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**PUEBLO COUNTY  
DEPARTMENT OF PLANNING AND DEVELOPMENT**

July 26, 2017

Ms. Allison Mosser  
Sr. Project Manager  
Southern Delivery System  
Colorado Springs Utilities  
(via email: [amosser@csu.org](mailto:amosser@csu.org))

Re: 2016 SDS Permitting and Compliance Annual Report

Dear Ms. Mosser:

Pueblo County has reviewed the above-referenced Annual Report and offers the following comments. Because this is the first post-operation report, we wish to ensure that it is complete and contains the information required by the SDS 1041 Permit. To that end, we request that it and future annual reports include additional information, as follows:

1. **Revegetation and Reclamation of Rights of Ways.** Attachment 1 to the 2016 Report does not have a line item for reporting on the condition of reclamation and revegetation of SDS rights of way through Pueblo County. Resolution No. P&D 16-007 of the Board of Pueblo County Commissioners, passed and adopted February 1, 2016, specifically states “the obligations of the permit concerning annual reporting by CSU and maintenance of the permanent revegetation standards set forth in Permit Condition No. 22 and Mitigation Appendix C-9 are continuing and not released or extinguished through the release of the bonds.” (P. 7, Paragraph 6 of Resolution No. P&D 16-007). Paragraph 7 of the Resolution further states: “Pursuant to the express provisions of Permit Condition No. 25, CSU shall address in its required annual report continued compliance with the provisions of Permit Condition No. 22.” Consequently, the Annual Report should include an attachment reporting on the maintenance of the SDS rights of way through Pueblo County and whether the revegetation standard is being satisfied.

2. **Storage, Diversion, and Delivery of Water in Pueblo County.** Attachment 8 of the Annual Report is a summary of storage, diversion, and delivery of water in Pueblo County by SDS Participants, ostensibly to comply with the requirements of SDS Permit Mitigation Appendix ENF-1(2)(a). This Attachment 8, however, tabulates the delivery of water by the participants only through the SDS pipeline, and not total deliveries (e.g., by trade, substitution or exchange). Also, because of the integrated operation of the SDS Pipeline with the Fountain Valley Authority Pipeline and associated capacity trades between the SDS participants, this attachment should also include a summary of FVA deliveries of water to the SDS participants.

3. **Return Flows to Fountain Creek.** Attachment 9 to the Annual Report appears to be a summary of only sewered return flows from water delivered to SDS participants through the SDS Pipeline. To comply with Appendix ENF-1(2)(b), the Report should contain a summary of all of the SDS participants' return flows into Fountain Creek (from SDS and other sources), including irrigation return flows (to the extent this information is quantified pursuant to water right decrees or otherwise available).

4. **Summary of Exchanges to Pueblo Reservoir.** Attachment 10 appears to report exchanges of only SDS return flows by SDS participants from Fountain Creek to Pueblo Reservoir. To determine participants' compliance with Condition 9 of the SDS 1041 Permit (Pueblo Flow Management Program), the Report should include exchanges of all water by SDS participants from Fountain Creek pursuant to Mitigation Appendix ENF-1(2)(c). In addition, the Report should summarize any exchanges of all water through the PFMP stretch of the Arkansas River through Pueblo by all SDS participants, including Pueblo West Metropolitan District.

5. **Operations of Pueblo Flow Management Program.** SDS Permit Mitigation Appendix ENF-1(2)(j) requires annual reports on the operation of the PFMP and the low-flow program, including "rates, and quantities, and kinds of foregone exchanges, releases, and reception documentation." The Annual Report does not contain such detailed accounting of the PFMP operations and does not contain enough information as to whether SDS Permit Conditions 9 and 10 are being complied with by the SDS participants.

Please provide the information referenced above as a supplement to the 2016 Annual Report and incorporate the changes in future annual reports. If you have any questions or otherwise wish to discuss the reporting requests in this letter, please do not hesitate to contact me or the Pueblo County attorneys.

Sincerely,



Joan Armstrong  
Director, Dept. of Planning and Development  
1040 Permit Administrator

cc: Mr. David Padgett, Chief Environmental Officer, Colorado Springs Utilities  
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