

EL PASO COUNTY

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DEVELOPMENT SERVICE DIVISION
MAX ROTHSCHILD P.E. INTERIM DIRECTOR

April 12, 2010

Colorado Springs Utilities
c/o John Fredell, Project Director
121 South Tejon Street
Colorado Springs, CO 80903

RE: Southern Delivery System Upper Williams Creek Reservoir- Approval of Location
(U-09-005)

This is to inform you that the above-referenced request by Colorado Springs Utilities for approval of location of the Southern Delivery System Upper Williams Creek Reservoir pursuant to C.R.S. § 30-28-110 and Section 5.3.3 of the El Paso County Land Development Code was heard and approved by the El Paso County Planning Commission on March 16, 2010. The reservoir is proposed to occupy 950 surface acres on 15 separate parcels zoned RR-5 (Residential Rural). The reservoir is anticipated to be located east of Meridian Road, west of Curtis Road, and bisected by the existing alignment of Bradley Road. The reservoir will be sized for storage of 30,500 acre-feet of water and include a dam of approximately 129 feet in height. This application represents the fourth phase of the overall Southern Delivery System project within El Paso County. Subsequent phases within El Paso County are anticipated to include another reservoir and a second lift station. (Schedule No. 45000-00-005, 006, 007, 025, 046, 048, 058, 065, 087, 092, 098, 105, 106, 117, and 45050-01-001)

This recommendation for approval is subject to the following:

CONDITIONS OF APPROVAL

1. Prior to excavation or construction, approval of site development plans by El Paso County Development Services for the pipeline, permanent facilities, and construction staging and storage areas is required. Site development plan applications shall include, but are not limited to the following information:
 - a. Site development plan drawings;
 - b. Final drainage/hydraulics* report;
 - c. Final grading and erosion control plan;
 - d. Erosion and Stormwater Quality Control Permit (ESQCP);
 - e. Construction plans for road and drainage improvements;

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- f. Detailed landscape plan focusing on areas around buildings (acknowledging security considerations) roadways/access areas and recreational use areas, and detailed revegetation specifications for other areas of the site to enhance wildlife habitat (DOW-approved);
- g. Documentation of Federal Emergency Management Agency (FEMA) approval for construction in the 100-year floodplain;
- h. Lighting plans and detailed specifications, including plans and specifications for temporary lighting;
- i. Sign plans;
- j. Elevations of structures;
- k. Noxious weed management plan, approved by El Paso County Environmental Services;
- l. Clearance letter from the United States Fish and Wildlife Service (USFWS);
- m. Wildlife habitat surveys required by the Colorado Division of Wildlife (DOW);
- n. State of Colorado-approved Fish and Wildlife Mitigation Plan;
- o. Colorado Department of Health and Environment (CDPHE)-accepted surface and groundwater quality monitoring plans;
- p. Integrated Adaptive Management Plan;
- q. Approved permit for dam construction from the State Engineer's Office;
- r. Executed Programmatic Agreement for Cultural and Archeological Resource Protection;
- s. Approved United States Army Corps of Engineers permit for ground-disturbing activities in wetland areas;
- t. Current fire protection commitment letters from the City of Colorado Springs;
- u. Documentation that the Emergency Action Plan has been approved by the State and reviewed by local authorities; and
- v. Documentation of landowner consent to proceed with construction.

* Necessary to address design of blow-off valves and/or other discharges.

2. The approval of location shall be conducted in accordance with the regulations of El Paso County, conditions of approval and notations of the Planning Commission, and the accompanying documents/reports in the Development Service file for the approval of location application (U-09-005).
3. The Environmental Commitments listed in Chapter 5 of the FEIS, as well as the Participants' Commitments listed in the Bureau of Reclamation's Record of Decision ("ROD") (GP-2009-01, March 20, 2009), as amended, shall be considered as binding minimum commitments. The more restrictive requirements between the ROD commitments, the El Paso County regulations, and other agency requirements shall apply.
4. No expansion, enlargement, or modification of the approval of location shall be allowed except upon reevaluation and public hearing as specified in the El Paso County Land Development Code.

5. The hours of operation during the construction and long term maintenance of the facility shall be limited to 7:00 am to 6:00 pm, Monday through Saturday, except in non-typical circumstances. Non-typical circumstances may include 24-hour tunneling operations, extended time needed to expeditiously restore traffic flow and/or public access; extended time needed to ensure public health and safety, or extended time needed to maintain utility service. Approval from the County Engineer shall be obtained prior to commencing work during non-typical circumstances. During emergency situations, including risks to public health and safety, work may proceed followed by notification to the County Engineer by the end of the next business day.
6. Any signage must be approved by the El Paso County Development Services Division in accordance with Chapter 6 of the El Paso County Land Development Code.
7. Site lighting, including temporary lighting, will be limited to that shown on site development plans. Detailed specifications shall be provided. All light fixtures shall be directional and positioned so that the light sources are concealed and fully shielded from adjacent properties and roads.
8. Operations shall comply with the County Noise Ordinance. If complaints occur, the County may require that the developer conduct additional testing to determine noise levels associated with construction or vehicle traffic noise levels. The County may require changes to haul route and/or hours of operation, or noise controls may need to be installed to achieve acceptable levels as defined in the County Noise Ordinance.
9. The applicant shall monitor surface and groundwater quality as to ensure compliance with United States Environmental Protection Agency (EPA)/CDPHE standards. A CDPHE-accepted monitoring plan shall be developed and submitted to the County with each site development plan application. The applicant shall mitigate any significant increase in pollutant levels attributed to construction, as defined by applicable water quality standards of the EPA/CDPHE.
10. The applicant shall consult with the USFWS regarding compliance with the Migratory Bird Treaty Act. If operations are planned to occur during the primary nesting season or at any other time which may result in the taking of nesting migratory birds, the Service recommends that the project proponent (or construction contractor) arrange to have a qualified biologist conduct a field survey of the affected habitats and structures to determine the absence or presence of nesting migratory birds. Surveys should be conducted during the nesting season. It is further recommended that the results of field surveys for nesting birds, along with information regarding the qualifications of the biologist(s) performing the surveys, be thoroughly documented and that such documentation be maintained on file by the project proponent (and/or construction contractor) for potential review by the Service (if requested) until such time as construction on the proposed project has been

completed. The USFWS Colorado Field Office should be contacted immediately for further guidance if a field survey identifies the existence of one or more active bird nests that cannot be avoided by the planned construction activities.

11. The applicant shall consult with the Colorado Division of Wildlife (DOW) regarding need for surveys, including a burrowing owl survey, and provide required surveys and mitigation plans prior to approval of each site development plan applications.
12. The applicant shall provide copies of State and County air quality permits prior to approval of each site development plan application.
13. Each construction staging and storage area shall require separate approval of location and site development plan approvals.
14. Recreation facilities, including, but not limited to, parks, trails, trailheads and grounds, shall require separate approval of location and site development plan approvals.
15. The applicant shall comply with all applicable local, State, and federal laws and regulations regarding the use, disposal, storage, and transportation of solid and/or hazardous materials on and off site.
16. The applicant shall comply with federal and State laws, regulations, ordinances, review and permit requirements of applicable agencies including, but not limited to: Colorado Division of Wildlife, Colorado Department of Transportation, Colorado Department of Public Health and Environment, State Engineer's Office, United States Army Corps of Engineers (USACOE), Environmental Protection Agency, FEMA, and the United States Fish and Wildlife Service regarding the Endangered Species Act, particularly as it relates to the Preble's Meadow Jumping Mouse as a listed threatened species.
17. The applicant shall execute and comply with the Programmatic Agreement for Cultural and Archeological Resource Protection.
18. This approval of location shall be subject to annual reporting by the applicant on January 31 annually and review by Development Services Division to determine compliance with all applicable requirements and standards of the El Paso County regulations and the conditions and safeguards imposed upon the approval of location by the Planning Commission. Upon completion of each periodic review, the Development Services Division shall forward its report and any recommendations to the Planning Commission, Board of County Commissioners and the holder of the approval of location. The annual report shall include:
 - a. Evaluation of compliance with El Paso County conditions of approval;
 - b. Copies of State inspection reports and documentation on compliance, including the reports to CDPHE;
 - c. Copies of federal inspection reports and documentation on compliance;

- d. Integrated Adaptive Management Plan;
- e. Dust control report;
- f. Weed control report;
- g. Wildlife management report (any occurrences or actions regarding compliance with State or federal requirements);
- h. Cultural resources report (any occurrences or actions regarding compliance with State or federal requirements);
- i. Groundwater and surface water monitoring report addressing water quality and quantity;
- j. Vegetation monitoring report (status of revegetation efforts);
- k. Complaint log and how the issues were resolved;
- l. Emergency response log and how the issues were resolved; and
- m. Log of when work occurred during non-typical work hours (work outside the hours of 7:00 am and 6:00 pm) and rationale by which the work was deemed necessary.

The annual reporting requirements for each year following the construction and initial operation of the facility shall be determined by the Development Services Director.

The Planning Commission may consider revocation and/or suspension if regulations or special use conditions/standards are being violated, preceded by notice and public hearing.

- 19. The approval of location shall be deemed abandoned, and the approval of location shall not be of further force and effect if the primary intended use has not been substantially implemented by December 31, 2016, or if the primary intended use has been discontinued for a period of two (2) consecutive years.
- 20. County Erosion and Stormwater Quality Control Permits (ESQCPs) shall be obtained prior to construction. All disturbed areas shall be promptly stabilized and revegetated in accordance with Best Management Practices (BMPs) as outlined in the Drainage Criteria Manual, Volume II.
- 21. Access Permits shall be obtained for all temporary and permanent accesses to the pipeline from County roads.
- 22. Construction Permits, Work in Right-of-Way Permits, and Special Transport Permits shall be obtained where necessary for construction in or through County rights-of-way. Traffic control plans, haul route plans, and Common Use Agreements may also be required.
- 23. A final dam break analysis map shall be provided prior to approval of the site development plan for the reservoir.

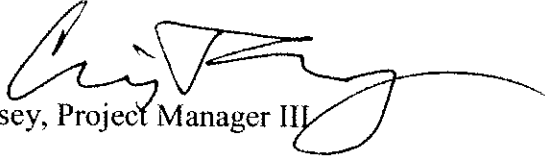
24. A separate approval of location application will be required for the proposed relocation of Bradley Road around the proposed Upper Williams Creek Reservoir. A thorough analysis of feasible alternatives to the satisfaction of El Paso County and Schriever Air Force Base shall be provided.
25. Should the County, in conjunction with this Southern Delivery System project, be required to vacate right-of-way, including that which may exist pursuant to road orders declared by County resolutions recorded at Book A, Page 78 and/or Book 571 Page 55 of the County's records, as a condition of and at the time of such vacation the City/Colorado Springs Utilities agrees that it shall provide an equivalent or greater (as necessary due to any roadway relocation) contribution of right-of-way in exchange for the right-of-way lost through such vacation.
26. The Applicant shall obtain and comply with Construction and Access Permits from the El Paso County Public Services Department ("PSD") for each road crossing within the County, and Access Permits from the PSD for each access point onto a County road. The Applicant shall submit a Traffic Control Plan to PSD and DSD for review and approval. The Applicant shall submit a Staging Area Plan to PSD and DSD for review and approval to define construction work times, material delivery hours, noise suppression, dust abatement, construction methods, and other mitigation of construction nuisances. The Applicant shall provide a Haul Route Plan to PSD and DSD for review and approval; the Applicant and PSD will inspect all potentially impacted roads and agree on their status and existing condition; the Haul Route Plan shall identify the roads utilized for construction vehicle traffic, maintenance of those roads at Applicant's expense during the project and rehabilitation of those roads to the preexisting status and condition at Applicant's expense. Maintenance and rehabilitation costs, based upon the preexisting status and condition, shall be negotiated and presented to the BOCC for approval prior to administrative approval of each site development plan application. Within thirty (30) days of the Applicant issuing a notice to proceed to its contractors to perform installation activities for any of its location approvals that require use of roads in the Haul Route Plan, the Applicant shall require its contractor(s) to establish a cash payment, escrow, or other financial instrument such as a performance bond, acceptable to the County, in an amount estimated by PSD and DSD to cover the total costs for rehabilitation of the roads to their preexisting status and condition, plus estimated increases in costs over time as represented by the Construction Cost Index. The Applicant shall coordinate, design and construct the SDS pipeline facilities so as to accommodate future roadways and utilities across the SDS facilities so as not to unreasonably preclude them or increase their costs where they are specifically identified by PSD or DSD at the time of construction.

NOTATIONS

1. Approval of location requests are not forwarded to the El Paso County Board of County Commissioners for consideration. Pursuant to C.R.S. § 30-28-110, the final El Paso County action occurs at the Planning Commission.

Should you have any questions, or if I can be of further assistance, please contact me at 719-520-6300.

Sincerely,

A handwritten signature in black ink, appearing to read 'Craig Dossey', with a long horizontal flourish extending to the right.

Craig Dossey, Project Manager III

Cc: CHM2 HILL
c/o Kyle Hamilton
90 South Cascade Avenue
Colorado Springs, CO 80903

File U-09-005