

**RESOLUTION NO. P&D 09-22 (CONT.)**

22. The SDS Project will decrease flows in the Arkansas River between Pueblo Reservoir and the Fountain Creek confluence under some hydrologic conditions. Without mitigation, such reduced flows could further impair water quality, endanger aquatic life and the riparian environment, and adversely impact recreation, boating, and angling.

23. In anticipation of permitting for the SDS Project and to mitigate its effects, the City of Colorado Springs, Fountain, and other water supply entities entered into agreements to manage flows between Pueblo reservoir and the Fountain Creek confluence ("Pueblo Flow Management Program" or "PFMP"). Its purpose is to provide a reasonable level of protection for streamflows to protect the Arkansas River Corridor Legacy Project (riparian and channel restoration, preservation of aquatic life, and boat chutes, constructed and financed by the City of Pueblo and the U.S. Army Corps of Engineers). The parties agreed to forego certain exchanges of water and changes of water rights to assist in providing both year-round flow and recreational flows at specified target flow levels. The PFMP agreements provide that Colorado Springs can terminate its participation if Colorado Springs is unable to reasonably construct the SDS Project from Pueblo Reservoir due to terms, conditions or requirements contained in any federal, State, or local permit, permission or license including Reclamation's Record of Decision or this Permit. The continuation of the PMFP and the achievement of its purposes are necessary to address the decreased flows referenced in these findings. Accordingly, it will be necessary for all Project Participants to continue to abide by its terms.

24. At some times and under certain hydrologic conditions, the SDS Project will decrease lake levels and surface acreage in Pueblo Reservoir with potential adverse effects on recreation, boating, and angling.

25. The SDS Project will increase flows in Fountain Creek in Pueblo County. New development and growth serviced by the SDS Project, without proper management, could increase flows and volumes and pollutant loads in Fountain Creek. Without mitigation, such increased flows would aggravate problems of erosion, sedimentation, flooding, and water quality degradation.

26. The SDS Project, even with mitigation, will have unavoidable construction impacts on Pueblo West and other Pueblo County residents due to truck hauls, increased traffic, noise, disruption of roads, excavation, and easement acquisition. Offsetting such impacts, Applicant estimates the capital construction costs of facilities in Pueblo County would be approximately \$193 million through 2012 which Applicant represents would benefit the local economy in Pueblo County through opportunities for employment and purchases of goods and services in Pueblo County.

27. In its testimony and written submittals, the Applicant made the following commitments to Pueblo County:

"We will:

- Build SDS in environmentally responsible manner
- Mitigate SDS impacts
- Use water rights we own
- Ensure that Pueblo County won't pay for SDS
- Continue doing our part to improve Fountain Creek"