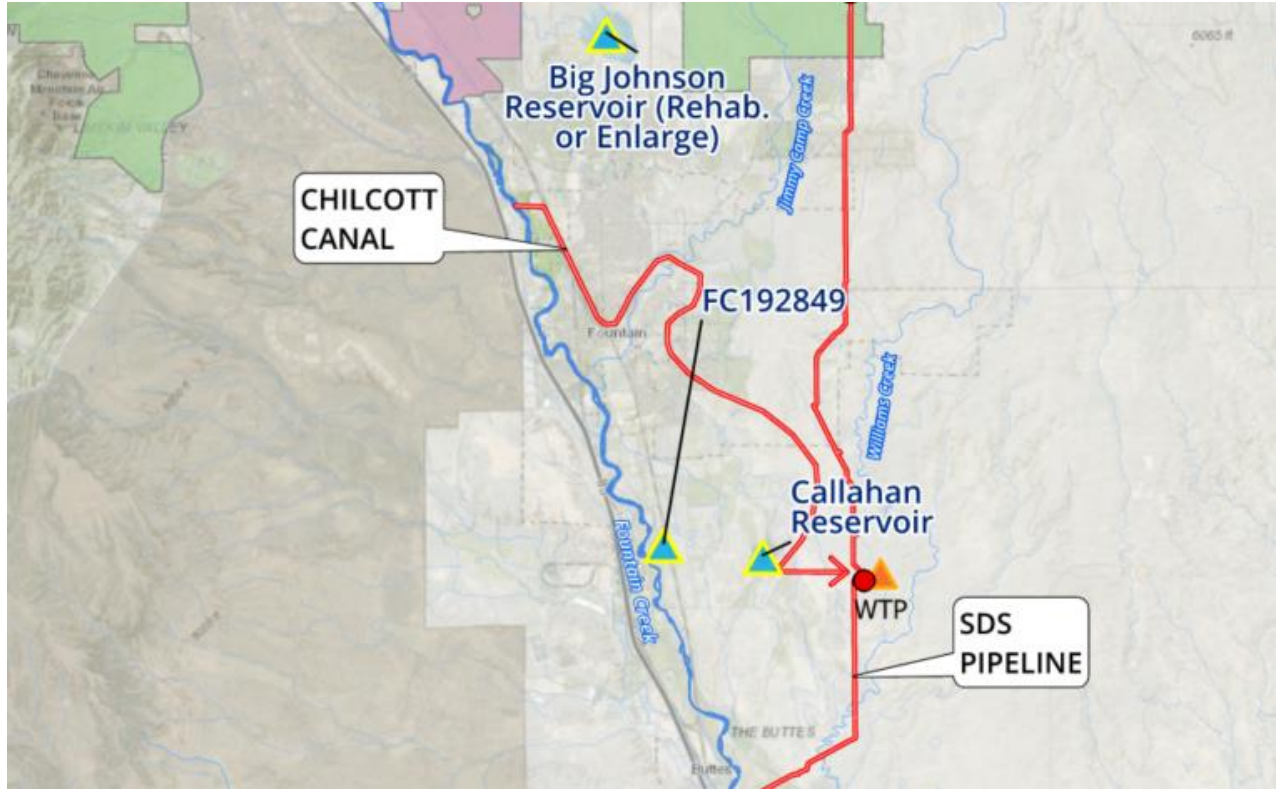
AltA-2



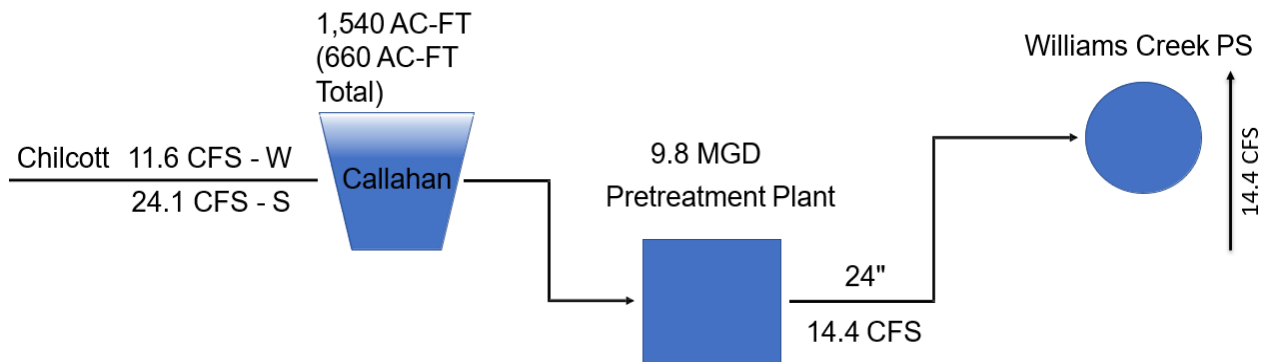
Map & Diagram AltA-3



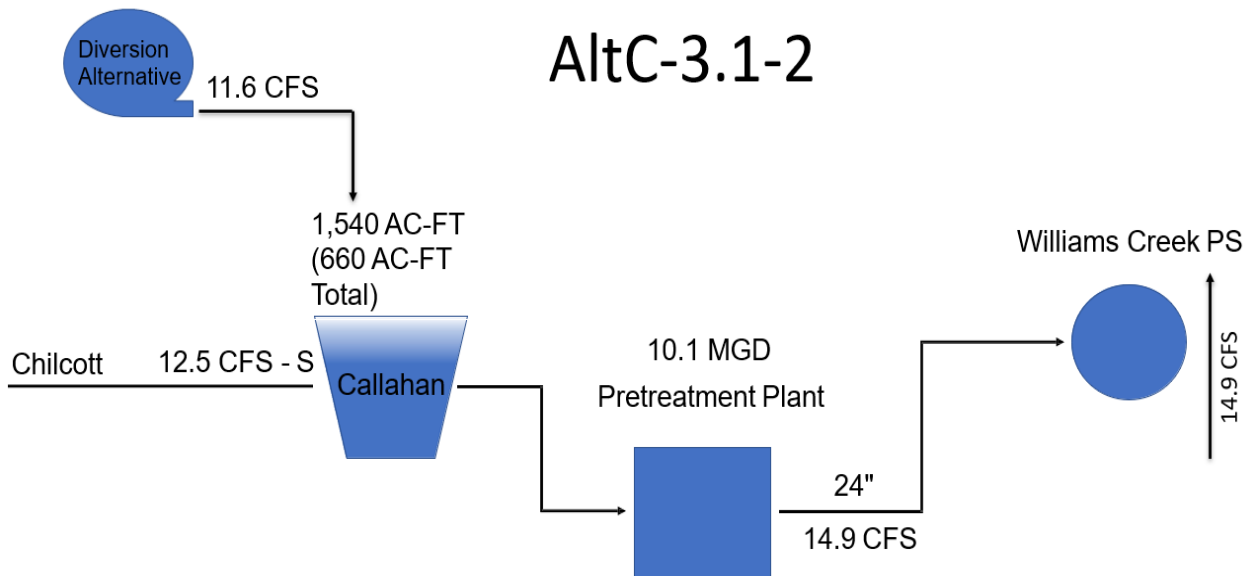
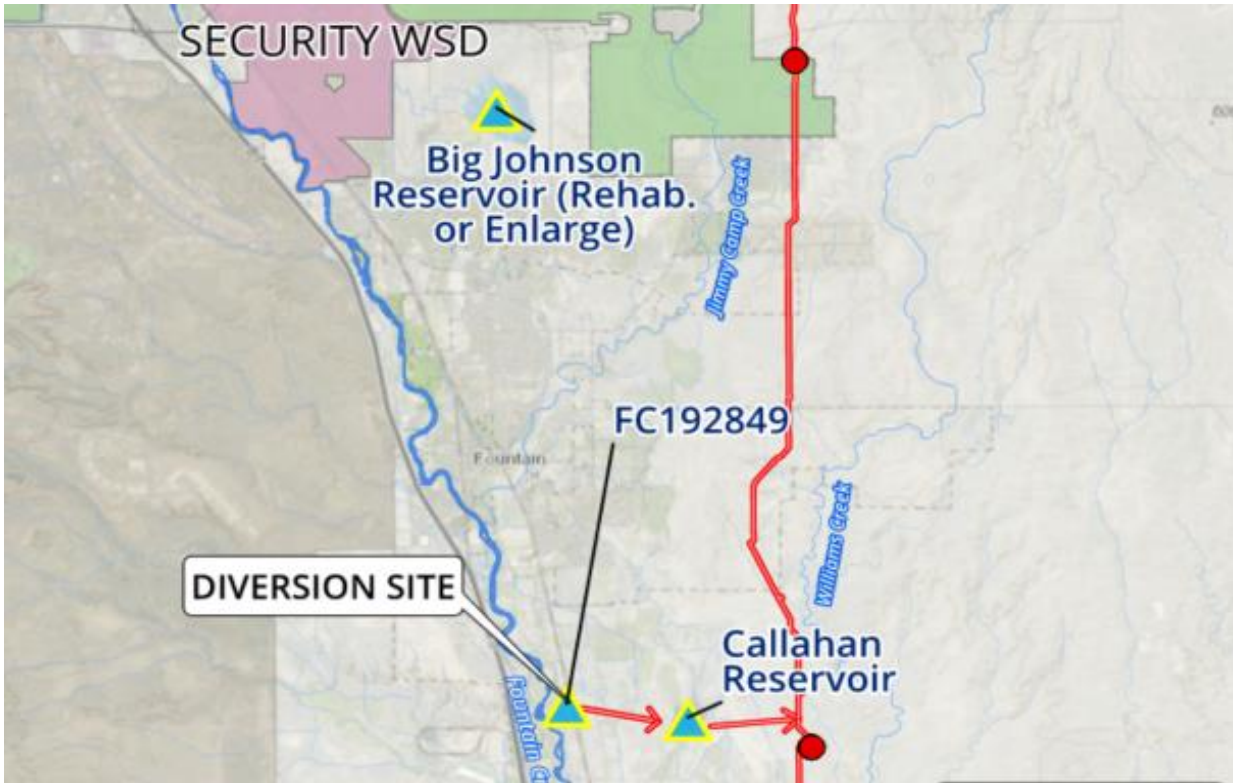
Map & Diagram AltB-2



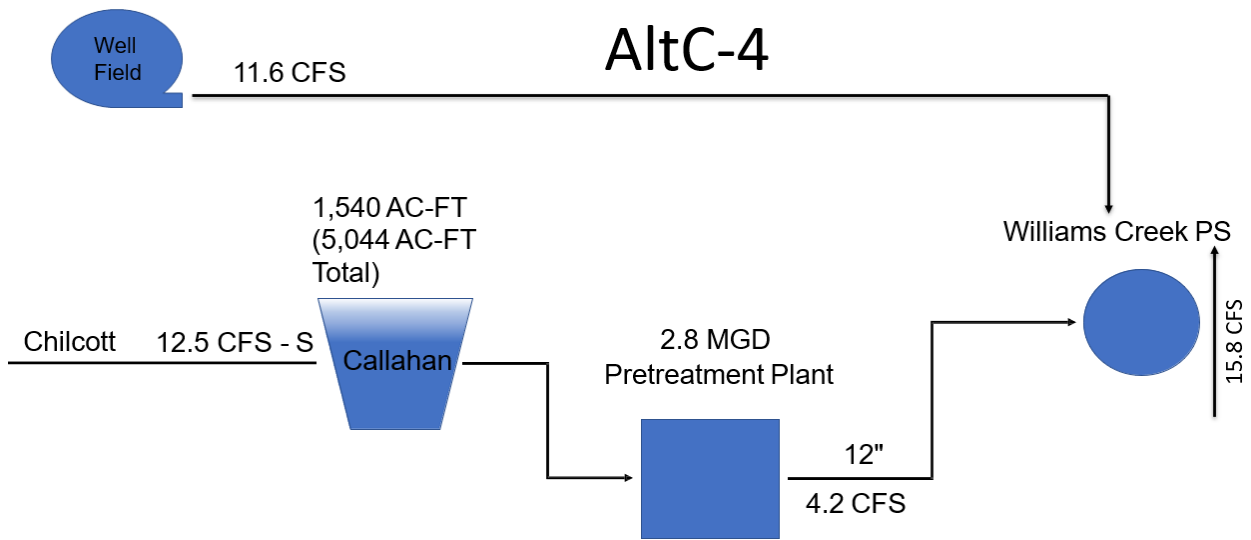
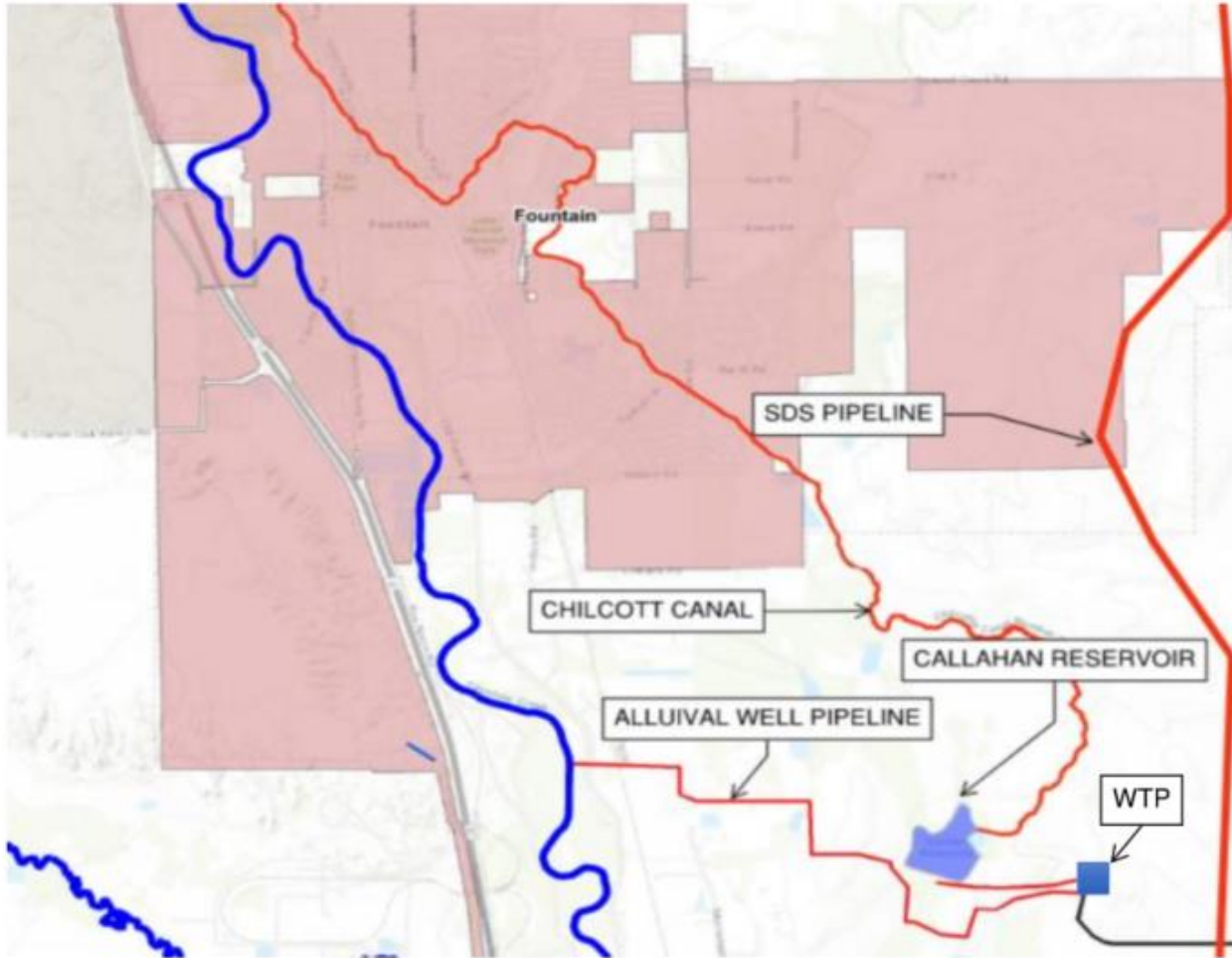
AltB-2



Map & Diagram AltC-3.1-2



Map & Diagram AltC-4



**APPENDIX V: WATER QUALITY PARAMETERS**

<b>Water Quality Parameters-Bailey WTP Influent and Fountain Creek</b>			
<b>Parameter</b>	<b>Bailey WTP Influent</b>	<b>USGS Gauge: 07105500 Fountain at CS (Nevada)</b>	<b>USGS Gauge: 07105530 Fountain at Janitell</b>
Alkalinity SM 2320 B	X		
Anions (Cl) by 300.0	X		X
Anions (SO4) by 300.0	X	X	X
Bromate, EPA 557	X		
Bromide, EPA 300.0	X		
Conductivity SM 2510 B	X	X	X
D Al EPA 200.7	X		
D Ca EPA 200.7	X	X	X
D Fe EPA 200.7	X		X
D Mg EPA 200.7	X	X	X
D Mn EPA 200.7	X	X	X
Fluoride SM 4500 FC	X		X
Hardness & Ca Hardness by 2340 B	X	X	X
Mercury EPA 1631	X		X
NO2, NO3 by EPA 353.2	X	X	X
Particles SM 10200 J	X		
Phytoplankton SM 10200 F	X		
Temperature deg C SM 2550 B	X	X	X
TOC SM 5310 B	X		
Total Coliform and E.coli SM 9223 B	X	X	X
TR Ag EPA 200.8	X		
TR Al EPA 200.7	X		
TR As EPA 200.8	X	X	X
TR Ba EPA 200.8	X		
TR Be EPA 200.8	X		
TR Ca EPA 200.7	X		
TR Cd EPA 200.8	X	X	X
TR Cr EPA 200.8	X		X
TR Cu EPA 200.8	X	X	X
TR Fe EPA 200.7	X	X	X
TR Mg EPA 200.7	X	X	X
TR Mn EPA 200.7	X	X	X
TR Na EPA 200.7	X		
TR Ni EPA 200.8	X	X	X
TR P EPA 200.7	X	X	X
TR Pb EPA 200.8	X	X	X
TR Sb EPA 200.8	X		
TR Se EPA 200.8	X	X	X
TR TI EPA 200.8	X		
TR Zn EPA 200.8	X	X	X
Turbidity Hach 10258	X	X	X

D = Dissolved  
TR = Total Recoverable  
Methods listed for Minimum Detection Levels (MDL)

**Piper Sandler Overview**

Since 1895 Piper Sandler has served the financing and investing needs of corporate, public, and individual clients from our Minneapolis headquarters and from our expanding network of 42 local offices across the U.S.

**Public Finance**

Our public finance group includes 150 personnel working and residing in local communities across the U.S. As residents of the communities we serve, we possess the understanding, knowledge, creativity, and motivation to serve a diverse group of public and non-profit issuers.

During 2021 Piper Sandler:

- advised 345 issues for \$14.7 billion with a national rank of #5;
- placed 297 issues for \$4.1 billion with a national rank of #1; and
- served as senior underwriter on 1,343 issues for \$21.8 billion with a rank of #2.



With advising, placing, and underwriting combined, we led more transactions than any other firm in 2021 – *and we are on pace to do so again in 2022*. Our comprehensive capability ensures the LOOP Project participants benefit from our finance expertise, best practices, Colorado presence, and water/sewer expertise.

**National Water & Wastewater Expertise**

From 2019 to present, Piper Sandler has advised, placed, or underwritten 443 water & wastewater financings across the U.S. for \$14.5 billion. We are the only firm to rank in the top five for advising, placing, and underwriting water and wastewater issues. These financings ranged in complexity and size from:

- \$835,825,000 ~ Texas Water Development Board ~ Series 2019 Water Implementation, Senior Underwriter
- \$85,000 ~ Hyannis, Nebraska ~ Series 2021 Water Utility BANs, Senior Underwriter

**Colorado Presence**

Our Colorado Public Finance Group includes 26 finance and 5 bond sales personnel. Since January 1, 2019, we have advised, placed, or underwritten 262 Colorado issues for \$6.3 billion. Our expertise includes structuring and rating Colorado issuers with unique security, repayment, and cost allocation features. The combination of our national resources, Colorado presence, and our SRF/Utility Finance Group will prove uniquely beneficial.

Since 2020, our Colorado water/wastewater clients included the following districts:

**Donala Water & Sanitation District**

**Eagle River Water & Sanitation District**

**Norther Colorado Water Conservancy**

**Parker Water & Sanitation District**

**Triview Metropolitan District**



**SRF/Utility Finance Group**

Alongside local colleagues, our SRF/Utility Finance Group serves clients across the U.S. including wholesale and retail utilities, combined utilities, joint project partnerships, stand-alone utilities, publicly owned utilities, non-profit utilities, investor owned utilities, and SRFs. Our SRF/Utility Finance Group includes advising / banking personnel from Kansas City, Los Angeles, Nashville, Phoenix, and Portland.

In addition to market issues and placements, our SRF/Utility Finance Goup assists clients to tailor their “square peg” projects to the “round holes” of various funding sources including Army Corps, Bureau of Reclamation, CDBG, Co-Bank, SRF, USDA Rural Development, WIFIA, and other local/state/federal programs.

**Recent Case Study**

From a range of options, the following case study highlights our capability with a regional water provider financing water reuse facilities through a variety of lenders.



**Soquel Creek Water District (SqCWD), California  
Pure Water Project, 2020, Various Sources, \$185,000,000**

Piper Role: Advisor

Issuer Contact: Ron Duncan, General Manager | 831-475-8500

SqCWD is the regional water provider along the California coast west of San Jose and south of Santa Cruz. Compared to most underwriters with resources limited to underwriting and pricing individual issues, Piper Sandler has more resources and a greater range of water/sewer expertise to manage complicated multiple-year projects.

Since joining SqCWD’s finance team, we have contributed to or led efforts to finance Pure Water Soquel – a \$185 million project to accelerate potable reuse of effluent, manage ground water levels/requirements, and reduce sea water intrusion. Our Pure Water Soquel efforts have included:

- **Interim Finance** ~ we originated a \$75 million variable rate revolving credit agreement through CoBank. SqCWD can draw and prepay as frequently as required to interim finance Pure Water Soquel.
- **WIFIA** ~ we assisted SqCWD to submit a WIFIA application with our contributions focused on financial modeling, enhancing the flow of funds, obtaining two indicative/non-public ratings, and demonstrating legal and financial capacity. We originated the \$89 M WIFIA loan at a 1.32% loan rate, no reserve, 5 years of capitalized interest, and principal amortized over 35 years from 2025 to 2059.
- **Refunding** ~ in addition to present value savings in excess of 15%, we refunded prior debt to:
  - restructure and conform the pledged flow of funds across all lenders;
  - reduce reserve requirement to \$0 with flexibility to fund future reserves to enhance or maintain ratings;
  - clarify senior and subordinated pledges.
- **SRF** ~ we assisted SqCWD to obtain a \$50 million grant and \$37 million loan through California’s SRF. To justify the awards, we focused on financial modeling, flow of funds, and demonstrating legal, managerial, and financial capacity.

**Our Value to LOOP Project Participants**

We have five areas of expertise that few, if any, other firms can comprehensively provide to the LOOP Project Participants:

**National Resources**

**Colorado Presence & Expertise**

**Water & Wastewater Expertise**

**Structuring & Rating Support**

**Bond Marketing & Pricing Support**

**Contacts**

Nate Eckloff and Greg Swartz will serve as the primary contacts to the LOOP Project Participants

**Nate Eckloff, Managing Director  
Colorado Public Finance Group**

1200 17th Street, Suite 1250, Denver, CO 80202  
Office: 303-405-0844 | Cell: 303-956-9359  
nate.eckloff@psc.com

**Greg Swartz, Senior Vice President  
SRF/Utility Finance Group**

2525 E Camelback Rd, Suite 925, Phoenix, AZ 85016  
Office: 602-808-5426 | Cell: 602-803-5074  
greg.swartz@psc.com

We can provide a range of Colorado and national water/wastewater references if desired.

**Financing Options**

**Debt Financed Portion**

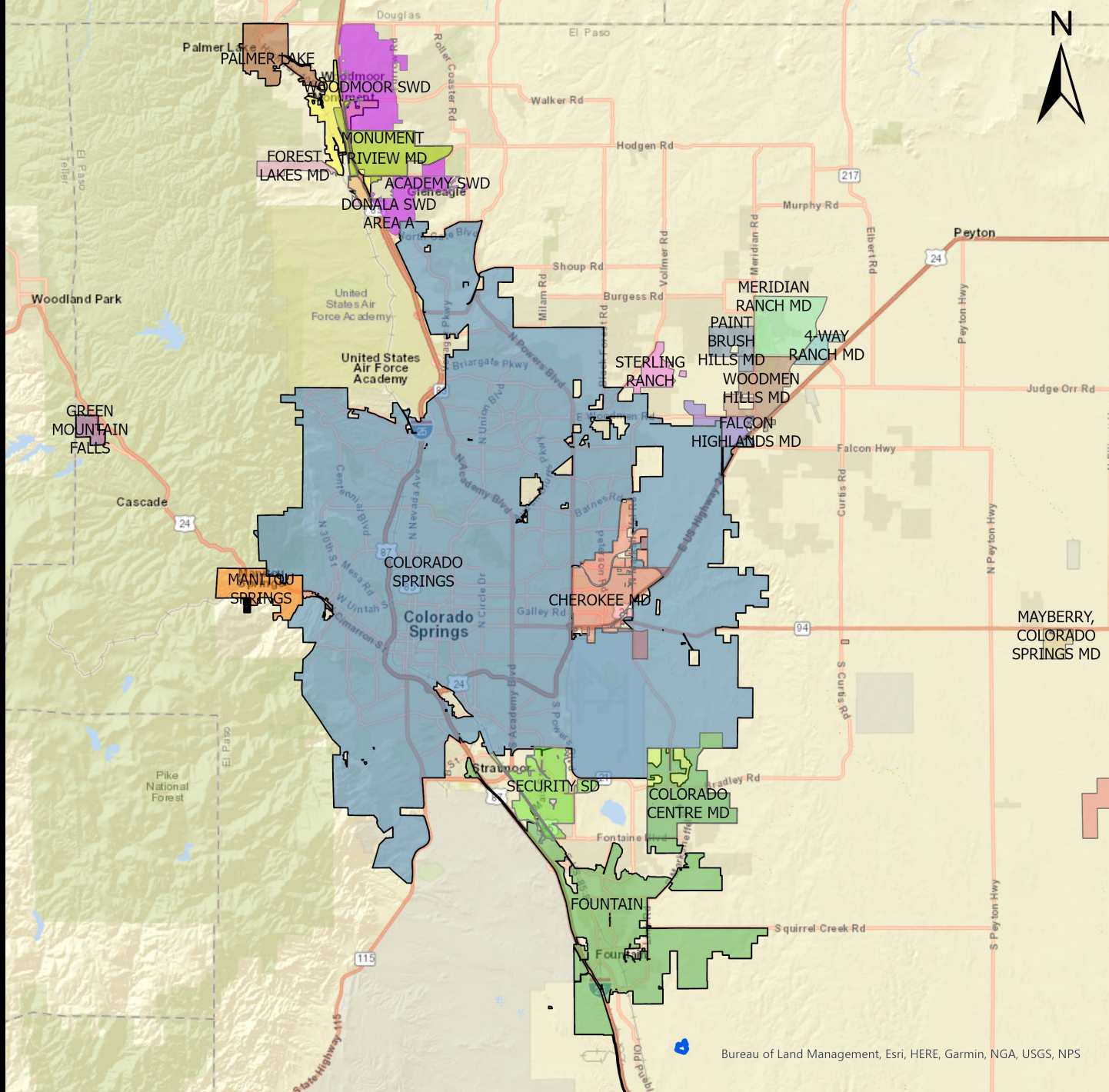
Option	Joint Issuer or Separate Issuers	Pledge	Repayment Source	Enhance "Weak" Credit	Step-Up Provisions
1	Joint	Net Rev	Net Rev	Yes	Full
2	Joint	Net Rev	Net Rev	Yes	Mutual Support
3	Joint	Net Rev	Net Rev	Yes	None
4	Joint	Net Rev	Net Rev	No	None
5	Joint	COP	Lease / Approp / Net Rev	Yes	Full
6	Joint	COP	Lease / Approp / Net Rev	Yes	Mutual Support
7	Joint	COP	Lease / Approp / Net Rev	Yes	None
8	Joint	COP	Lease / Approp / Net Rev	No	None
9	Separate	Net Rev	Net Rev	Yes	None
10	Separate	Net Rev	Net Rev	No	None
11	Separate	COP	Lease / Approp / Net Rev	Yes	None
12	Separate	COP	Lease / Approp / Net Rev	No	None

**Key Terms or Concepts**

- **Joint Issuer** – “Joint Issuer” issues or borrows on behalf of the individual participants. The Joint Issuer would also apply for, receive, and manage grants/contributions.
- **Separate Issuer** – In contrast to “Joint Issuer,” each participants issues its own debt subject to that participant’s credit rating and financing terms/conditions.
- **Net Rev** – For a Joint Issuer, Net Revenues means revenues received from the participants after the Joint Issuer pays operations, maintenance, and other pre-debt service expenses. For “Separate Issuers,” Net Revenues means revenues sourced to users. Under a Joint Issuer, individual participants would – ideally – pay their share of expenses from gross revenues rather than net revenues.
- **COP** – Certificate of Participation or similar debt that would likely include appropriated lease payments.
- **Enhance “Weak” Credit** – For a Joint Issuer, the finance team can enhance individual participants to ensure the weakest credit does not increase the cost of borrowing for all participants. Enhancements would be paid for by individual participants and can include bond insurance, debt service reserves, voter authorized pledge, monthly debt service via demand deposits, and other forms of enhanced terms and conditions.
- **Step-Up Provisions** – Applies to a Joint Issuer as follows:
  - Full – Non-defaulting participants pay debt service on behalf of a defaulting participant.
  - Mutual Support:
    1. Each participant will authorize its share of the Joint Issuer debt via an authorizing resolution as an obligation/debt documented, disclosed, and reported as a public offering.
    2. The Joint Issuer will hold the participants’ obligations as permissible investments.
    3. If a participant defaults on its share of debt service (“Defaulting Participant”), the following events shall occur:
      - a. Using funds held by the Joint Issuer, the Joint Issuer shall “invest” in the Defaulting Participant’ obligation and shall use the investment proceeds to pay the Defaulting Participant’s share of debt service.
      - b. If funds held by the Joint Issuer are not sufficient, the “Non-Defaulting Participants” shall invest in the obligation previously issued by the “Defaulting Participant.” The Joint Issuer shall use the investment proceeds to pay the Defaulting Participants share of debt service.
      - c. Interest on the Defaulting Participant’s obligation will accrue and will be payable to the Joint Issuer and the Non-Defaulting Participants

# El Paso County Loop Project

Renewable Water System

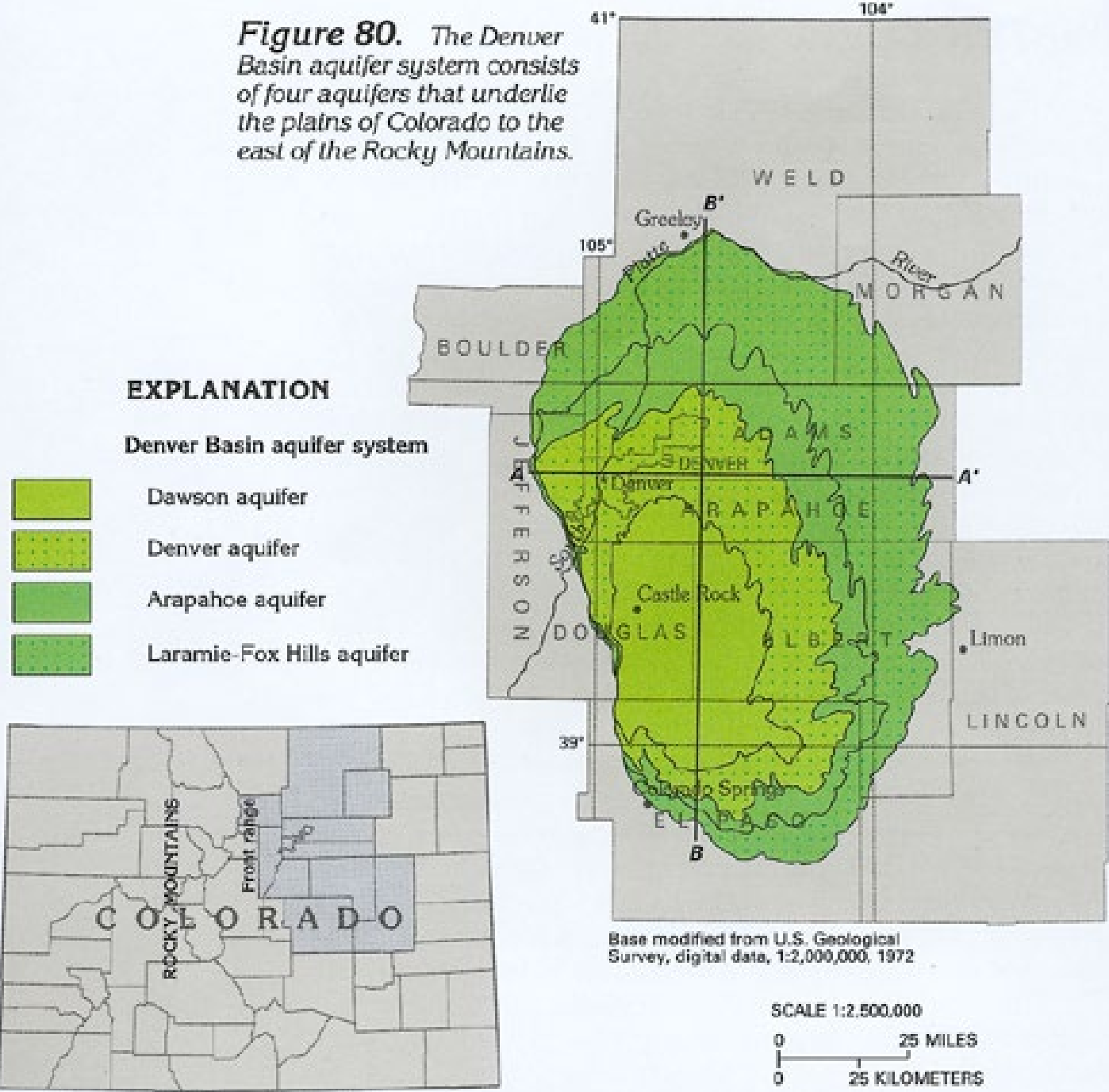


Bureau of Land Management, Esri, HERE, Garmin, NGA, USGS, NPS

# The Region

- El Paso County has developed extensively at urban density
- This has been based on Denver Basin water
- Denver Basin water is not renewable and has a finite life span
- These areas are split between a dozen towns and Special Districts
- Each has been trying for years to obtain a renewable water supply
- Substantial water rights are owned and available in distant areas, but lack an economical transmission system

Figure 80. The Denver Basin aquifer system consists of four aquifers that underlie the plains of Colorado to the east of the Rocky Mountains.



# Denver Basin

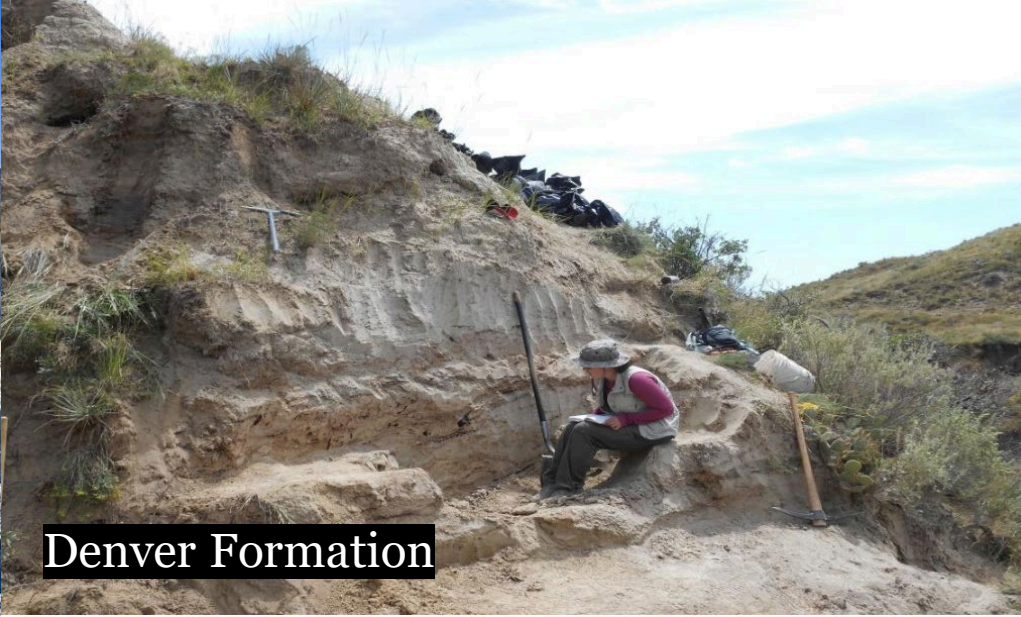
- Aquifer system that stretches from Greeley to Pueblo
- Greatest depth and productivity along Palmer Divide
- Made up of hard sedimentary bedrock such as sandstones, mudstones, and conglomerates
- Not refilled by rain and snow
- Under pressure, once pressure is reduced, productivity of wells also falls
- Treated uniquely under Colorado Water Law
- Declining significantly in productivity only a few decades after first being tapped

# Denver Basin

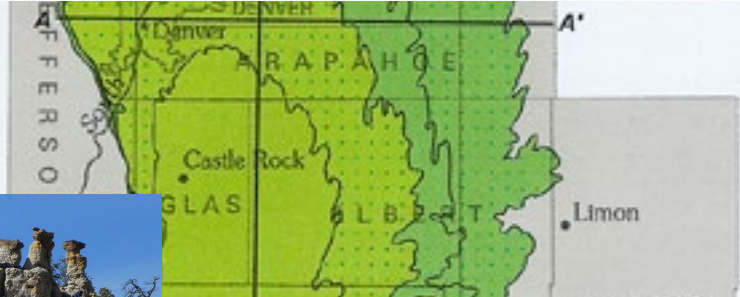
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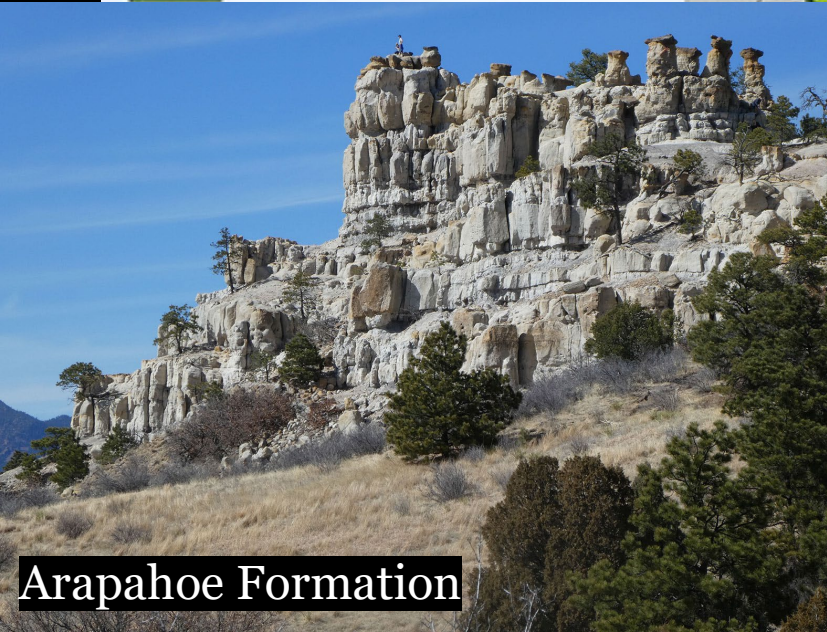
Dawson Arkose



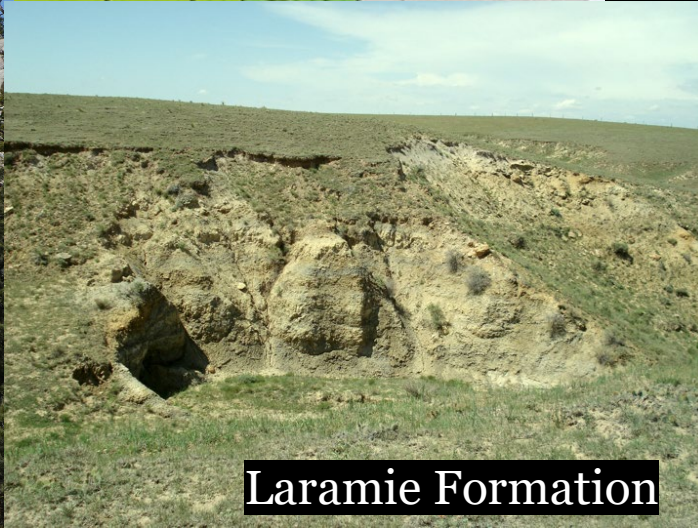
Denver Formation



Arapahoe aquifer



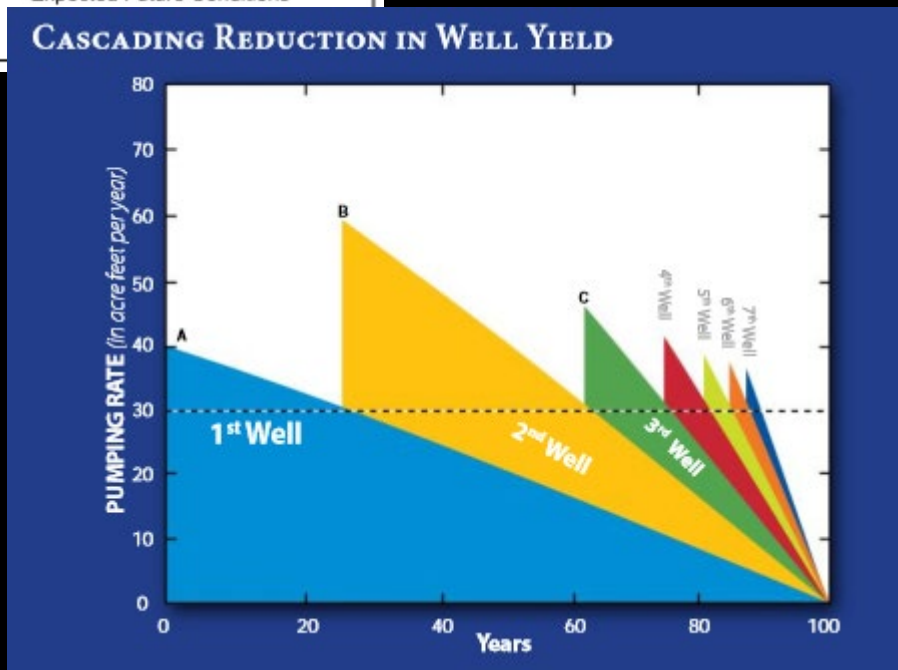
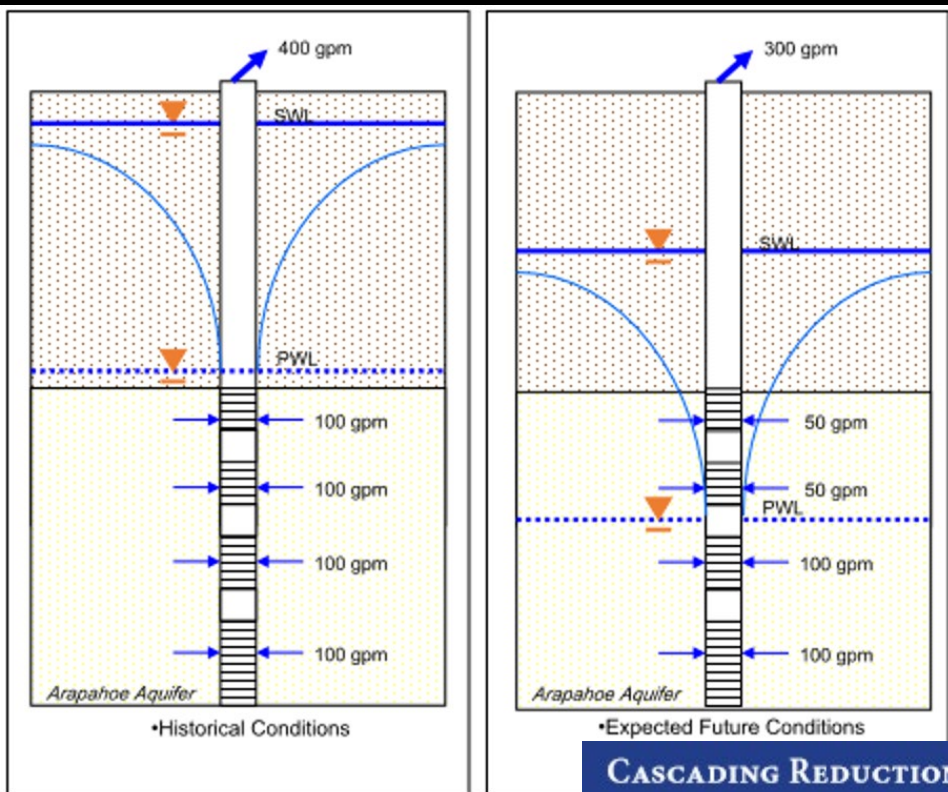
Arapahoe Formation



Laramie Formation

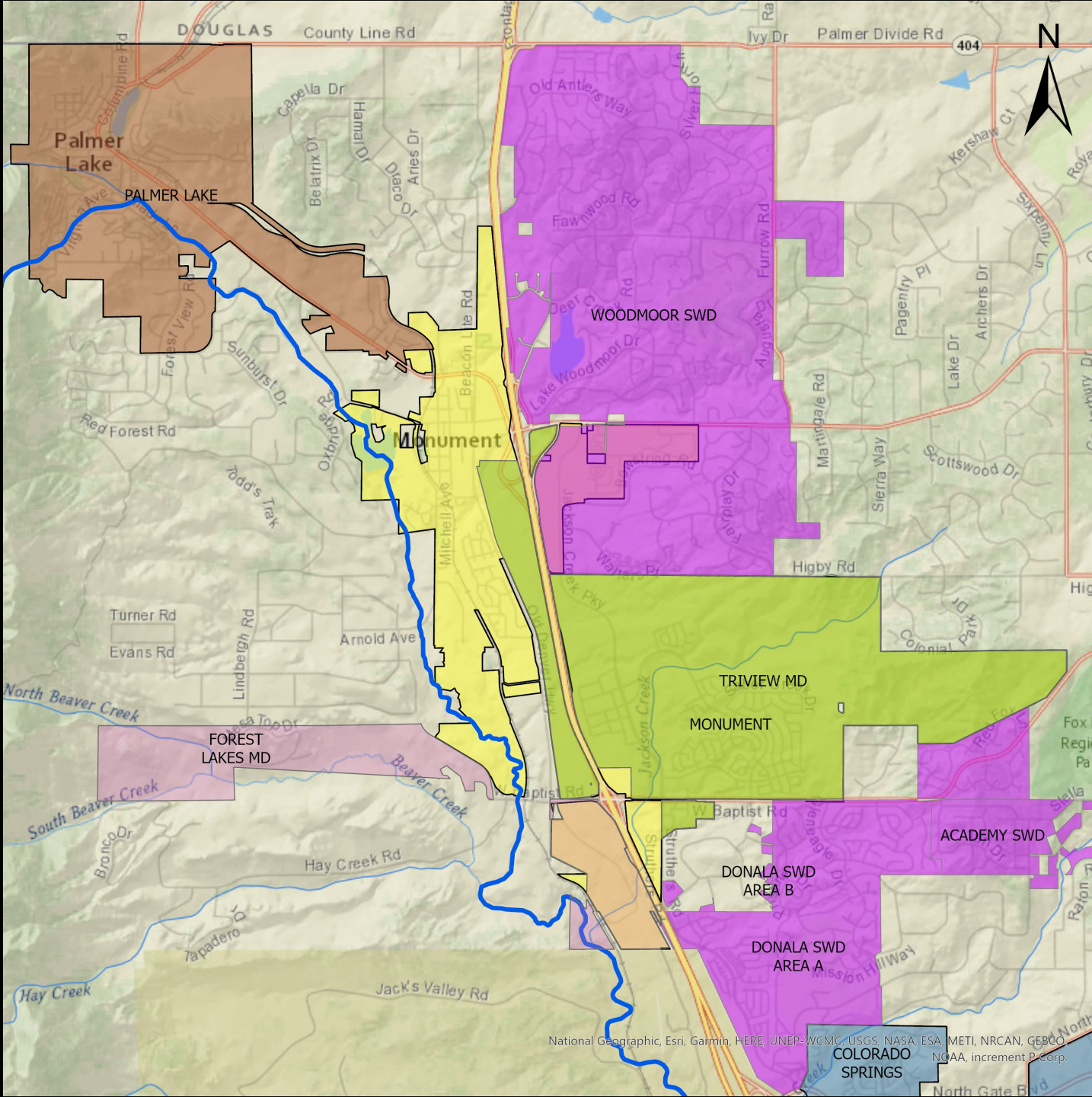
# Denver Basin Productivity

- Denver basin wells decline in productivity
- Less water for each dollar
- Productivity declines in existing wells must be replaced by drilling new wells
  - New wells are also likely to be less productive
- Diminishing returns in the face of mounting costs
- At some point becomes economically unsustainable, even as there is still significant water underground



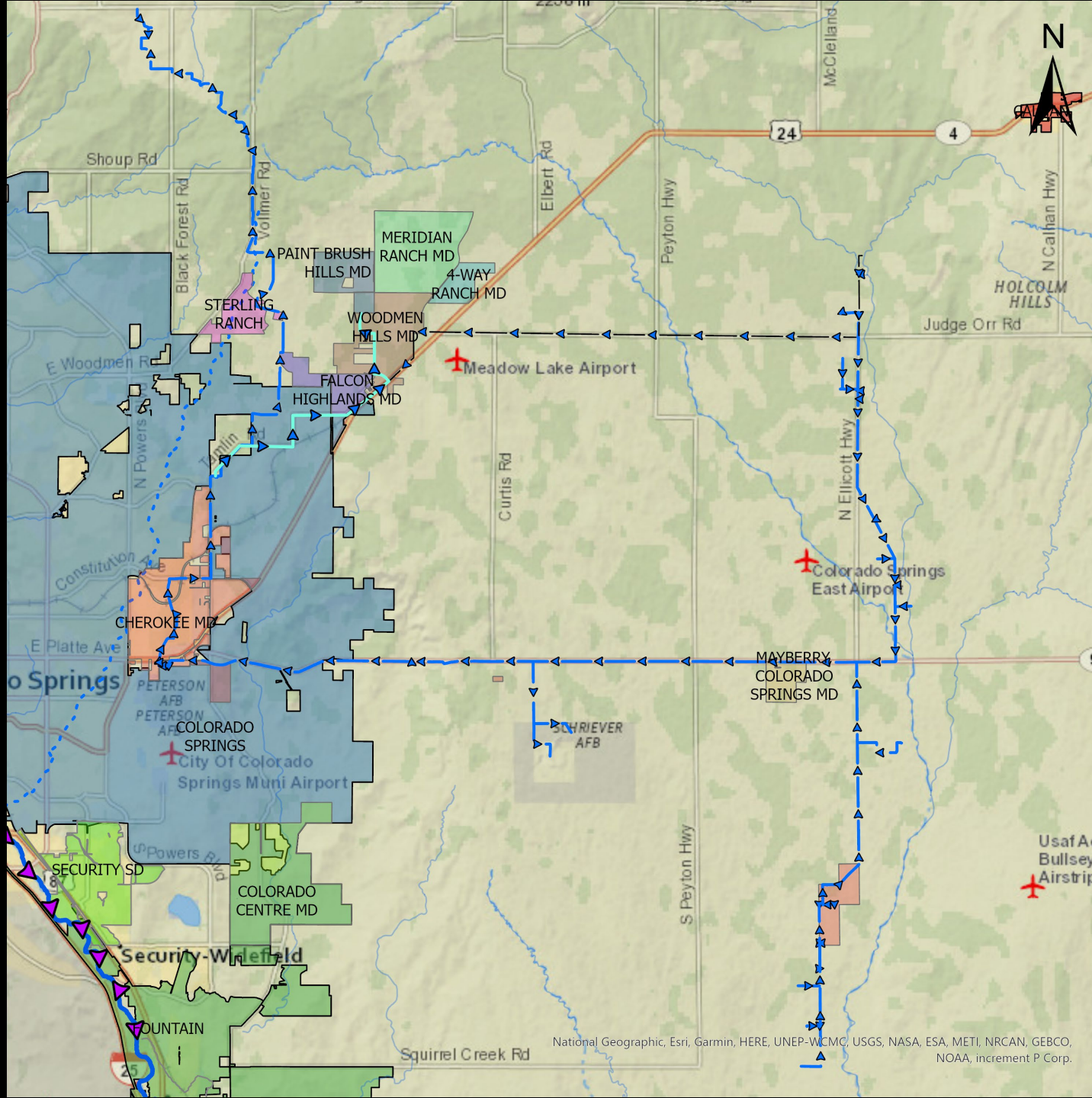
# Northern Utilities

- Woodmoor, Monument, Donala, Triview, Forest Lakes, Palmer Lake
- Limited surface water rights, large majority of production from Denver Basin wells
- Treat wastewater at two facilities and discharge into Monument Creek, some return flows recaptured via exchange
- All have acquired additional surface water rights in some form, but cannot deliver full allocations to service areas
- Developing rapidly



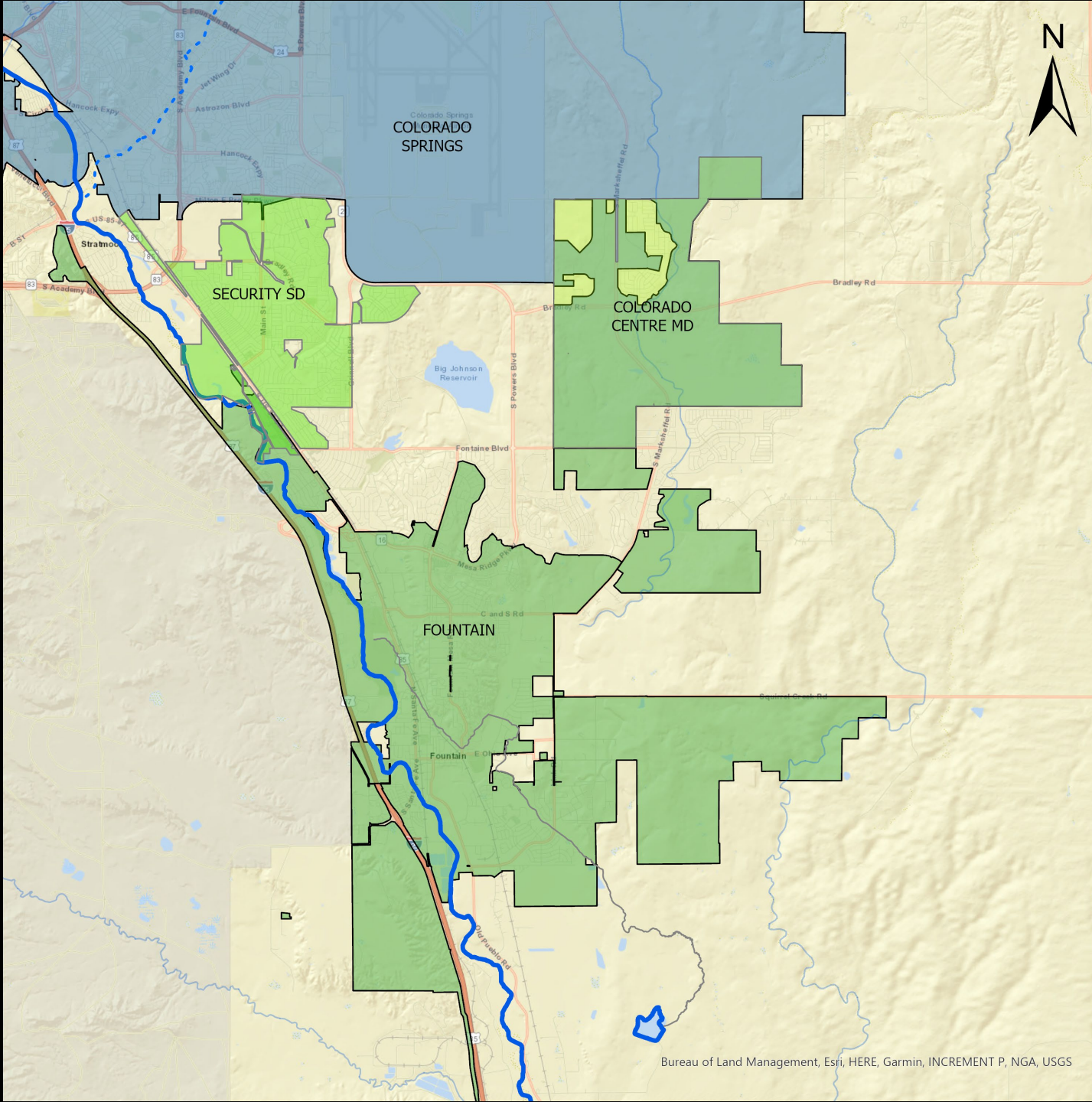
# Eastern Utilities

- Cherokee, Meridian Ranch, Woodmen Hills, Paintbrush Hills, 4-Way Ranch, Sterling Ranch
- Cherokee has unique renewable groundwater rights in the Upper Black Squirrel Basin
- All others almost entirely dependent on Denver Basin wells
- Denver Basin in this area is thinner and less productive
- Wastewater is treated at two facilities for discharge into the UBS Basin
- Developing rapidly
- Almost no renewable water outside of Cherokee
  - Meridian and Woodmen share a small renewable well



# Southern Utilities

- Fountain, Security, Widefield, Colorado Centre
- Outside the Denver Basin
- Supplied with renewable surface water rights
- Still running into capacity limitations
- Treated wastewater is discharged to Fountain Creek
- Developing rapidly
- PFAS issues have led to operational challenges



Bureau of Land Management, Esri, HERE, Garmin, INCREMENT P, NGA, USGS

# Why does this matter for future development?

- Currently development outside the City of Colorado Springs has no ready water supply
- In the past developers have developed Denver Basin supplies
  - Sterling Ranch, Grandview Reserve, Meridian Ranch, Woodmen Hills...
  - Extremely expensive infrastructure including multiple wells, treatment plants, redundant piping
- In areas outside the Denver Basin, no reliable, cost-effect water supply

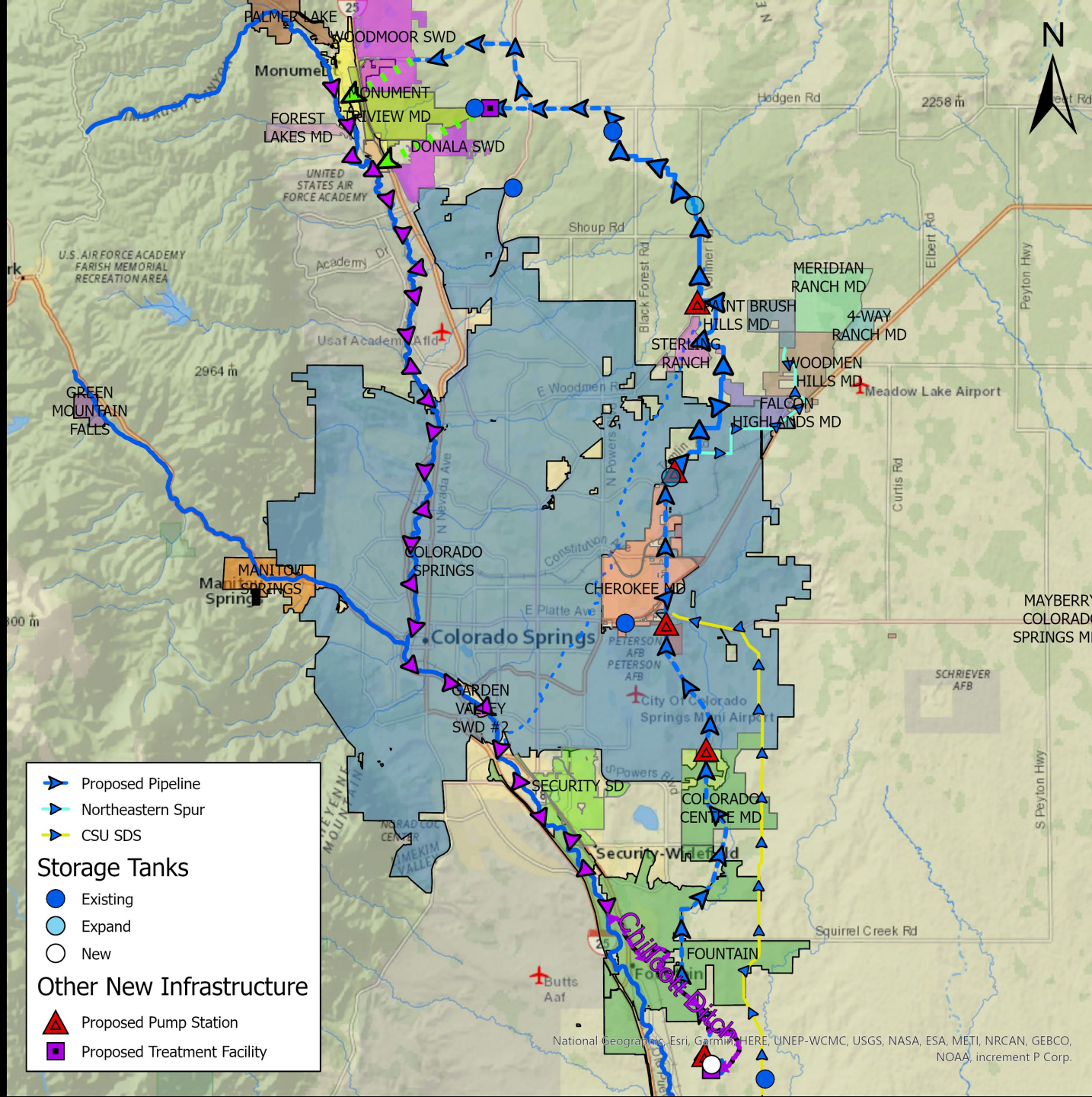


# A solution to the constraints of the Denver Basin, now and in the future

- Northern and Southern Utilities discharge water into the Fountain-Monument watershed
- Most reusable return flows are not currently used
  - Exchanges up Monument Creek are already nearly maximized
  - Exchanges up Fountain Creek are difficult and not guaranteed
- If there were a way to pull water off Fountain creek near the southern County border, store it, and deliver it north, this water could be used
  - It would also allow utilities with stranded surface water rights to access them
- A pipeline from the southern part of the county to the north is the solution

# The Loop

- Use the Chilcote ditch to deliver water to Callahan Reservoir
- Treat water and pump north
- Serves highest growth areas of the County
- Independent of City of Colorado Springs
- Only El Paso County jurisdiction
- More than replaces Denver Basin wells, allows for continued growth
- Brings new water into the UBS Basin via return flows
- Provides full redundancy for all Utilities involved



# How does this help developers?

- Provides a large new water supply at reasonable rates
- Water supply will be available proximate to highest growth areas on Colorado Springs' periphery
- New water supply will be scalable
- Able to serve areas Colorado Springs Utilities cannot
- When tied to a participating wastewater system, multiplies available water and SFE's through return flows



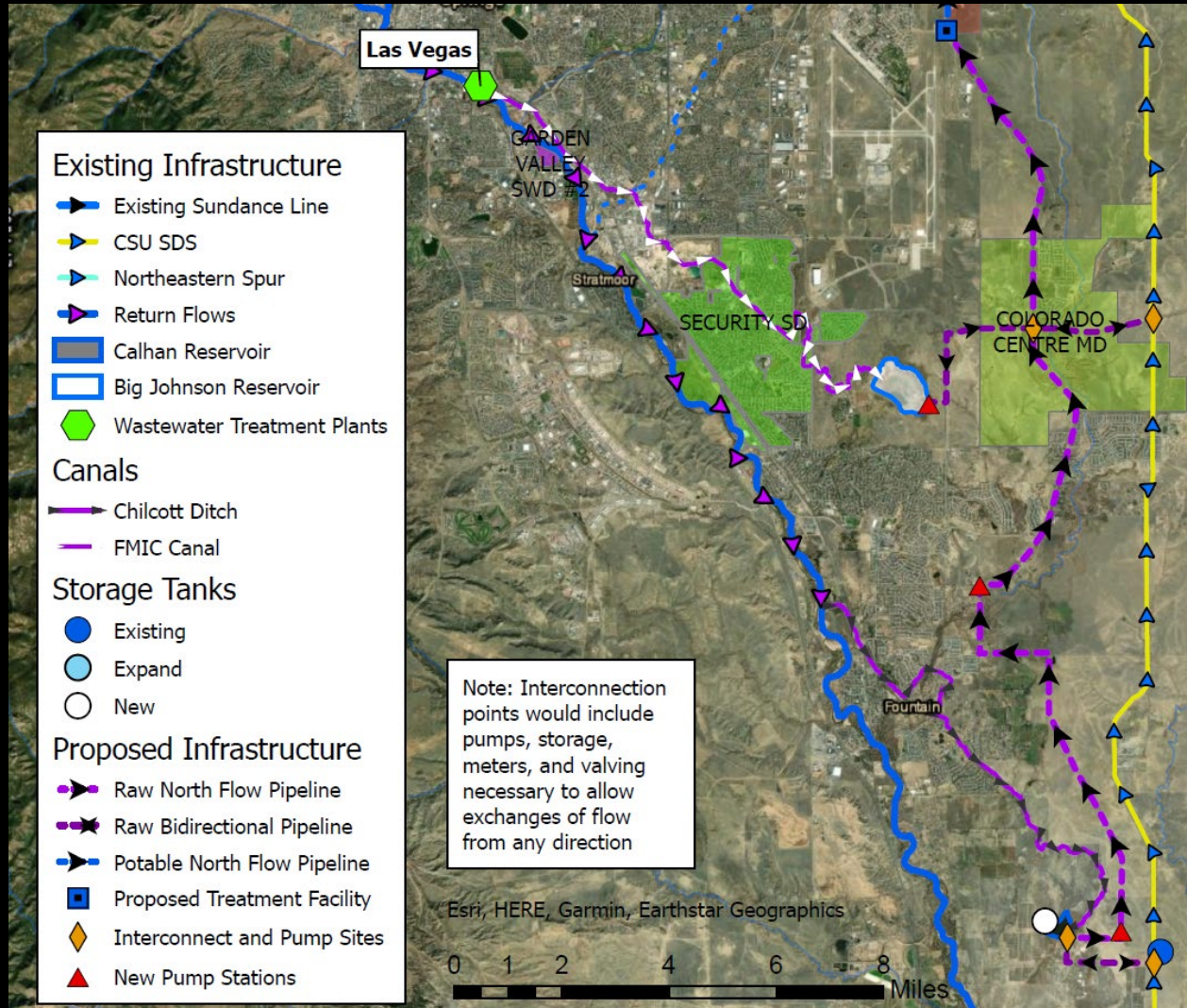
# Current Population Served

- Estimates based on 2020 census
- Growth outside City has been slowed by limited and expensive water
- Southern utilities may or may not need to join, but could benefit them
- Not all of current population will be directly served, but future population expansion will be
- Northern and Eastern utilities have approximately 28% of EPC's non-CS population (242,182 in 2019 estimate)
  - Including Southern utilities, that percentage increases to 56%

<b>Northern Utilities</b>	
Donala Water and Sanitation District	8639
Forest Lakes Metropolitan District	813
Town of Monument and Triview MD	10399
Woodmoor Water and Sanitation District	10000
<b>Eastern Utilities</b>	
Cherokee Metropolitan District	23852
Falcon Highlands Metropolitan District	1471
Four Way Ranch Metropolitan District	128
Meridian Service Metropolitan District	8816
Paintbrush Hills Metropolitan District	3159
Sterling Ranch Metropolitan District	430
Woodmen Hills Metropolitan District	8652
<b>Denver Basin Total</b>	<b>76359</b>

<b>Southern Utilities</b>	<b>2020</b>
Fountain	30700
Security - Widefield	37950
<b>Total</b>	<b>68650</b>

“The fact is that the region has to have resiliency.”



## Redundant Projects

- Parallel cost study involving Colorado Springs Utilities also underway
  - Intention to use CSU infrastructure
- Both projects could support each other providing options to current and future water providers
- Concerns with a Colorado Springs Utilities-managed system
  - Limitations to service area
  - High cost of delivery
  - Rates and deliveries subject to change by CSU
  - Short term contracts
  - Water rights concerns

# Challenges

- Entire project is technically and legally feasible
- But it is expensive
  - Raising funds only from participants would require major rate hikes
  - Without it, some boards may keep drilling Denver Basin wells as it is economical for now
- Requires significant new regional infrastructure
- Requires regulatory/budget approval from many groups



# Next Steps

- Cost study preliminary results available, soon to be finalized
- After completion, compare to CSU study projects
- Develop final list of founding members
  - Leave door open to others to join later on
  - Finalize framework for post-construction partners
- Develop funding plan from participants and other groups
- Engineering and construction
- Water delivery

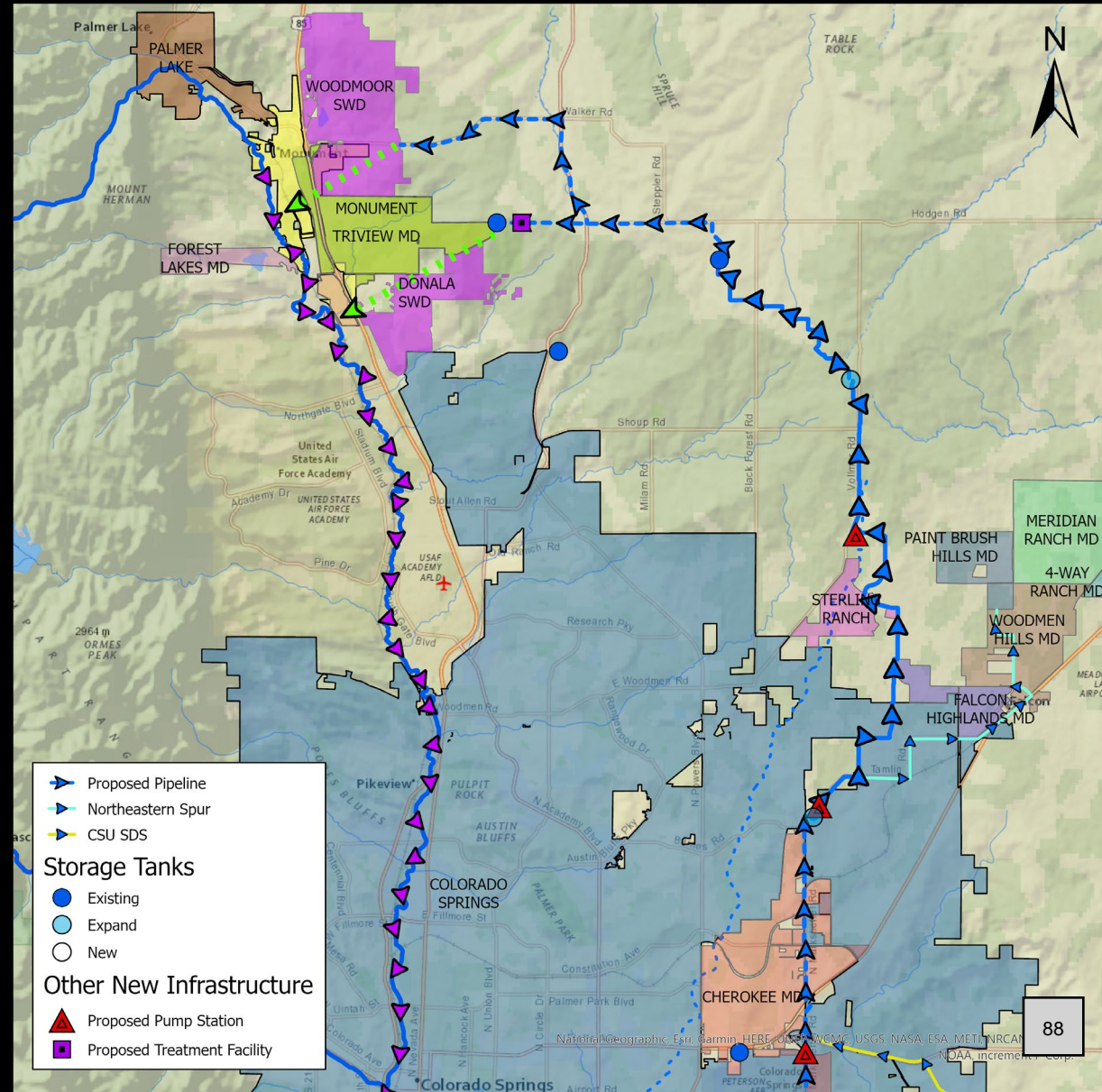
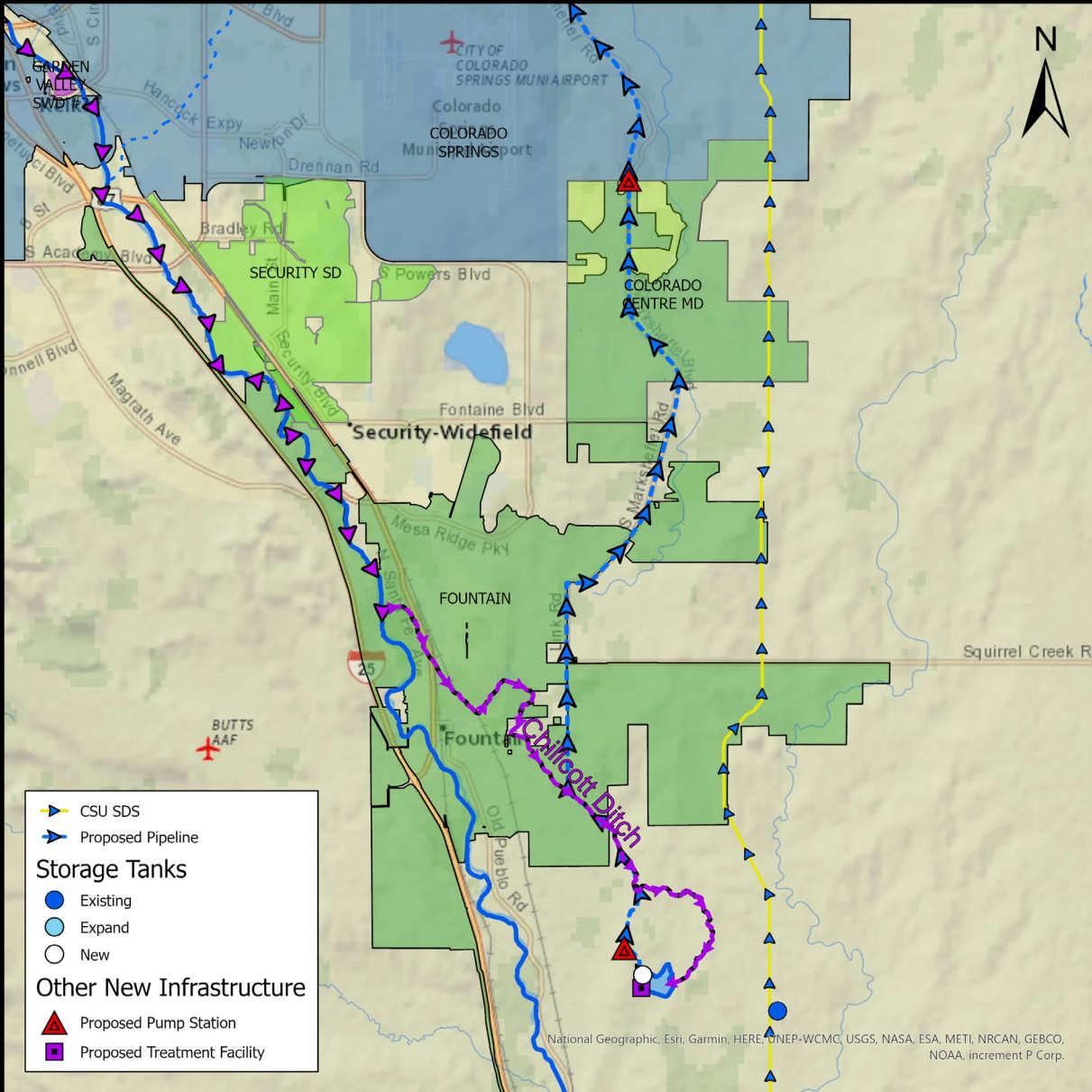


# Project Needs

Item 1.

- We can either continue on an economically unsustainable Denver Basin path, or take this opportunity to convert to renewable water
- This will be expensive, but so will continuing to drill Denver Basin wells
- We are looking for partners to share a major fraction of the upfront project cost to bring in more partners and keep water rates low
- Federal infrastructure appropriations offer opportunity to accelerate the project
  - Previous Federal projects such as Fryingpan-Arkansas have been foundational to southern Colorado's development
- This project would allow for continued growth in the County while protecting aquifer levels for small capacity users

# Questions





## BOARD OF TRUSTEES MEETING Thursday, June 09, 2022 at 5:00 PM

Palmer Lake Town Hall – 28 Valley Crescent, Palmer Lake, Colorado

### MINUTES

**Call to Order.** Mayor Pro Tem Padgett called the meeting to order at 5:22 PM following the workshop.

#### Pledge of Allegiance

**Roll Call.** Present: Mayor Pro Tem Sam Padgett, Trustees Glant Havenar, Darin Dawson, Nicole Currier. Excused: Mayor Bill Bass, Trustees Karen Stuth, Jessica Farr.

**Consent Agenda.** Trustee Havenar inquired about the Resolution to extend a land use permit. The item was removed from consent. MOTION (Dawson, Havenar) to approve Minutes from May 26, 2022 Meeting. Roll call vote – aye 4; nay 0. Motion passed.

#### Staff/Department Reports

3) Water; 4) Public Works including Roads & Park Maintenance; 5) Police – Chief Vanderpool mentioned two grants awarded for funds; 6) Fire – Chief McCarthy noted limitations for chipping; 7) Administration – kiosk revenue was recapped, to date \$12,000 net; 8) Attorney – none; 9) Administrator/Clerk – Collins updated the Board on structural repair, completion of landscape, rescheduled service day to 6/25, chipping days, grant activity, upcoming workshops.

**Public Comment.** Mr. Bill Dandino requested that the Board, staff and public members be sure to speak into the microphone so public listening on Live Stream can hear clearly. It was also noted that the Live Stream attempts to refresh after about one hour of meeting time and gets spotty.

#### Public Hearing

10. PUBLIC HEARING - Conditional Use for Short Term Rental (Platt Ave). Ms. Lindsay Aho addressed the Board members for two rental units at Platt Ave for Mr/Ms Harker. Trustee Havenar inquired about parking. No person spoke for or against the conditional use. Mayor Pro Tem Padgett closed the hearing.

11. PUBLIC HEARING - Final Reading of Ordinance to Adopt 2020 Edition of Model Traffic Code. Attorney Krob provided background and slight modifications. Mr. Bill Dandino inquired about checking into use of phone when accidents occur; and Krob remarked if a subpoena for phone use is made. Mayor Pro Tem Padgett closed the hearing.

### Business Items

2. Resolution 33-2022 to Extend Land Use Permit (The Real Property Investments LLC) at Illumination Point, Lot 3-4 (removed from consent agenda). Collins explained the request for the extension including loss of engineers and working with multiple property owners for proper drainage for the entire development. MOTION (Currier, Havenar) to approve Resolution 33-2022 to extend the land use permit until October 2022. Roll call vote – aye 4; nay 0. Motion passed.
12. Resolution 34-2022 to Approve Conditional Use for Short Term Rental at Platt Lane. MOTION (Havenar, Dawson) to approve Resolution 34-2022 for conditional use for two rental units at Platt. Roll call vote – aye 4; nay 0. Motion passed.
13. Resolution 35-2022 to Authorize Fire Mitigation with Miller Timber. Collins noted the grant funding was awarded in 2021 for mitigation. MOTION (Havenar, Currier) to approve Resolution 35-2022 to authorize service with Miller Timber. Roll call vote – aye 4; nay 0. Motion passed.
14. Resolution 36-2022 to Authorize an IGA for the Opioid Settlement. Collins provided additional information about the County representing the Town of Palmer Lake with opportunity to participate in upcoming committee or sub-committee as meetings progress. MOTION (Currier, Dawson) to approve Resolution 36-2022 accepting the IGA. Roll call vote – aye 4; nay 0. Motion passed
15. Ordinance 10-2022 to Adopt the 2020 Edition of the Model Traffic Code. MOTION (Dawson, Havenar) to approve Ordinance 10-2022 adopting the 2020 edition of the model traffic code. Roll call vote – aye 4; nay 0. Motion passed.
16. Ordinance Relating to Time Limit to Display Banners. Attorney Krob and Collins gave background to bring the Planning Commission recommendation of a timeframe for banners to the Board but to wait to review and address the entire sign code at one time.
17. Ordinance Relating to Handheld Device While Driving. Attorney Krob restated this is addressed in the 2020 edition of the model traffic code and not necessary for a separate ordinance.
18. Review of 2023 Budget Schedule. Collins presented a draft schedule to begin planning the 2023 budget cycle. Discussion took place about final adoption dates following the November election and changes being made as necessary.

**Board Reports.** Trustee Currier stated that Awake Palmer Lake reconsidered paying for the required railroad fencing and approved reimbursing the town.

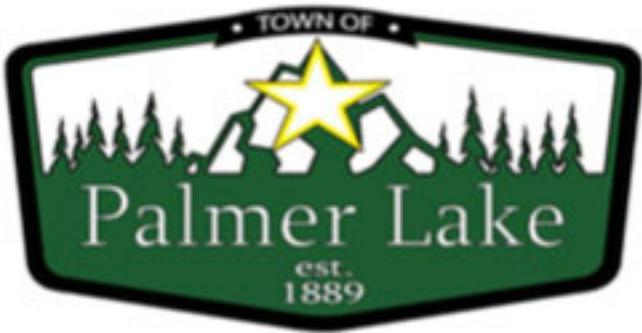
**Next Meeting (Workshop and Meeting on June 23) and Future Items.** Discussion took place about modifying the time of upcoming workshops starting at 4p before regular meetings based on response of public at the 6/9 workshop. It was agreed to move the workshop time later on 6/23 and 7/14 to begin at 7p following the regular meeting and to keep meeting agendas brief. Additional dates were discussed including opposite Thursday evenings and adding Saturday mornings. The timeframe to hold meetings is limited to the middle of July. Collins will send a message to Board members to gather best dates.

**Adjourn.** MOTION (Havenar, Dawson) to adjourn at 6:24 PM. Motion passed.

\_\_\_\_\_  
Mayor Bill Bass

\_\_\_\_\_  
ATTEST: Dawn A. Collins, Town Clerk

**TOWN OF PALMER LAKE**  
**Financial Statements**  
**May 2022**  
**Unaudited**



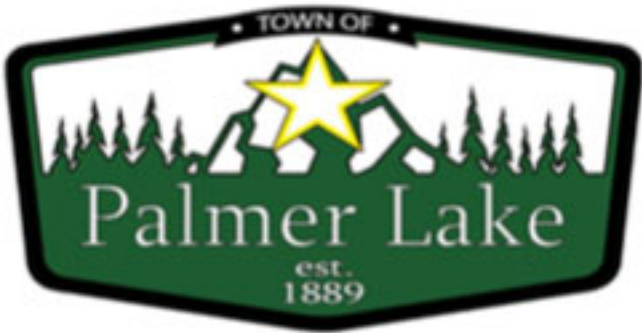
# CASH POSITION

May 31, 2022



<b>TOWN OF PALMER LAKE</b>				
<b>Schedule of Cash Position</b>				
<b>May 31, 2022</b>				
FINANCIAL INSTITUTION	TYPE OF ACCOUNT	CHECKING / SAVINGS	BANK RATE	BALANCE
<b>OPERATING FUNDS:</b>				
Community Banks of CO	General Fund Operating	Checking	n/a	\$ 1,273,855
<i>* Restricted - Operating Reserve - 3 months (\$582,475)</i>				
Community Banks of CO	Water Fund Operating	Checking	n/a	\$ 906,346
<i>* Restricted - Operating Reserve - 3 months (\$236,018)</i>				
Colorado Trust (ColoTrust)	General Fund	Savings	0.79%	\$ 978,341
<b>Subtotal - Operating Funds</b>				<b>\$ 3,158,542</b>
<b>RESTRICTED FUNDS:</b>				
Colorado Trust (ColoTrust)	Water Reserve 2010	Savings	0.79%	\$ 177,565
Colorado Trust (ColoTrust)	Water Loan Reserve	Savings	0.79%	\$ 197,776
Colorado Trust (ColoTrust)	Police CIP Reserve	Savings	0.79%	\$ 7
Colorado Trust (ColoTrust)	Fire CIP Reserve	Savings	0.79%	\$ 105,605
Colorado Trust (ColoTrust)	CTF Reserve	Savings	0.79%	\$ 27,123
<b>Subtotal - Restricted Funds</b>				<b>\$ 508,076</b>
<b>TOTAL</b>				<b>\$ 3,666,618</b>

**GENERAL FUND**  
**May 2022**



# TOWN OF PALMER LAKE

Item 4.

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL GENERAL FUND For the Five Months Ended May 31, 2022 UNAUDITED

	2022 Adopted Budget	Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 42%)
<b>REVENUE</b>				
Taxes	\$ 2,090,342	\$ 1,142,900	\$ (947,442)	55%
Fees and Licenses	191,900	125,885	(66,015)	66%
Intergovernmental	26,100	3,554	(22,546)	14%
Fines	70,900	19,043	(51,857)	27%
Interest income	12,000	7,192	(4,808)	60%
Departmental	7,000	19,448	12,448	278%
Miscellaneous income	170,100	25,111	(144,989)	15%
Total Revenue	\$ 2,568,342	\$ 1,343,133	\$ (1,225,209)	52%
<b>EXPENDITURES</b>				
General and Administrative				
Salaries and Benefits	\$ 179,369	\$ 70,990	\$ 108,379	40%
Professional Services	315,785	168,337	147,448	53%
General Administration	605,730	271,769	333,961	45%
Total General and Administrative	\$ 1,100,885	\$ 511,096	\$ 589,788	46%
Police Department				
Salaries and Benefits	\$ 588,861	\$ 196,982	\$ 391,879	33%
Professional Services	-	-	-	0%
General Administration	60,470	8,708	51,762	14%
Total Police Department	\$ 649,331	\$ 205,690	\$ 443,641	32%
Fire Department				
Salaries and Benefits	\$ 464,572	\$ 166,728	\$ 297,844	36%
Professional Services	-	-	-	0%
General Administration	73,050	18,827	54,223	26%
Total Fire Department	\$ 537,622	\$ 185,555	\$ 352,067	35%
Roads Department				
Salaries and Benefits	\$ 187,002	\$ 68,739	\$ 118,263	37%
Professional Services	20,000	1,343	18,657	7%
General Administration	388,071	45,541	342,530	12%
Total Roads Department	\$ 595,073	\$ 115,623	\$ 479,450	19%
Parks Department				
Salaries and Benefits	\$ 62,231	\$ 3,436	\$ 58,795	6%
General Administration	23,200	4,547	18,653	20%
Total Parks Department	\$ 85,431	\$ 7,983	\$ 77,448	9%
Total Expenditures	\$ 2,968,341	\$ 1,025,947	\$ 1,942,394	35%
<b>EXCESS OF REVENUE OVER (UNDER)</b>				
<b>EXPENDITURES</b>	\$ (400,000)	\$ 317,186	\$ 717,185	
<b>FUNDS BALANCE - BEGINNING OF YEAR - estimated</b>		\$ 2,783,287		
<b>FUNDS BALANCE - END OF YEAR</b>		\$ 3,100,473		
<b>Less:</b>				
Restricted:				
Operating Reserve - 3 months		(582,475)	<i>Note 1</i>	
Fire - CIP Reserve		(105,605)		
<b>FUNDS AVAILABLE - END OF YEAR - Unrestricted</b>		<b>\$ 2,412,393</b>		

*Note 1: A 12 Month Operating Reserve would be Optimum*

**WATER ENTERPRISE FUND**  
**May 2022**



**TOWN OF PALMER LAKE**  
**SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN**  
**FUNDS AVAILABLE - BUDGET AND ACTUAL**  
**WATER ENTERPRISE FUND**  
**For the Five Months Ended May 31, 2022**  
**UNAUDITED**

	<u>2022 Adopted Budget</u>	<u>Actual</u>	<u>Variance Favorable (Unfavorable)</u>	<u>Percent of Budget (YTD 42%)</u>
<b>REVENUE</b>				
Water Revenue	\$ 1,198,500	\$ 452,631	\$ (745,869)	38%
Water Fees	71,957	22,500	(49,457)	31%
Water Taps	200,000	28,086	(171,914)	14%
Late Fees	-	8,925	8,925	0%
Water Meters	6,500	-	(6,500)	0%
Interest	3,000	523	(2,477)	17%
Miscellaneous	-	525	525	0%
Total Revenue	<u>\$ 1,479,957</u>	<u>\$ 513,190</u>	<u>\$ (966,767)</u>	<u>35%</u>
<b>EXPENDITURES</b>				
Salaries and Benefits	\$ 454,797	\$ 159,086	\$ 295,711	35%
Professional Services	127,500	27,350	100,150	21%
Administrative	183,450	121,443	62,007	66%
Operations	874,054	62,239	811,815	7%
Debt Service	183,229	103,070	80,159	56%
Total Expenditures	<u>\$ 1,823,030</u>	<u>\$ 473,188</u>	<u>\$ 1,349,842</u>	<u>26%</u>
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>	<u>\$ (343,072)</u>	<u>\$ 40,002</u>	<u>\$ 383,075</u>	
<b>FUNDS AVAILABLE - BEGINNING OF YEAR - estimated</b>		<u>\$ 658,203</u>		
<b>FUNDS AVAILABLE - END OF YEAR</b>		<u>\$ 698,205</u>		
<b>Less:</b>				
Restricted:				
Operating Reserve - 3 months (CWR&PDA Loan Requirement)		(236,018)	<i>Note 1</i>	
Water Loan Reserve		(197,776)		
Water Reserve - 2010		<u>(177,565)</u>		
<b>FUNDS AVAILABLE - END OF YEAR - Unrestricted</b>		<u><u>\$ 86,846</u></u>		

*Note 1: A 12 Month Operating Reserve would be Optimum*

# CONSERVATION TRUST FUND

May 2022



# TOWN OF PALMER LAKE

## STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL

### CONSERVATION TRUST FUND

For the Five Months Ended May 31, 2022

UNAUDITED

	2022 Adopted Budget	Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 42%)
<b>REVENUE</b>				
State Shared Revenue	\$ 44,406	\$ 9,126	\$ (35,280)	21%
Interest/Miscellaneous income	-	38	38	0%
<b>Total Revenue</b>	<u>\$ 44,406</u>	<u>\$ 9,164</u>	<u>\$ (35,242)</u>	<u>21%</u>
<b>EXPENDITURES</b>				
Salaries and Benefits	\$ 18,774	\$ 3,844	\$ 14,930	20%
Administrative	25,630	2,114	23,516	8%
<b>Total Expenditures</b>	<u>\$ 44,405</u>	<u>\$ 5,958</u>	<u>\$ 38,446</u>	<u>13%</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>\$ 1</u>	<u>\$ 3,206</u>	<u>\$ 3,204</u>	
<b>FUND BALANCE - BEGINNING OF YEAR - estimated</b>		<u>\$ 35,914</u>		
<b>FUND BALANCE - END OF YEAR - Restricted</b>		<u><u>\$ 39,120</u></u>		

# GRANTS AND DONATIONS FUND

May 2022



# TOWN OF PALMER LAKE

## SCHEDULE OF REVENUE, EXPENDITURES AND CHANGES IN FUNDS AVAILABLE - BUDGET AND ACTUAL GRANTS & DONATIONS

Item 4.

For the Four Months Ended April 30, 2022

UNAUDITED

*For Information Purposes Only*

	2022 Budget	YTD Actual	Variance Favorable (Unfavorable)	Percent of Budget (YTD 42%)
<b>REVENUE</b>				
FPPA Matching Funds	\$ 14,000	\$ -	\$ (14,000)	0%
Fire Mitigation Grant	50,000	-	(50,000)	0%
DOLA EIAF Water Sys- PER Grant	15,000	-	(15,000)	0%
CDOT Bridge Rehab	200,000	-	(200,000)	0%
CDOT PL Elementary Road Improvements	176,590	-	(176,590)	0%
American Rescue Plan	376,145	-	(376,145)	0%
Fire Grants	-	15,365	15,365	0%
Police Donations/ Grants	59,437	36,340	(23,097)	61%
Parks Donations/ Grants	1,000	8,595	7,595	860%
Total Revenue	\$ 892,172	\$ 60,300	\$ (831,872)	7%
<b>EXPENDITURES</b>				
General Administrative				
Grants Expense- DOLA / GOCO	\$ -	\$ -	\$ -	0%
Total General Administrative Expenditures	\$ -	\$ -	\$ -	0%
Police Department Expenditures				
Grant Expense	\$ 59,537	\$ 17,065	\$ 42,472	29%
Total Police Department Expenditures	\$ 59,537	\$ 17,065	\$ 42,472	29%
Fire Department Expenditures				
Grants Expense	\$ -	\$ 10,788	\$ (10,788)	0%
Total Fire Department Expenditures	\$ -	\$ 10,788	\$ (10,788)	0%
Roads Department Expenditures				
CDOT Bridge Rehab	\$ 200,000	\$ -	\$ 200,000	0%
CDOT PL Elementary Road Improvements	176,590	20	176,570	0%
Grants Expense- Douglas	13,900	-	13,900	0%
Total Roads Department Expenditures	\$ 390,490	\$ 20	\$ 390,470	0%
Parks Department Expenditures				
Parks Committee (donations)	\$ 1,000	\$ -	\$ 1,000	0%
Fire Mitigation CUSP	50,000	-	50,000	0%
Grants Expense	-	-	-	0%
Total Parks Department Expenditures	\$ 51,000	\$ -	\$ 51,000	0%
Water Department Expenditures				
American Rescue Plan	\$ 376,145	\$ -	\$ 376,145	0%
DOLA EIAF Water Sys- PER Grant	15,000	-	15,000	0%
Total Water Department Expenditures	\$ 391,145	\$ -	\$ 391,145	0%
Total Expenditures	\$ 892,172	\$ 27,873	\$ 864,299	
<b>EXCESS OF REVENUE OVER (UNDER) EXPENDITURES</b>				
	\$ -	\$ 32,427	\$ 32,427	

# Check Register

May 2022



Ranges: From: To: From: To:  
 Check Number First Last Check Date 5/1/2022 5/31/2022  
 Vendor ID First Last Checkbook ID First Last  
 Vendor Name First Last

Sorted By: Check Number

\* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
48000	AMCOBI	AmCobi	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$1,722.55
48001	AMCOBIIT	AmCobi	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$3,863.50
48002	AT&TMOBILITY	AT & T Mobility	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$952.92
48003	BH	Black Hills Energy	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$1,420.65
48004	COLORADODEPARTM	Colorado Department of Agricul	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$56.00
48005	COLORADODIVISIO	Colorado Division of Fire Prev	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$100.00
48006	CKT	Common Knowledge Technology	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$2,127.50
48007	COREELECTRICCOO	Core Electric Cooperative	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$9,255.97
48008	CRAIGSPOWEREQUI	Craig's Power Equipment LLC	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$762.07
48009	ELLISONTRUCKING	Ellison Trucking, Inc.	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$510.63
48010	ENVIROTECH	Envirotech Services, Inc.	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$4,181.90
48011	ESO	ESO Solutions, Inc.	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$417.06
48012	GLOBALTECHNOLOG	Global Technology Group Inc.	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$10,409.00
48013	GREENBELTTURFFA	Green Belt Turf Farm, Inc.	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$219.50
48014	HELLOHOUSEKEEPI	Hello Housekeeping	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$600.00
48015	HOMEDEPOTCREDIT	Home Depot Credit Services	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$540.07
48016	INTERSTATECHEMI	Interstate Chemical Co., Inc.	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$1,637.00
48017	JOHNHKEILERS	John H. Keilers	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$5,717.00
48018	LOVEKEN	Ken Love	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$112.08
48019	AHOLINDSAY	Lindsay Aho	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$500.00
48020	MEYER&SAMS,INC	Meyer & Sams, Inc. dba GMS, In	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$6,602.20
48021	OREILLY	O'Reilly	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$293.88
48022	RATHBURNWELDING	Rathburn Welding	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$359.59
48023	SPRINGSFASTNERC	Springs Fastner Co.	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$16.04
48024	STERICYCLE	Stericycle, Inc.	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$35.00
48025	T2SYSTEMS	T2 Systems Canada Inc.	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$70.00
48026	GAZETTE	The Gazette	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$379.83
48027	XFINITY	Xfinity	5/5/2022	COBANK-CKG 9495	PMCHK00000030	\$104.85
48028	ELPASOPUBLICHEA	El Paso Co Public Health Labor	5/11/2022	COBANK-CKG 9495	PMCHK00000036	\$1,680.00
48060	CICCOLELLAJOHN	John Ciccolella	5/23/2022	COBANK-CKG 9495	PMCHK00000037	\$320.00
48061	CENTURYLINK	CenturyLink	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$212.51
48062	ROUBIDOUX,CHARL	Charles Roubidoux	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$142.05
48063	CIVICPLUSLLC	CivivPlus LLC	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$3,490.00
48064	COLORADODIVISIO	Colorado Division of Fire Prev	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$250.00
48065	COLORADOELECTRI	Colorado Electric Motor Repair	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$1,500.00
48066	COREELECTRICCOO	Core Electric Cooperative	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$4,979.50
48067	EMERGENCYNETWOR	Emergency Network Security Sys	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$61.00
48068	ECS	Employers Council	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$3,496.25
48069	ENVIROTECH	Envirotech Services, Inc.	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$6,742.52
48070	FAC	Fromm & Company LLC	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$4,959.00
48071	L.N.CURTISANDSO	L.N. Curtis and sons	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$191.58
48072	TORWEIHE,LETICI	Leticia Torweihe	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$73.93
48073	GREASEMONKEY	My Fleet Center	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$81.53
48074	OREILLY	O'Reilly	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$11.97
48075	SARABALTHAZOR	Sara Balthazor	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$75.00
48076	STERICYCLE	Stericycle, Inc.	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$36.75
48077	KNASTERTECHNOLO	The Knaster Technology Group	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$1,485.00
48078	TRILAKESCHAMBER	Tri-Lakes Chamber of Commerce	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$800.00
48079	KARENMURPHY	Vanguard Tri-Lakes Church	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$75.00
48080	WEARPARTS&EQUIP	Wear Parts & Equipment	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$792.14
48081	XEROX	Xerox Business Solutions South	5/26/2022	COBANK-CKG 9495	PMCHK00000035	\$729.17

Total Checks: 51

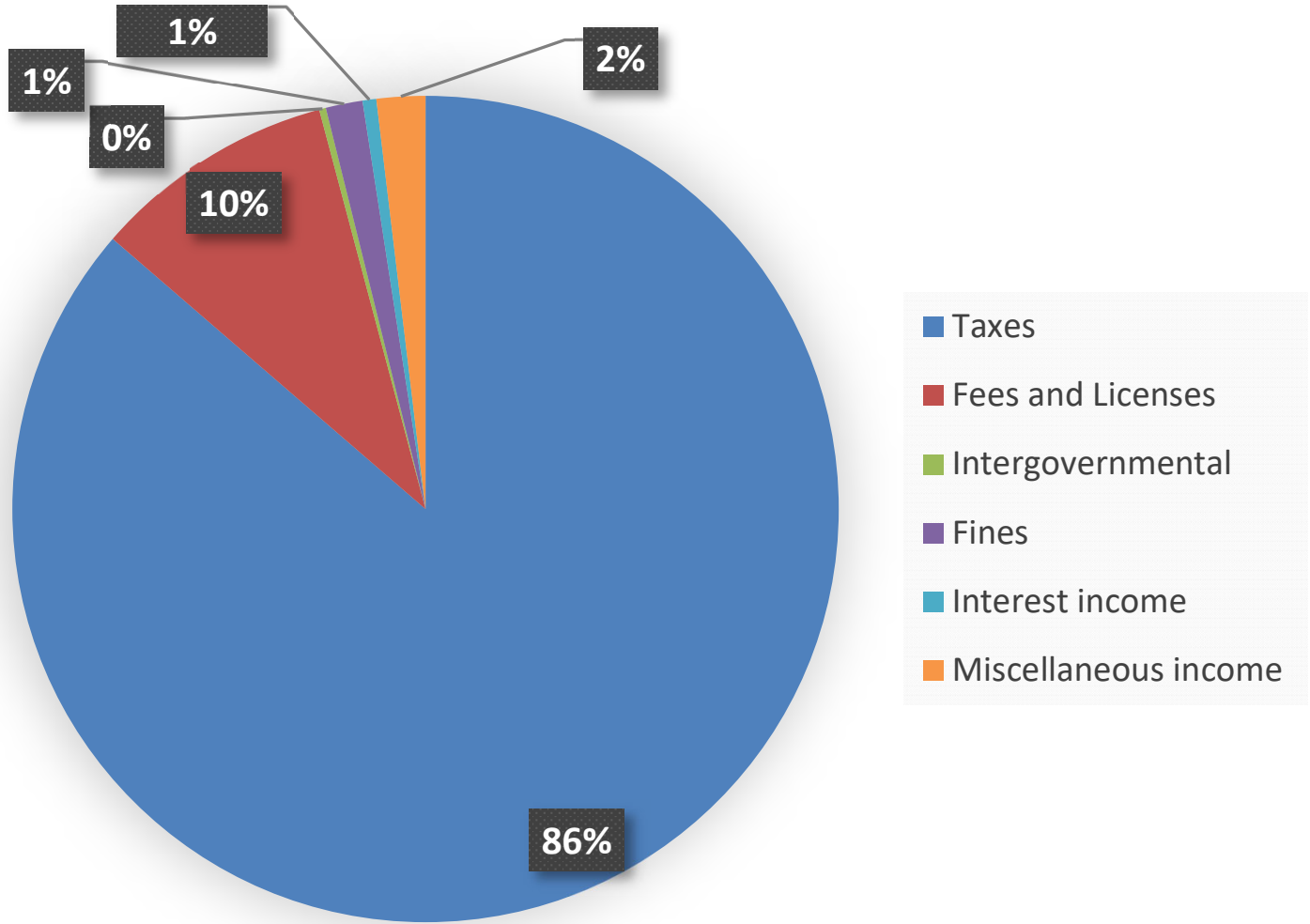
Total Amount of Checks: \$85,151.69

# CHARTS

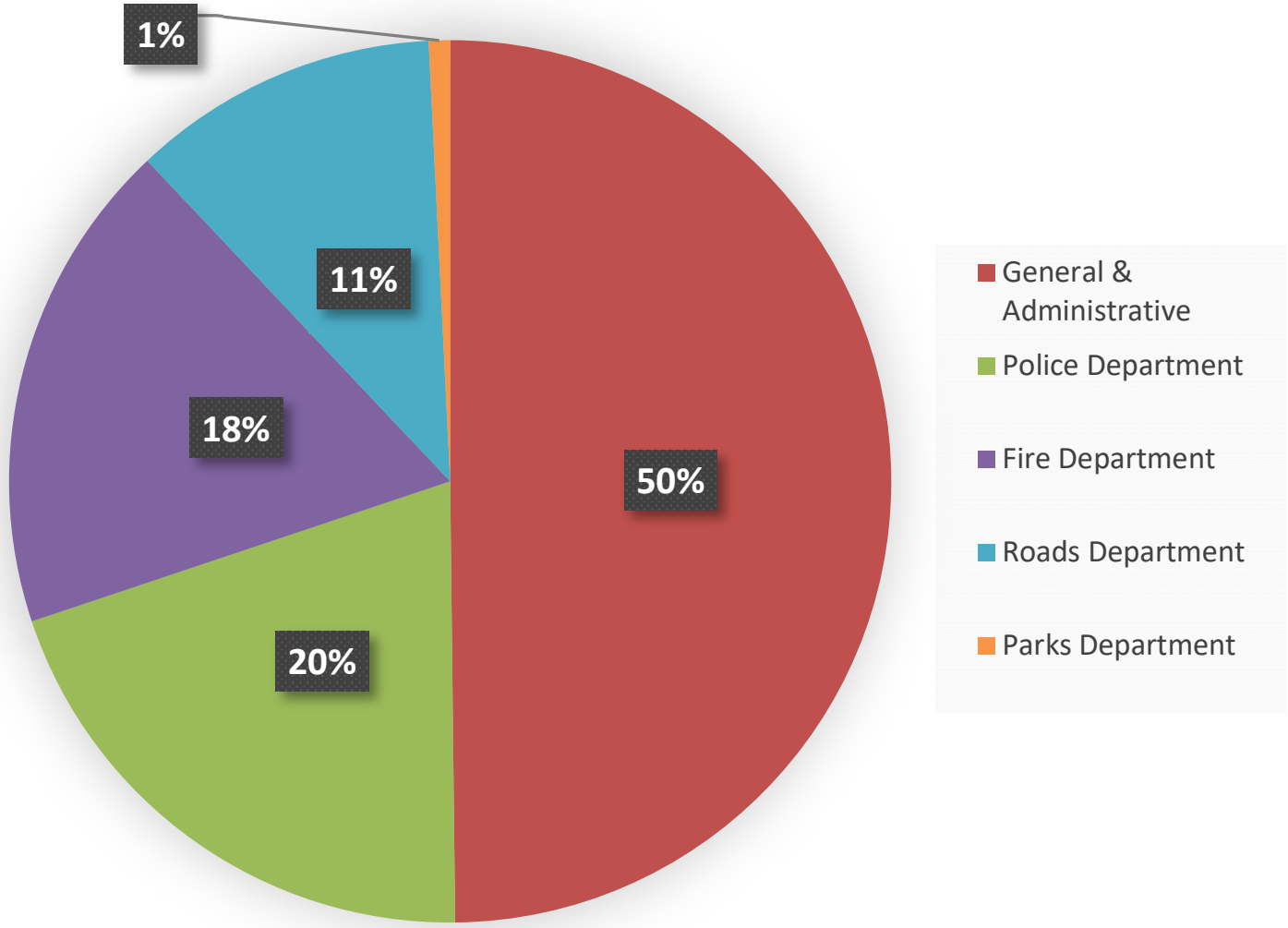
## May 2022



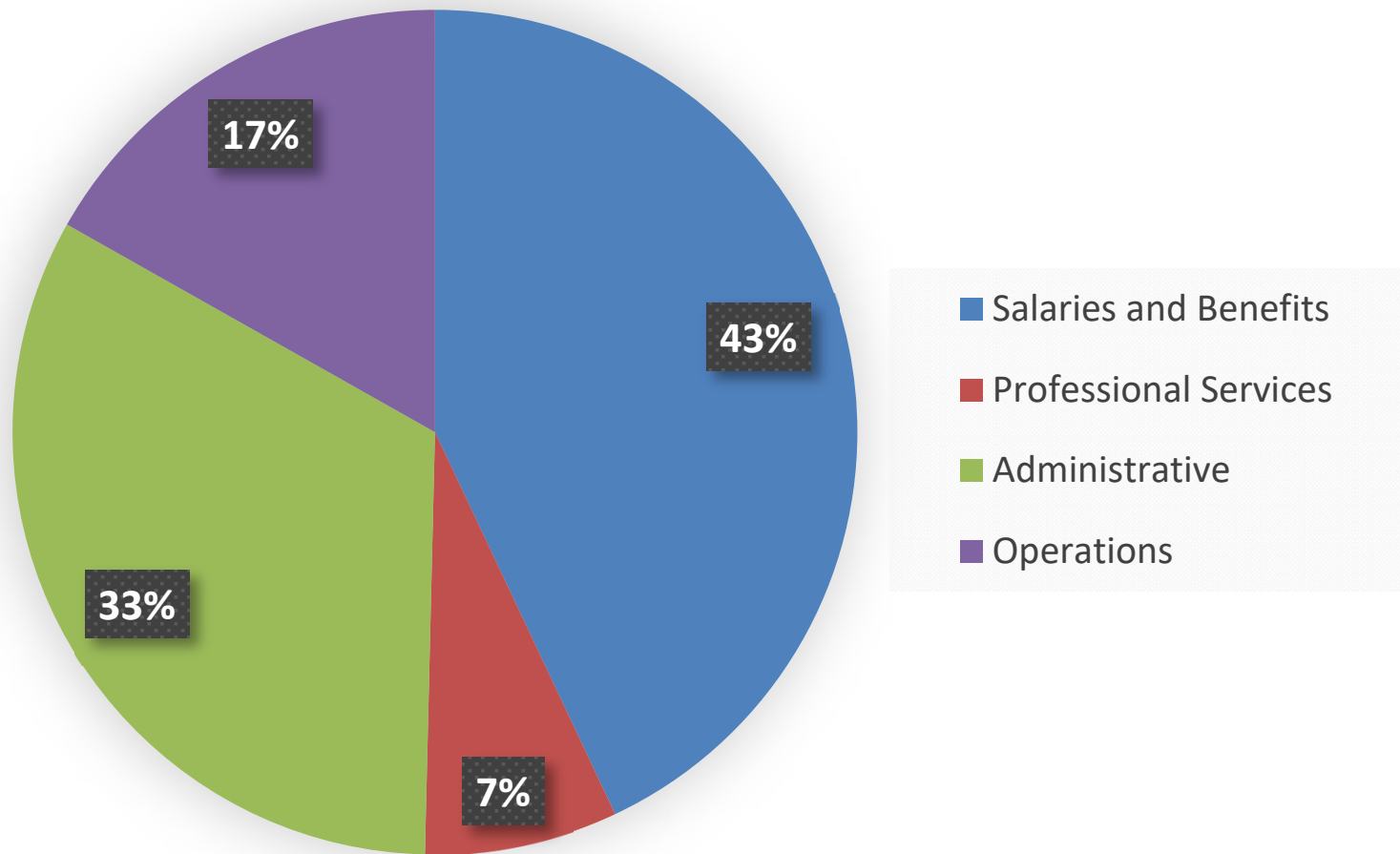
# General Fund Revenue Breakdown May 2022

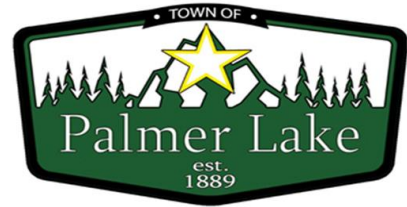


# General Fund Expenditure Breakdown May 2022



# Water Enterprise Fund Expenditure Breakdown May 2022





**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> June 23, 2022	<b>ITEM NO.</b>	<b>SUBJECT:</b>
<b>Presented by:</b> Town Administrator /Clerk		<b>PUBLIC HEARING:</b> Preliminary Review of a Conditional Use Fabrication Studio and Mixed Residential Dwelling in CC Zone

**Background**

Staff had preliminary meetings to review the possibility of a Conditional Use for the property located at Hwy 105, all Block 22 in a CC zone.

Water has been generally discussed to consider a separate tap for residential space and commercial space with each one larger tap with individual meters for separate units for proper shut off.

Staff believes that parking is a topic to review and plan accordingly. One corner of the proposed development has been reviewed to have the flexibility of being removed to provide additional space.

Current property owner, Kurt Ehrhardt, and designer Josh and his team, intend to be present to display the mixed use concept “development” requiring a conditional use for upper level residential and a fabrication studio in a CC zone.

**Recommendation**

Staff supports the concept presented requiring a conditional use and the recommendation of the Planning Commission on 6/15 included concerns of parking, height of structures and density of the space, and resulted in the following:

*MOTION (Ball, Hutson) to recommend the Board of Trustees approve the conditional use for mixed residential dwelling with commercial and fabrication studio, subject to a site plan review by the Planning Commission. MOTION PASSED 7-0.*



42 Valley Crescent  
 PO Box 208  
 Palmer Lake CO 80133  
 719-481-2953 – office

**Received**  
 5/16/22  
 TV

Item 7.

**Office Use Only**

Case Number: \_\_\_\_\_

Date: \_\_\_\_\_

Fees: \$250.00

Check #: \_\_\_\_\_

Rec'd By: DAL 5/16/2022 - PC b/s

Application Complete: \_\_\_\_\_

## Conditional Use Application Form

Name of Applicant/Property Owner: Double Nickel Holdings L.L.P.

Address: 823 Meadow Lane Polo Phone#: 719-491-0309

Email: MKEhrhardt@GMail.com

Name of Proposal: Allow for G and K on 17-38-020 Permitted Uses

Legal Description or Address: See Attached Legal Descriptions

*Note: If the applicant is someone other than the property owner, the applicant must provide a notarized letter from the property owner giving permission to be represented in this action.*

**This is a Conditional Use** – A request for a use not permitted under certain zoning categories subject to review by the Planning Commission and consideration by the Board of Trustees.

**Criteria for approval of a conditional use** – Include a “site plan” or building design where a structure is involved to address the following criteria in which the Planning Commission and the Board of Trustees must find evidence, both factual and supportive, provided by the applicant.

- The site for the proposed use is adequate in size and shape to accommodate said use and all yards, spaces, walls and fences, parking, loading, landscaping, and other features required by this ordinance.
- The site for the proposed use relates to streets and highways adequate in width and degree of improvement to handle the quantity and kind of vehicular traffic that would be generated by the proposed use.
- Any negative impacts of the proposed use on adjacent properties and on the public can be mitigated through application of other ordinance standards or other reasonable conditions of approval.
- If of benefit to the community, any proposed structures will be of a design complimentary to the surrounding area.



By signing this application, parties agree to the following:

- Town of Palmer Lake staff or its consultants may enter the property to inspect the property and evaluate the proposal.
- The applicant/petitioner is liable for all non-refundable fees and costs associated with the Town's review of this application. Fees may include, but are not limited, to engineering and consultant fees, public notice costs, publication/recording fees, and any other fees paid by the Town in connection with, or related to, review of this application.
- Payment of fees as described is due within 10 days of the date of filing and, if not received within 30 days will be considered past due. Payment of the above fees shall not relieve the payment of any other fees imposed by the Town.

As owner/applicant, I affirm the information contained in this application is accurate, and I agree to the above conditions.

Applicant Signature: [Handwritten Signature] Date: 5-10-2022

If the applicant is not the owner:

As owner of the above property, I agree to the application.

Owner – Print: \_\_\_\_\_

Owner – Signature: \_\_\_\_\_ Date: \_\_\_\_\_

*Conditional use Request:*

- Metal-wood Crafting Shop
- Mixed Residential Dwellings and commercial uses in the same complex.

*\* Design of layout will be presented - concept -*

Attachment 1

Item 7.

71051-12-008	2021	PDZ	ALL BLK 21 EX THAT PART AS FOLS, BEG AT NELY COR OF SDBLK, TH WLY 142.23 FT ALG N LN TO WLY LN, SWLY 34.62 FT ALG SD WLY LN, ANG L 118<15' ELY 142.23 FT TO ELY LN, TH NELY 34.62 FT ALG SD ELY LN TO POB, N2 VACHAREBELL ST ADJ TO SW OF SD BLK BROWNS FIL PALMER LAKE
DOUBLE NICKEL HOLDINGS LLLP COLUMBINE RD			

SCHEDULE / PARCEL NUMBER	TAX YEAR	TAX DISTRICT CODE	LEGAL DESCRIPTION OF PROPERTY(MAY BE INCOMPLETE)
71051-21-011	2021	PDZ	LOTS 1, 2 BLK 24 BROWNS FIL PALMER LAKE, S2 VAC HAREBELL ST ADJ ON NE OF SD LOTS
DOUBLE NICKEL HOLDINGS LLLP COLUMBINE RD			

SCHEDULE / PARCEL NUMBER	TAX YEAR	TAX DISTRICT CODE	LEGAL DESCRIPTION OF PROPERTY(MAY BE INCOMPLETE)
71051-12-006	2021	PDZ	ALL BLK 22, BROWNS FIL PALMER LAKE, N2 OF VAC HAREBELL ST ADJ TO SW OF SD BLK, EX PART DES AS FOLS, BEG AT NELY COR OF BLK 22, TH WLY 142.33 FT ALG NWLY LN OF SD BLK TO WLY LN OF SD BLK, SWLY 34.62 FT ALG WLY LN, ANG L 118<15' ELY 142.23 FT TO ELY LN, TH NELY 34.62 FT TO POB
DOUBLE NICKEL HOLDINGS LLLP EL PASO RD			

SCHEDULE / PARCEL NUMBER	TAX YEAR	TAX DISTRICT CODE	LEGAL DESCRIPTION OF PROPERTY(MAY BE INCOMPLETE)
71051-21-010	2021	PDZ	LOTS 11, 12 BLK 23 PALMER LAKE S2 OF VAC HAREBELL ST ADJ ON NE
DOUBLE NICKEL HOLDINGS LLLP EL PASO RD			

(17.38.020 - 17.38.040)

**17.38.020 Conditional Permitted Uses**

- (A) Educational Institutions.
- (B) Religious Institutions.
- (C) Licensed Liquor and Beer Outlets.
- (D) Hotel/Motel.
- (E) Light Equipment Sales and Repair Shops.
- (F) Public and Semi-Public Uses.
- (G) Cabinetry, Wood Crafting Shop.
- (H) Non-Profit Organizations.
- (I) Video Rental Stores.
- (J) Nursing Homes - housing 11 or more full time residents
- (K) Mixed-Residential Dwellings and Commercial Uses occurring in the same Building
- (L) Single-Family and Multi-Family Uses (R10,000, R3 and R4 subject to all requirements of those particular zones).
- (M) Other such uses as listed and permitted which are not more detrimental, as determined by the Planning Commission and Town Council.

(Ord. 18-2000 § 19, 2000)

**17.38.030 Lot Sizes and Dimensions.**

- A. The sizes and dimensions of a lot in a CC zone shall be as follows:

Minimum lot size, six thousand six hundred square feet;  
 Minimum lot width, thirty-five feet street frontage.

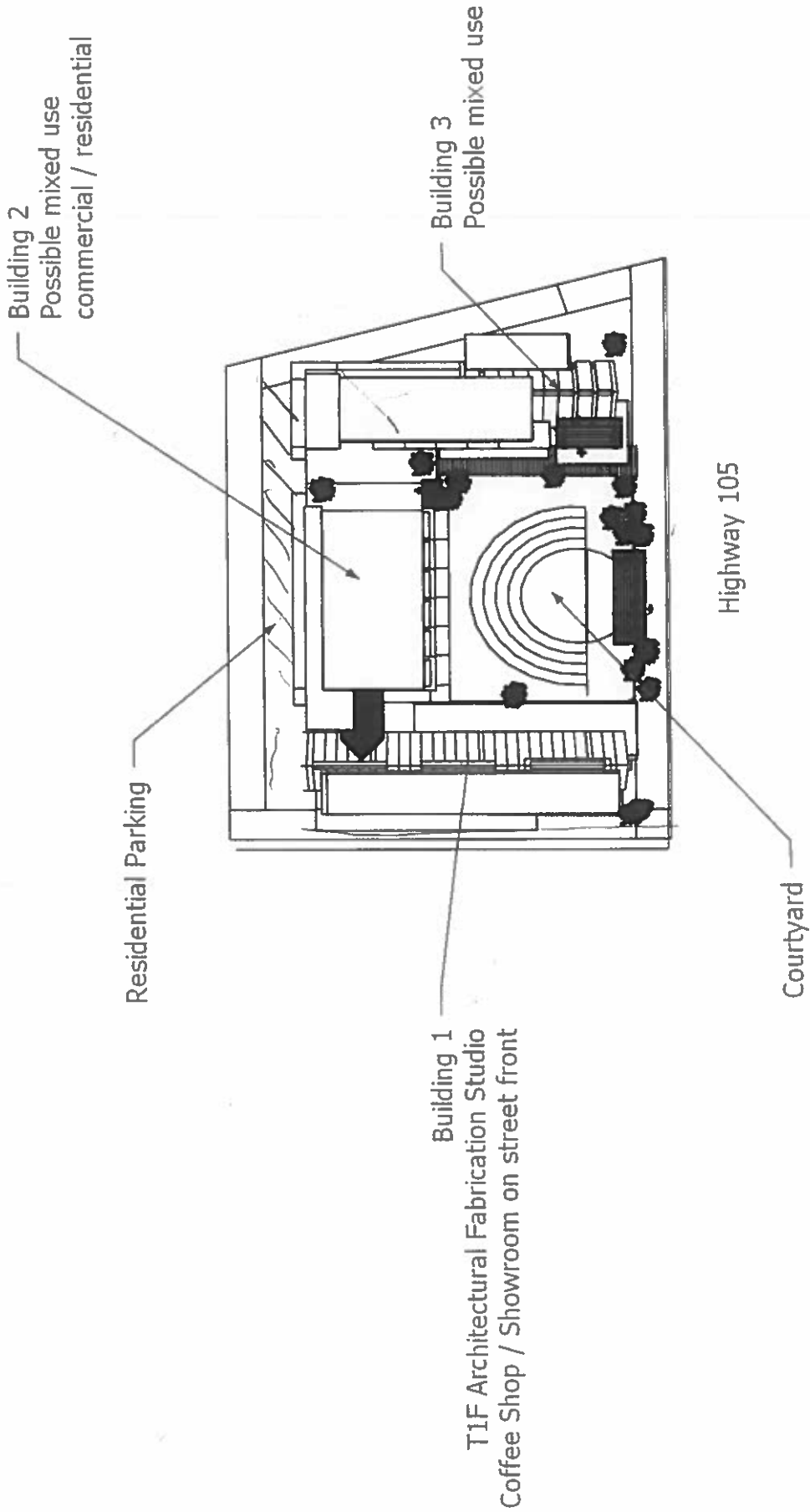
- B. No side yard set back shall be required provided the building's side wall is constructed of at least four-hour fire resistance material. If building material has less than four-hour fire resistance, a minimum side yard of five feet shall be required, see Chapter 17.36.030 of the Palmer Lake Municipal Code. (Ord. 3-1995, § 4, 1995)

**17.38.040 Structure Height and Area.** The structure height and area requirements in a CC zone are as follows:

Maximum building height, as required by section 14.11 in code book.

Maximum area covered by structure, seventy-five percent of lot, see Chapter 17.36.040 of the Palmer Lake Municipal Code.  
 (Ord. 3-1995, § 5, 1995)

(Revised 01/10/2001)



# AFFIDAVIT OF PUBLICATION

STATE OF COLORADO  
COUNTY OF El Paso

I, Lorre Cosgrove, being first duly sworn, deposes and says that she is the Legal Sales Representative of The Tri Lakes Tribune, LLC., a corporation, the publishers of a daily/weekly public newspapers, which is printed and published daily/weekly in whole in the County of El Paso, and the State of Colorado, and which is called Tri Lakes Tribune; that a notice of which the annexed is an exact copy, cut from said newspaper, was published in the regular and entire editions of said newspaper **1 time(s) to wit 05/25/2022**

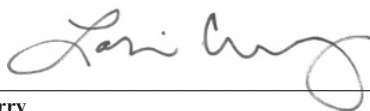
That said newspaper has been published continuously and uninterruptedly in said County of El Paso for a period of at least six consecutive months next prior to the first issue thereof containing this notice; that said newspaper has a general circulation and that it has been admitted to the United States mails as second-class matter under the provisions of the Act of March 3, 1879 and any amendment thereof, and is a newspaper duly qualified for the printing of legal notices and advertisement within the meaning of the laws of the State of Colorado.



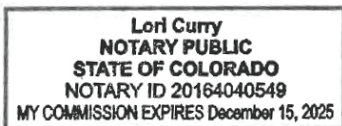
Lorre Cosgrove  
Sales Center Agent

Subscribed and sworn to me this 05/25/2022, at said City of Colorado Springs, El Paso County, Colorado.

My commission expires December 15, 2025.



Lori Curry  
Notary Public  
The Gazette



Document Authentication Number  
20164040549-658076

**NOTICE OF PUBLIC HEARING  
TOWN OF PALMER LAKE**  
Notice is hereby given that Palmer Lake Planning Commission shall hold a public hearing on June 15, 2022, at 5 PM at the Town Hall, 28 Valley Crescent, Palmer Lake, to consider a Conditional Use application for a wood crafting shop and mixed residential dwelling in a CC zone, located at Hwy 105 and El Paso Road. A recommendation will be made to the Board of Trustees on the same matter scheduled for June 23, 2022, at 5 PM. A copy of the complete application is on file at the Town Clerk office at 719-481-2953.  
/s/ Dawn A. Collins, Town Clerk  
Published in the Tri-Lakes Tribune May 25, 2022.

Item 7.

**TOWN OF PALMER LAKE, COLORADO**

**RESOLUTION NO. 37-2022**

**A RESOLUTION TO APPROVE A CONDITIONAL USE PERMIT TO ALLOW MIXED RESIDENTIAL DWELLING WITH COMMERCIAL AND A FABRICATION STUDIO ON A PROPERTY ZONED CONVENIENCE COMMERCIAL LOCATED AT HIGHWAY 105 (“PROPERTY”)**

**WHEREAS**, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

**WHEREAS**, Section 17.38.020 of the Palmer Lake Municipal Code provides that Wood Crafting Shop operation is determined a conditional use in the Convenience Commercial Zone District; and

**WHEREAS**, Section 17.38.020 of the Palmer Lake Municipal Code also provides that Mixed-Residential Dwelling is determined a conditional use in the Convenience Commercial Zone District; and

**WHEREAS**, the Planning Commission makes recommendations of approval or denial of conditional uses to the Board of Trustees, which has the final authority to grant or deny such applications; and

**WHEREAS**, on June 15, 2022 the Palmer Lake Planning Commission recommended approval of the conditional use subject to a site plan review by the Planning Commission.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO AS FOLLOWS:**

1. The application for a conditional use permit is approved for mixed-residential dwelling and fabrication studio use in a CC (convenience commercial) zone on parcels 71051-12-008, 71051-21-011, 71051-12-006, and 71051-21-010 located at Highway 105 is hereby approved with the following condition:

The site plan for the mixed-use development will be presented for review and approval by the Planning Commission.

2. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Resolution is held to be unconstitutional or invalid for any reason such decision shall not affect the validity or constitutionality of the remaining portions of this Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

3. Repeal. Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

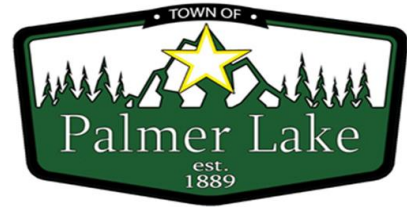
**INTRODUCED, RESOLVED, AND PASSED AT A REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 23RD DAY OF JUNE 2022.**

ATTEST:

TOWN OF PALMER LAKE, COLORADO

\_\_\_\_\_  
Dawn A Collins  
Town Administrator/Clerk

BY: \_\_\_\_\_  
William Bass  
Mayor



**TOWN OF PALMER LAKE  
BOARD OF TRUSTEES - AGENDA MEMO**

<b>DATE:</b> June 23, 2022	<b>ITEM NO.</b>	<b>SUBJECT:</b>
<b>Presented by:</b> Town Administrator /Clerk		Update/Review of FAMLI Program

**Background**

As presented in March to the Board, pursuant to the approved Proposition 118 in the November 2020 election, a state-run paid Family Medical Leave Insurance (FAMLI) program will take effect January 2023. It is an “opt out” plan for municipalities. Originally, a deadline of July 1 was set to take action. Update: the deadline has been extended to the end of 2022 to determine participation while additional information has been distributed. This program will impact the town budget and employees if considered. The town is *not* required to provide a paid family and medical leave plan by state law.

1. Please view the webinar presentation enclosed to learn about FAMLI – a paid Family and Medical Leave Insurance program
2. A CML article distributed is enclosed with this item
3. The following link offers more information <https://famli.colorado.gov/employers>
4. The rules created to date are also enclosed for review

There are basically three options to consider –

- Participate in the paid leave plan (manage both employer and employee contribution)
- Decline all – opt out completely (employee may opt into the program individually)
- Decline the employer participation (manage any employee contribution as needed)

Administration intends to continue a conversation with staff to gauge the interest in the plan. Enclosed with this item is the updated information also distributed to departments.

This is an update item with more to come prior to the completion of a draft budget (September) for the Board’s consideration.

COLORADO DEPARTMENT OF  
LABOR AND EMPLOYMENT  
EMPLOYER WEBINAR SERIES

## **FAMLI and Local Governments**

Division of Family and Medical Leave Insurance  
famli.colorado.gov  
April 29, 2022



**COLORADO**  
Department of  
Labor and Employment



# The FAMLI Employer Webinar Series

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## Upcoming FAMLI Webinars:

Item 9.

May 27

- Pre-recorded

June 30

- Live Q & A Open Forum
- Registration link will be shared on famli.colorado.gov, Facebook, and Twitter
- Subscribe to the FAMLI newsletter to get each webinar directly in your inbox

## Previous webinars available [online](#):

[How do I include FAMLI Premiums in my Business Plans?](#)

[Understanding FAMLI and Employer Obligations](#)

[Employer Toolkit Preview and Open Forum](#)

# Agenda

---

- What is FAMLI?
- Local Government Participation
- Benefits for Local Governments
- Voting Timelines
- Registering with FAMLI
- Notifying FAMLI
- FAQs

# What is FAMLI?

- Colorado's Family and Medical Leave Insurance (FAMLI) program will ensure all Colorado workers have access to paid leave during certain life circumstances
- Approved by Colorado voters in November 2020 with 57% bipartisan support
- Ninth state-facilitated paid family medical leave program in the United States
- Colorado's FAMLI program will be administered by the Division of Family and Medical Leave Insurance
- Benefits become available on January 1, 2024, and contributions begin January 1, 2023.

# When can covered workers use FAMLI leave?



- Their own serious health condition
- Serious health condition of a family member
- Care for a new child (birth, foster placement, adoption, caring for child within the first year from birth)
- Make arrangements for military deployments
- Immediate safety needs and impact of domestic violence/sexual assault

# FAMLI and Local Governments



Unlike private employers, local governments have options regarding their participation in Colorado's paid FAMLI program.

# A local government's options to participate.

Item 9.

## Participate in FAMLI.

- You pay the employer share of the premium like any other employer.
- That's 0.45% of wages if you have 10 or more employees, and 0% of wages if you have fewer than 10 employees.
- You remit employees' share of the premium (0.45% of wages) and submit wage data to the FAMLI Division once a quarter.

## Decline *all* participation in FAMLI.

- Your local government must vote not to participate.
- Then you must then notify the FAMLI Division of your decision.
- The local government must revisit the decision to opt out at least every eight years.

## Decline *employer* participation in FAMLI.

- If the local government votes to decline, it still has the option to assist its employees who want to individually participate in FAMLI.
- This means the local government would facilitate voluntary payroll deductions, remit the employee share of the premium, and submit wage data once a quarter to the FAMLI Division.

# How does this impact your local government employees?

## Participate in FAMLI.

- Local government employees will see a payroll deduction starting Jan. 1, 2023.
- Local government employees will be able to apply for FAMLI benefits starting Jan. 1, 2024 like most other employees across the state.

## Decline *all* participation in FAMLI.

- Local government employees still have the right to participate in the FAMLI program even if you vote not to participate.
- Employees would self-elect coverage the same way self-employed workers would.
- Employees will need to report their own wages and remit the employee's share of the premium by creating an account in the FAMLI system once it's deployed this fall.

## Decline *employer* participation in FAMLI.

- Employees who voluntarily enroll will see the deductions from their paychecks if the local government chooses to facilitate their employees' participation.
- The local government chooses to be responsible for remitting the employee share of the premium, and submitting wage data once a quarter to the FAMLI Division, streamlining the process for its employees.

# FAMLI benefits for local governments

Item 9.

- **Easy to administer** – FAMLI will largely work in the same way and on the same schedule as the Unemployment Insurance system (funded by premiums).
- **Cost-effective** – Paid family leave is a benefit workers want, and FAMLI will allow local governments to provide it easily and cost-effectively.
- **More competitive** – Providing paid family leave enables Colorado local government employers to better compete with the private sector for top talent and retain that talent.
- **Happier, healthier employees** – Research shows that access to paid family leave can boost employee morale, and happier employees are often more productive.
- **FAMLI benefits are portable** – Potential employees can come work for you without fear of losing family leave accrued at their prior employer.

## 180 Days Prior to Change in Benefits

Notify employees of any forthcoming changes. This will not apply until the second half of 2023 as benefits won't begin until 2024

## 8 Years

A vote to opt out of the program must be held at least every 8 years.

## First Vote

Anytime before January 1, 2023

## Within 30 Days

Notify employees of decision

## 3 Years

Required length of participation if a local government chooses to opt in after previously opting out.

# Voting Timelines



## 1. Determine Your Participation

- Participate
- Decline *All* Participation
- Decline *Employer* Participation

## 2. Register with the FAMLI System

Every local government employer must register with FAMLI's online system, including those which choose not to participate in FAMLI.



## 3. Notify FAMLI of Your Decision

Local governments which vote to decline participation must notify the FAMLI Division of their decision by uploading a notification letter in our online system by January 1, 2023.



# Rulemaking and public comment

Item 9.

- Rules to date:
  - Premiums rules were enacted on January 1, 2022.
  - Local government rules were adopted on January 14, 2022.
- On deck:
  - benefits rules and private plans May - June 2022
  - coordination of benefits August - September 2022
- All documents are available online - [famli.colorado.gov/proposed/adopted-rules](https://famli.colorado.gov/proposed/adopted-rules)
- To receive emails from us regarding rulemaking email [CDLE\\_FAMLI\\_info@state.co.us](mailto:CDLE_FAMLI_info@state.co.us)

# FAQs from Local Governments

Item 9.

## Notifying FAMLI

**Q: What does our local government need to send FAMLI before the end of the year?**

A: After registration, a local government that votes to opt-out of the FAMLI program must notify the FAMLI Division on letterhead and must indicate the date the vote was taken and the result of the vote. If the local government has voted to opt out, but intends to assist its employees who choose to individually participate in the FAMLI program, this information must be included in the notification as well. This notification must be received by January 1, 2023.

**Q: What are acceptable forms of notification?**

A: Notification letters must be uploaded into the online FAMLI system after your local government registers this fall. This will allow the division to properly track and log each notification letter to the corresponding local government. Please do not send your notification letter via email or post prior to when our online system launches this fall.

**Q: What happens if we do not take a vote, or send a letter?**

A: Local governments which do not notify the FAMLI Division of a vote to opt-out by January 1, 2023 will be identified as participants in the FAMLI program. The FAMLI Division will expect both wage data and premium payments due on April 1, 2023. Please notify the Division ahead of January 1, 2023 to avoid paying premiums.

# FAQs from Local Governments

Item 9.

## Employee Participation

**Q: As a public employee, if my local government opts out, how do I opt in?**

A(1): If your local government employer decides to opt out of *all* participation in the program, you as an employee have the option of opting in on your own. You would have to register within the FAML I system this fall as a self-employed worker, and you would be responsible for remitting your wage data and .45% of your wages to FAML I every quarter.

A(2): If your local government employer decides to opt out but help individual employees with the administrative burden, you will see a deduction on your paycheck starting in January 2023 and will be eligible to apply for benefits in 2024. Your employer will be responsible for remitting your half of the premium and your wage data every quarter.

**Q: Can local government employees opt out?**

A: If a local government opts into the FAML I program, its employees cannot opt out. If the local government decides to opt out, its employees have the option of opting in.

**Q: Are elected officials counted in employment numbers?**

A: If those elected officials are employees of the local government, they must be counted as an employee.

# FAQs from Local Governments

Item 9.

## General

**Q: Our local government pays some Board Members a stipend to attend certain meetings. Are Board Members included as employees?**

A: The Board Member must meet the definition of employee under the FAMLI Act, which is very similar to the definition used for the Unemployment Insurance and Workers Compensation programs.

**Q: When will the required written notices and posters local governments must use to notify all employees within 30 days of a vote to opt out be available?**

A: A complete Local Government Guide will be available for download on our website in the **summer of 2022**. This guide will include suggested language and posters local governments can use to notify their employees and explain the different benefits of the FAMLI program and any private plan offered by the local government.

**Q: How will FAMLI interact with or impact other income-protection insurance programs offered like Short Term (STD) and Long Term Disability (LTD) insurance?**

A: FAMLI allows employers to run FAMLI benefits concurrently with its STD/LTD policies. We will be addressing how this works more thoroughly in future adoption of rules regarding coordination of benefits.

# We want to hear from you!

*We're working to build a FAMLI program that is fair and meets the needs of both employers and workers.*

*Please help us by:*

- *Participating in our webinar series*
- *Sharing your ideas and concerns*
- *Inviting us to speak to other groups and organizations*

*Your input is essential!*



## WEBSITE

famli.colorado.gov



## EMAIL

cdle\_famli\_info@state.co.us



## FACEBOOK & TWITTER

@ColoradoFAMLI



Item 9.

**Thank You!**



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COLORADO  
MUNICIPAL  
LEAGUE

# Knowledge

KNOWLEDGE NOW – PRACTICAL RESEARCH ON TIMELY TOPICS

## Briefing

- The FAML I program provides employees with 12 weeks of paid leave to take care of themselves or a family member
- Participation in FAML I is automatic for municipalities unless they formally opt out
- Opt-out votes and notice to the FAML I Division should occur before the end of 2022 to avoid premium assessments in 2023
- Employees can take part in FAML I even if their municipality declines to participate

### COLORADO'S PAID FAMILY MEDICAL LEAVE INSURANCE (FAML I) PROGRAM



## FAML I: WHAT'S RIGHT FOR YOUR CITY OR TOWN?

**U**RGENT ACTION IS NEEDED. Colorado municipalities must make immediate decisions regarding their participation in Colorado's

Paid Family Medical Leave Insurance (FAML I) program. Participation will have a substantial impact on your municipal budget, operations, and employee relations. **Participation is automatic for any municipality unless your council or board formally votes to decline participation or opt out. The FAML I**

**Division must be notified by the end of 2022 to avoid premium liability.** CML is not encouraging municipalities to participate or to decline participation in the program. Each municipality should assess the program for themselves. Opting out now does not prevent later participation, and employees can still participate individually and should receive the full benefit of the program.

Continued on page 2

Colorado Municipal League  
1144 Sherman St. • Denver, CO • 80203  
303 831 6411 / 866 578 0936  
[www.cml.org](http://www.cml.org)



Empowered cities and towns, united for a strong Colorado

## What is FAMLI?

In November 2020, Colorado voters approved Proposition 118, which paved the way for a state-run Paid Family Medical Leave Insurance (FAMLI) program. FAMLI is codified at C.R.S. §§ 8-13.3-501 to -524, and is administered through the Colorado Department of Labor and Employment, Division of Family and Medical Leave Insurance ([famli.colorado.gov](http://famli.colorado.gov)). Premiums will be collected (including employer and employee shares) starting **Jan. 1, 2023**, and benefits will be available starting **Jan. 1, 2024**.

FAMLI provides covered employees with 12 weeks of paid leave to take care of themselves or a family member during life events like injury, serious illness, or pregnancy. An additional 4 weeks are available to employees who experience pregnancy or childbirth complications. Payments would be a rate below the employee's weekly rate, as described below. Leave can be taken together or intermittently. FAMLI benefits are portable between jobs.

FAMLI also provides job protection for employees who were employed for at least 180 days before the protected leave occurs. This means that an employer must return the employee to the same or an equivalent position with equivalent benefits, pay, and other terms and conditions following the leave. Employers must also maintain healthcare benefits during the leave, but the employee would have to continue to pay their share of the cost. Accrual of seniority and other benefits are not protected.

FAMLI is a separate program from the paid sick leave requirements of the Healthy Families and Healthy Workplaces Act and the Federal Family and Medical Leave Act (FMLA).

## What will participation in FAMLI cost my city or town?

Participating employers and employees will contribute to premiums for FAMLI, and municipalities will bear the administrative costs of compliance. Premiums will be 0.9% of an employee's wage (HB22-1305 is pending in the General Assembly and

would reduce this to 0.81% for the first six months of the program). Wages and exempt items are determined under administrative rules (7 CCR 1107-1:1.5.3 and 1.5.4). A municipality can expect to contribute an amount equal to at least 0.45% of its current employee "wages" on an annual basis and possibly up to 0.90% of that figure. The FAMLI Division will provide notice of expected premiums and publish due dates and guidance on premium remittance.

A participating municipality (unless it has fewer than 10 employees) must remit 100% of the premium for each employee. The employer must directly contribute at least 50% of that amount (i.e., 0.45% of the employee's wage) and may require the employee to deduct the remaining 50% from their paycheck (i.e., employees would see a deduction of about 0.45% from their pay). An employer can choose to contribute part or all of the employee portion of the premium. For a municipality with fewer than 10 employees there is no "employer share"; the municipality can require the employee to deduct up to 50% but can also choose to contribute part or all of the employee portion.

An employer is responsible for any error it makes in calculating, deducting, and remitting premiums, including the employer portion.

If a municipality does not participate in FAMLI, the employee would be solely responsible for 50% of the premium if the employee elects to participate individually. The municipality can, but need not, deduct the employee portion from payroll and remit it to the state. If the municipality is involved in deducting or remitting the employee portion, any error would be the municipality's responsibility.

## Why would my city or town not participate in FAMLI?

Declining participation in the FAMLI program is a significant decision, but it must be made quickly to meet FAMLI's initial deadlines. If a municipality does not opt out now, it must wait three years to decline participation. If a municipality opts out now, it can opt in any future year. It must renew its decision to decline participation at least every eight years.

The cost of the FAMLI program may outweigh the benefits to the municipality and its employees. FAMLI program participation will increase municipal budgets by at least 0.45% of its employees' wages annually and potentially more. FAMLI also includes additional administrative work for finance and human resources staff and raises employer liability concerns. Employees who want the paid benefits of FAMLI can participate individually at no greater personal cost and without imposing a cost on the municipality and other employees who do not want to participate.

Municipalities may want to make a local decision as to how to provide employee benefits and protections. Participation in the FAMLI program could conflict with existing employer benefits plans or collective bargaining agreements. Alternatives, like a private plan pursuant to C.R.S. § 8-13.3-521 (or adopted independently after opting out of FAMLI by a vote) or a supplemental insurance program, could be a better fit for your organization.

Because FAMLI is a new program and the program rules have not been fully established, a municipality may choose to be cautious and opt out initially so it can evaluate the program in operation to determine if it is the best choice for the municipality. By opting out, a municipality can determine budgetary and employment impacts locally. Because FAMLI assigns the costs of errors in calculating and remitting premiums to employers, a municipality may wish to wait until procedures can be developed to ensure compliance. Finally, the FAMLI Division has yet to issue all necessary administrative rules, including explaining the interplay between the program and other federal and state laws.

## What is best for our employees?

Employees can still participate individually (C.R.S. § 8-13.3-514) and should receive the same benefits, even if the municipality declines participation. Benefits rules to be issued this year will hopefully confirm that benefits will apply equally. The cost to the employee who wants FAMLI coverage is the same whether the employer



## **Employees can participate in FAMLI individually and should receive the same benefits, even if their municipality declines participation.**

participates or not; employees who do not want this coverage would not have to pay any premium.

Employees who choose to participate individually when the municipality opts out would be required to remit their premium share directly to the FAMLI Division unless the municipality chooses to handle this payment by deducting the premium from the employee's pay or paying it on the employee's behalf.

Employees may benefit from a municipality opting out because the municipality would have no financial responsibility for 50% of the premium. The municipality could choose to use that savings to benefit employees directly, such as by paying for some or all of the 50% premium for employees who participate individually.

Employment protections under the statute do not apply if a municipality declines participation in FAMLI, but the

Federal Family and Medical Leave Act (for employers with 50 or more employees in the current or prior year) and any local standards would still apply.

### **What are the costs and benefits for employees?**

Employees bear up to 50% of the premium (or 0.45% of their weekly wage) if the municipality participates or the employee chooses to participate individually.

Employees who do not want to participate must still pay a premium if the municipality does not decline participation. Job protections defined in C.R.S. § 8-13.3-509, apply only if a municipality participates in the program.

By statute, an employee would receive a weekly benefit under FAMLI in the amount of 90% of their weekly wage that is equal to or less than 50% of the state average weekly wage, and 50% of their weekly wage that is more than 50% of the state

average weekly wage. Weekly benefits are capped at 90% of the state average weekly wage until 2025, when the maximum weekly benefit is limited to \$1,100 per week. The FAMLI Division suggests that an employee would receive benefits between 37% (\$1,100 based on a weekly wage of \$3,000 or more), 55% (\$1,100 based on a weekly wage of \$2,000), 68% (\$1,018 based on a weekly wage of \$1,500), 77% (\$768 based on a weekly wage of \$1,000), and 90% (\$450 based on a weekly wage of \$500) of the employee's weekly wage.

Benefits rules have not been finalized. The FAMLI Division provides a premium and benefits calculator on its website. Federal income tax may apply to benefits, but benefits are exempt from state income taxes.

### **How do we opt out?**

All municipalities are included in FAMLI by default, regardless of size. A municipality

may opt out and avoid the employer portion of premiums by a vote of a governing body. The opt-out procedure is governed by C.R.S. § 8-13.3-514 and administrative rules at 7 CCR 1107-2. Declination takes effect 180 days after the vote so employees can elect to individually participate in the FAMLI program if they choose. A municipality cannot decline part of FAMLI's provisions.

**Pre-vote notices:** The municipality must give prior notice of the vote in the same manner it notices other public business. Under the Colorado Open Meetings Law, this means at least 24 hours advance notice must be posted. Local requirements may apply.

Special notice must be provided to employees in writing before the vote indicating the voting process and providing an opportunity to submit comments to the governing body. Information about individual opt-in may also be required (see 7 CCR 1107-2: 2.6.A.4), although those standards likely apply only to post-vote notices. The rules do not indicate that email communication is not appropriate (7 CCR 1107-2: 2.6.A.2). Municipalities might consider both email and written communications to employees.

A description of the voting process could identify the local requirements for the governing body to approve an action, including the potential to make a motion, council or board deliberation, and vote requirements. Municipalities could also consider allowing both oral testimony at the meeting and a written comment option.

**Hearing and vote:** The vote must occur at least 180 days before the declination will be effective (This deadline appears to apply to an initial declination before the program even begins in 2023, but the rules are not clear). While a formal hearing is not required, the rules require the governing body to take testimony before voting. This could include both verbal and written comments from any interested person.

The rules require that the vote follow the entity's procedures for formal votes and be a "decision by an affirmative vote of the local government's governing body



to decline participation in the [FAMLI] program" (7 CCR 1107-2: 2.6.A). The rules do not indicate that any formal approval mechanism is required, unless one is required by local standards. A motion, resolution, or ordinance may suffice but could modify the "voting process" that needs to be detailed to employees in the advance notice. At a minimum, the document should probably include language indicating that notice was given to employees and the public as required, testimony was taken, and that the body voted affirmatively to decline participation in the FAMLI program.

**Post-vote actions:** After a vote to decline participation, the municipality must provide several notices. First, the municipality must provide written notice to the FAMLI Division "memorializing the decision" and identifying the date of the vote. The rules are silent on the timing of notice to the FAMLI Division; prompt action is advised. The FAMLI Division has suggested that a letter would be sufficient and expects to have an electronic portal for submissions ready in late 2022. A certified record of the meeting (e.g., minutes showing the motion, vote, and date; resolution; ordinance) with a cover letter would provide a more concrete explanation of the vote and demonstrate compliance with other requirements (7 CCR 1107-2: 2.5.A and, 2.6.A).

Second, the municipality must provide written, individual notices to employees within 30 days after the vote. This notice must indicate the vote to decline coverage and "the impact toward FAMLI, or other paid family and leave insurance coverage" (7 CCR 1107-2: 2.6.A.3). The notice must explain the difference between the FAMLI program and any private plan offered by the local government and identify FMLA eligibility and other local benefits.

The employee notice (and possibly the pre-vote notice) must also provide information on the right of the employee to voluntarily opt in to FAMLI pursuant to C.R.S. § 8-13.3-514, and FAMLI Division contact information (7 CCR 1107-2: 2.6.A.4).

Third, the municipality must post the post-vote notice in a "conspicuous and accessible place in each establishment where employees are employed" (7 CCR 1107-2: 2.6.A.4). Email notice or posting on a web- or app-based platform is recommended and is required for employers with no physical workplace and for employees who work through a web- or app-based platform or work remotely.



**Special Notice Standards:** The post-vote notice, at a minimum, and potentially all notices must be provided in English and any language representing the first language spoken by at least 5% of the municipality's workforce.

The FAMLI Division will make posters and notices available, but municipalities must request the materials and should expect to pay printing and mailing costs. Notices and posters in languages other than English or Spanish must be specially ordered.

**Declination renewal:** The declination must be renewed every eight years or the municipality is automatically added back in to FAMLI (7 CCR 1107-2: 2.5.C). The rules require "a similar vote process and margin." That likely means the same number of votes needed to approve an action, not passage by the exact same number of votes as the prior declination.

### How do we opt back in to the FAMLI program?

A municipality that previously opted out of the FAMLI program may opt back in by affirmative vote "of a quorum of the governing body" at the beginning of the annual local budgeting cycle, as determined by the municipality (7 CCR 1107-2: 2.5 and 2.6). Coverage would begin no later than the quarter after the vote and submission of one quarter's premium. Municipalities who opt into FAMLI must stay in the program for at least three fiscal years.

Opting back in also involves employee notice requirements. No more than 90 days after the vote, individual employees who opted in must be personally notified in writing that the municipality has opted back into FAMLI. The notice must include the date for the municipality's first submittal of quarterly premiums and any potential lapses or changes in benefits eligibility. The local government must publicly post a notice of the date the employer will begin paying FAMLI premiums and when coverage is expected to start. Employees who did

not opt in must also be notified in writing, both publicly and personally, no later than 180 days after the vote to opt back into FAMLI. The notice must contain a detailed explanation of employee rights under the FAMLI program, including program requirements, benefits, claims processes, payroll deductions, premiums, and employee protections like the right to job protection and benefit continuation and protection against retaliatory or discriminatory information, among other things.

### Anticipate updates to FAMLI program.

Municipalities must act now to determine if they want to participate in the FAMLI program, but they should expect updates throughout 2022. Several administrative regulations have yet to be finalized, including benefits rules and the interaction between FAMLI and other federal and state leave laws. The Colorado Supreme Court is also considering a court challenge to the premium requirement that might be decided this year.



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# Knowledge

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Colorado's Paid Family Medical Leave Insurance (FAMLI) program

## DEPARTMENT OF LABOR AND EMPLOYMENT

### Division of FAML I

## REGULATIONS CONCERNING LOCAL GOVERNMENT PARTICIPATION WITH THE PAID FAMILY MEDICAL LEAVE PROGRAM

### 7 CCR 1107-2

#### 2.1 Authority

This regulation is adopted pursuant to the authority in section 8-13.3-522 C.R.S. and is intended to be consistent with the requirements of the State Administrative Procedures Act, section 24-4-101 et seq. (the "APA"), C.R.S. and the Paid Family and Medical Leave Insurance Act, sections 8-13.3-501 through 524 et seq. (the "Act"), C.R.S.

#### 2.2 Scope and Purpose

- A. This regulation will govern the Family and Medical Leave Insurance program pursuant to 8-13.3-522 C.R.S., concerning the process for local government employers to decline participation in the program.
- B. This regulation will govern the process of a local government electing into the FAML I Program, after initial declination.
- C. This regulation will govern the notification requirements of local government employers to their employees regarding any vote to decline FAML I coverage, the outcome of such a vote, and the ability of local government employees to voluntarily elect coverage as individuals.
- D. This regulation does not apply to any other employer classifications within the State of Colorado, including but not limited to people who are self -employed.

#### 2.3 Applicability

The provisions of this section will be applicable to all local government entities within the State of Colorado.

If any part of these rules is held invalid, the remainder shall remain valid, and if any part is held not wholly invalid, but in need of narrowing, it will be retained in narrowed form.

#### 2.4 Definitions

"FAML I" is defined as the Paid Family and Medical Leave Insurance Act, sections 8-13.3-501 through 524 (the "Act"), C.R.S.

"Fund" has the same meaning as in §8-13.3-503 (12) C.R.S.

“Division” has the same definition as 8-13.3-503 (5) C.R.S.

“Governing Body” has the same meaning as in both §31-1-101(4) C.R.S and §32-1-103(8) C.R.S.

“Local Government” has the same meaning as a county, city and county, city, or town whether home rule or statutory, or any school district or a special district created pursuant to the “Special District Act,” article 1 of title 32, C.R.S. and as outlined in 24-19-102. C.R.S., authority or other political subdivision of the state.

“Premium” is defined as the money payments required pursuant to 8-13.3-507 C.R.S., to finance the payment of family and medical leave insurance benefits and administer the family and medical leave insurance program.

## **2.5 Local Government Employer Participation**

- A. Pursuant to Regulation 2.6, local government employers are required to formally notify the Division in writing and provide both the date of the vote, and the local government’s decision to decline participation in the FAML I program.
1. Local governments which have previously declined participation in the FAML I program pursuant to 8-13.3-522 C.R.S., may subsequently elect coverage by first registering as an employer with the FAML I Division prior to the collection of employer premiums.
  2. Local governments which have previously declined participation in the FAML I program pursuant to 8-13.3-522 C.R.S., may subsequently elect FAML I Program coverage at the beginning of the annual cycle relevant to the local government’s budgeting cycle.
  3. The ability of a local government to either decline participation in the FAML I program or elect coverage following a previous declination is subject to a vote of the governing body of each local government entity pursuant to this Regulation and Regulation 2.6 of 7 CCR 1107-2, A local government may not decline participation in the FAML I program in part. Any such declination of a local government is a full declination of FAML I program participation for that local government employer.
- B. Local government employers which have previously declined coverage and now wish to elect coverage of FAML I benefits for their employees pursuant to §§8-13.3-522 (3)(b) C.R.S., may subsequently elect coverage by an affirmative vote of a majority of a quorum of the local government’s governing body.
- C. A local government which has previously declined coverage must renew the declination through a similar vote process and margin no later than every eight years. In the absence of a vote further declining coverage, the local government will become a

covered employer. The local government must inform the Division of a declination vote in writing which includes the date the vote was taken.

- D. When a local government employer returns to coverage pursuant to Regulation §§ 2.5 (B) or §§ 2.5 (C) of 7 CCR 1107-2, coverage will begin no later than one quarter after the local government has notified the Division of a change of the vote to elect coverage pursuant to 7 CCR 1107-2, §§ 2.5 (B) or its deadline to renew its declination pursuant to 7 CCR 1107-2, §§ 2.5 (C) and have submitted at least one quarter's premium amount on behalf of both the employer and its employees into the fund.
- E. Local government employees who have individually opted into the benefits program pursuant to 8-13.3-514 C.R.S., will not pay a double premium amount, and must be given notice by the local government employer of a date corresponding with the beginning of a calendar quarter at which a premium amount will be submitted to the Division on their behalf.
1. The purpose of the notice by the local government employer of the date at which a premium amount will be submitted to the Division on behalf of an employer is to inform the employee of any potential lapses or changes in benefits eligibility.
  2. This notice must be delivered in writing and or through electronic communication to the employee by their local government employer no later than 90 days after the vote.
  3. The local government employer must also publicly post notice of the date of the first day the employer will begin paying FAMLII premiums and when coverage is expected to start.
- F. Eligible employees who have not been previously covered as individual participants employed by a newly participating local government will begin full benefit eligibility the first day of the following quarter after the premiums are received by the Division.
1. Local government employers that have previously declined participation and then subsequently elect or return to coverage under the FAMLII program must remain in the program for a minimum of three fiscal years corresponding to the date the local government elected coverage began.
    - a. The three year cycle begins on the first day of employee coverage.
    - b. The notice of the intent to decline future coverage must be delivered in writing to the Division no later than 90 days prior to the end of the three year cycle pursuant to this regulation.
  2. Employees must also be notified in writing, both posted and directly notified no later than 180 days of the pending or upcoming return to or withdrawal of coverage pursuant to this regulation.

- a. Local government employers will display a notice containing the information required in this regulation in a conspicuous and accessible place in each establishment where employees are employed; provided, however, in cases where the local government employer does not maintain a physical workplace, or an employee teleworks or performs work through a web-based or app-based platform, notification will be sent via electronic communication or through a conspicuous posting in the web-based or app-based platform.
- b. The written notice and posting will contain an explanation of employee rights under the FAMLI program including but not limited to program requirements, benefits, claims process, payroll deductions and premiums, the right to job protection and benefit continuation under 8-13.3-509 C.R.S., protection against retaliatory personnel actions or other discrimination, relevant contact information for the Division, and other pertinent information.
- c. The notice and poster required by this regulation will be in English and in any language representing the first language spoken by at least five percent of the local governments employer's workplace. The Division will create and make available to local government employers posters and notices containing information required in this regulation, and local government employers may use the posters and notices to comply with the requirements of this section.

## **2.6 Process and Notification of FAMLI Program Declination**

- A. Local government employers are permitted to decline to participate in the FAMLI program after a written notice has been delivered to the FAMLI Division memorializing the decision by an affirmative vote of the local government's governing body to decline participation in the program. Such a vote will follow the local government's or special district's procedures for other formal votes of the governing body.
  1. A declination vote will not take effect with a resulting change in coverage until after 180 days after the vote, to allow individual employees the opportunity to opt into the benefits program pursuant to 8-13.3-514 C.R.S., should individuals choose to elect coverage.

2. Public notice must be given in the same manner as any other business before the governing body, and the local government will take/hear testimony prior to the vote, pursuant to the procedural rules of the governing body. The local government's employees must also be notified in writing prior to the vote and provided both information regarding the vote process and opportunity to submit comments through a public process to the governing body.

3. Within 30 days following a local government declination vote, the local government must provide its local government employees with a written individual notice of the local government's declination vote and the impact toward FAMLI ,or other paid family and leave insurance coverage. The written notice, must at a minimum, explain the differences between benefits offered by the FAMLI program and any private plan offered by the local government. The notice must also state which employees, if any, are eligible for job protection under the federal Family and Medical Leave Act (FMLA) benefits or other local provisions were applicable.

4. Written notices must contain information regarding the right of local government employees to voluntarily opt into FAMLI benefits pursuant to 8-13.3-514 C.R.S., and the contact information for the Division. Local government employers will display a notice containing the information in a conspicuous and accessible place in each establishment where employees are employed; provided, however, in cases where the local government employer does not maintain a physical workplace, or an employee teleworks or performs work through a web-based or app-based platform, notification will be sent via electronic communication or through a conspicuous posting in the web-based or app-based platform. The notice and poster required in this regulation will be in English and in any language representing the first language spoken by at least five percent of the local government employer's workforce. The Division will create and make available to local government employers posters and notices containing the information required in this regulation, and local government employers may use the posters and notice to comply with the requirements of this section.

- (a) It is the responsibility of the local government employers to request printed materials from the Division. Local government employers may be responsible for the printing and mailing costs of such materials.
- (b) It is the responsibility of the local government to provide written notification to the Division of the local government employers interpretation needs of printed notices for languages other than English or Spanish.

B. The declination period is not permanent and participation must be reconsidered, and the Division notified at a minimum of every 8 years. The governing body may reconsider and elect coverage annually pursuant to 7 CCR 1107-2, Regulation 2.5.

**2.7 Overpayments**

Any overpayment by a local government employee whose employer opts back into the program will be repaid to the employee by the Division. The Division will ensure a continuation of coverage for local government employees who have individually opted into the benefits program pursuant to 8-13.3-514 C.R.S., and ensure no lapse in coverage prior to the local government's reinstatement of coverage.