



THE FACTS ABOUT BANNING LEWIS-RANCH AND SDS

Southern Delivery System Fact Sheet

SOUTHERN DELIVERY SYSTEM

P.O. Box 1103, MC 930
Colorado Springs, CO
80947

Information and Construction

Hotline: 855-SDS-4YOU
or 855-737-4968

E-Mail: sdsinfo@csu.org
Website: www.sdswater.org

Phase I Components

- Connection to Pueblo Dam
- Raw and finished water pipeline
- 1 water treatment plant
- 3 water pump stations

Communities Served

- Colorado Springs
- Pueblo West
- Fountain
- Security



NEED FOR SDS

Colorado Springs Utilities has been planning its next major water delivery system for two decades. Now under construction, the Southern Delivery System (SDS) was identified as the most cost-effective, dependable and environmentally responsible way to deliver water to our community well into this century.

While the geographic location of our water demands may have changed, our communities' long-term needs have not changed. SDS is important for three primary reasons:

1. Growing communities
2. System reliability
3. Protection from water supply issues

GROWING COMMUNITIES

The state forecasts El Paso County to grow in population by 1.9 percent annually – adding more than 350,000 people. About half of Colorado Springs' expected population growth will come from the children and grandchildren of existing residents. Water also will be necessary for businesses and organizations that employ these people. SDS is a regional project and Pueblo West, Fountain and Security are also depending on SDS to meet their future water needs.

ADDING RELIABILITY

Another important reason we need SDS today is to enhance our current water system's reliability. Because Colorado Springs is not located near a river or major water source, we must carry our water from where it falls (other side of the Continental Divide) to our city. The Homestake pipeline delivers up to 70 percent of Colorado Springs' water. That pipe is nearly 50 years old, and the system has experienced seven outages over the last 10 years. SDS will allow us to continue delivering water to our customers in the event that system is down for extended maintenance or repairs. Also, added reliability to our system is increasingly important as drought, climate variability and other uncertainties put our future water supply at risk.

BANNING-LEWIS RANCH

Ultra Resources, a Houston-based company, purchased a portion of Banning-Lewis Ranch in 2011 for oil and natural gas development. Because this is a large area of undeveloped land, some people assume all the growth in our community would occur at this location. The zoning has not changed and residential and commercial development could still occur. However, aside from the Banning-Lewis Ranch property, there are an additional 22,000 acres of undeveloped land in Colorado Springs' city limits that will house many of the residents projected to remain or move to the area. That area is larger than the 18,000 acres of Banning-Lewis Ranch that Ultra Resources purchased for natural gas drilling.

SDS was never planned or intended to serve one specific neighborhood in our community, but rather meet the water needs of our entire city today and in the future. Regardless of when Banning-Lewis Ranch is ultimately developed, SDS will provide reliable water for our entire service area for decades. There is already utilities infrastructure in place to serve several thousand new homes within the 2400 acres of Banning Lewis Ranch now owned by Key Bank.

SDS would still be required even if all of these factors occurred:

- Banning-Lewis Ranch was not developed
- Current city limits remained the same (approximately 196 square miles)
- Development density remained the same

**SOUTHERN
DELIVERY SYSTEM**

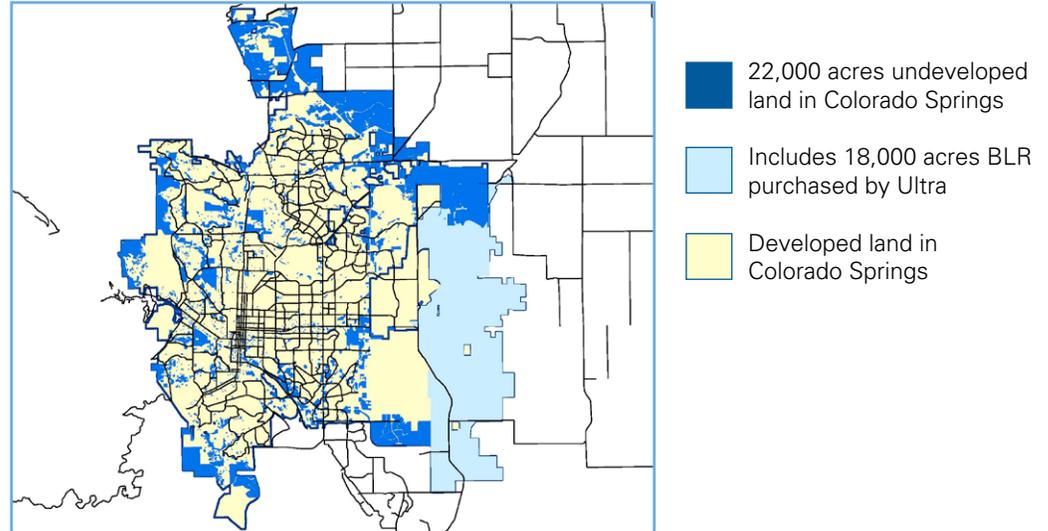
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The map below highlights the amount of developed land vs. undeveloped land that is currently available in Colorado Springs.



Population growth will still occur, yet it will shift to other areas of undeveloped land and as in-fill development or higher density development.

REGIONAL NEEDS

With SDS, we have opportunity to benefit our customers by entering into additional regional partnerships on the project. The Utilities Board approved adjustments to our policies to allow us this flexibility.

FUTURE SUPPLY BEYOND SDS

SDS was planned to provide the water needed for our community well into the 2040-2050 decade. After all phases of SDS are complete, there will be a need for new water resources to serve full build-out of the City of Colorado Springs. If the 18,000 acres of Banning-Lewis Ranch is never developed, that long-term water supply gap may be reduced.



Pueblo West
COLORADO

