

August 20, 2008

Mr. Kim B. Headley Director of Pueblo County Planning and Development 229 West 12th Street Pueblo, CO 81003

Subject: Letter of Request for a House Bill 1041 Permit to Construct, Operate and Maintain

Southern Delivery System Project Components within Pueblo County

Dear Mr. Headley:

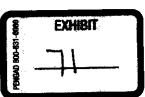
Colorado Springs Utilities is proposing to construct, operate, and maintain the Southern Delivery System (SDS), a water delivery project that will bring water from Pueblo Reservoir to the communities of Colorado Springs and our project partners, Pueblo West Metropolitan District, City of Fountain, and Security Water District.

We are seeking approval to construct, operate, and maintain those SDS project facilities to be located in Pueblo County and are submitting this letter of request and accompanying House Bill 1041 Permit Application (Application) for your review in accordance with Title 17, Division II of the Pueblo County Land Use Code addressing "Areas and Activities of State and Local Interest".

The Application is formatted to be specifically responsive to Title 17, Chapter 17.172 "Regulations for Efficient Utilization of Municipal and Industrial Water Projects" and includes information responsive to relevant requirements of Title 17, Chapter 17.164, "Local Regulations of Site Selection and Construction of Major New Domestic Water and Sewage Treatment Systems and Major Extensions of Existing Domestic Water and Sewage Treatment Systems".

SDS project facilities include a new electric substation and an extension of local electric transmission infrastructure, the general siting and effects of which are described in this Application. Conceptual design has been initiated with Black Hills Corporation (formerly Aquila) to further refine siting and proposed construction details, anticipating that Black Hills Corporation will be required to formalize approval to construct these facilities by submitting a separate application responsive to Title 17, Chapter 17.168, "Site Selection and Construction of Major Facilities of Public Utilities" should this Application be approved.

SDS project facilities extend beyond the boundaries of Pueblo County. The information contained in this Application predominately addresses construction impacts within Pueblo County and, per your request received during pre-application meetings, addresses potential effects of the project that are not directly related to construction activity.



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1. Date of Application: August 18, 2008

## 2. Owner and Owner's Representation:

The SDS project includes four Project Participants: the City of Colorado Springs, Pueblo West Metropolitan District, City of Fountain, and Security Water District. On behalf of the Participants and in accordance with mutual agreements between Participants, Colorado Springs Utilities is the named "Applicant", representing the other "Project Participants" in all matters regarding this Pueblo County 1041 Permit Application.

The Applicant, on behalf of the SDS Project Participants, is proposing to construct, operate, and maintain the Project, a water delivery system that will bring water from Pueblo Reservoir to the Participant's communities.

CH2M HILL, Inc., a contractor of Colorado Springs Utilities, is the engineer for the SDS project, providing design services, permitting support, and technical assistance. CH2M HILL has aided in the preparation of the Application.

## Colorado Springs Utilities (Applicant; acting on behalf of all Project Participants)

Point of Contact: John Fredell Plaza of the Rockies, Third Floor 121 S Tejon, MC930 Colorado Springs CO 80947-0930 Phone: (719) 668-8037

Fax: (719) 668-8734 E-mail: jfredell@csu.org

# Pueblo West Metropolitan District (Participant)

Donald Saling, District Manager 109 E. Industrial Blvd. Pueblo West, CO 80017 Phone: (719) 547-2000

Fax: (719) 547-2833

Email: dsaling@pmwd-co.us

#### City of Fountain (Participant)

Larry Patterson, Director of Utilities 116 S. Main Street Fountain, CO 80817 Phone: (719) 322-2076

Fax: (719) 391-0463

Email: lpatterson@fountaincolorado.org

Science degree from Okalahoma State University with a concentration in finance and a minor in economics. In addition, he holds a Juris Doctorate from the University of Oklahoma.

## CH2M HILL, Inc.

Bruce Spiller, P.E.

Program Manager

90 South Cascade Avenue, Suite 700

Colorado Springs, CO 80903

Phone: (719) 477-4914 Fax: (719) 634-9954

E-mail: Bruce.Spiller@ch2m.com

CH2M HILL is Springs Utilities' SDS consulting engineer providing design and other project services. CH2M HILL is a global leader in full-service engineering, consulting, construction, and operations for public and private clients. With more than 24,000 employees worldwide, CH2M HILL delivers large, complex water projects throughout the world - helping clients develop and manage infrastructure and facilities that improve efficiency, safety, and quality of life. CH2M HILL is a global project delivery company that leads its industry in program management, construction management, and water, wastewater, and environmental design (Engineering News-Record, 2007).

Mr. Spiller is CH2M HILL's Program Manager for the SDS project. Mr. Spiller has over 25 years of project management and lead engineering experience in all phases of projects for municipal clients, including planning, design, and construction. Mr. Spiller was responsible for the design and construction of the 68-million gallons per day (mgd) capacity Twin Rock Pump Station, including the hydraulics, control systems, and physical interfaces between the Lower Homestake delivery system and the Twin Rock Pump Station. Mr. Spiller was also project manager for the Lower Homestake Parallel Pipeline. The project included route selection, permitting, and design of a seven mile, 48-inch and 62-inch diameter pipeline that paralleled portions of Springs Utilities' existing Lower Homestake Pipeline to increase the pipeline capacity to 68 mgd. Mr. Spiller also served as project manager for the 120 mgd Pleasant Valley Pipeline project, which included the route selection, permitting, and design of approximately eight miles of 67-inch diameter welded steel pipe for the Northern Colorado Water Conservancy District. He holds a Bachelor of Civil Engineering degree and a Master of Science degree in Sanitary Engineering, both from the Georgia Institute of Technology.

(3) Authorization of the application package by the Project owner, if different than the applicant.

Springs Utilities is the Owner and the Applicant. Pueblo West, Fountain and Security are Participants in the SDS project through existing intergovernmental agreements (IGAs). Springs Utilities is acting on behalf of the "other project participants" in permit matters.