



# CITY COUNCIL ACTION FORM

DEPARTMENT	PRESENTED BY	DATE
City Attorney	Nina P. Williams - City Attorney	February 4, 2025

## **AGENDA ITEM**

*Ordinance 2025-03, lifting the temporary moratorium imposed by Ordinance 2023-09 on the acceptance, processing and approval of applications for connection to the wastewater system for those properties benefitting from the Poncha Interceptor and affected by its capacity limitations, and declaring an emergency*

## **BACKGROUND**

Since 2017, the City notified - and then warned - the Town (as well as Developers Tailwind Group, LLC and Full Matters, LLC) of the City's concerns regarding pipeline capacity due to the rapid growth approved by Poncha Springs.

Engineering Providence Infrastructure Consultants established that Interceptor capacity was approaching critical flow, and that the anticipated development and current rate of growth within the Poncha Springs Service Area necessitated the need to upsize the sanitary sewer infrastructure within the next few years.

In 2022, due to these imminent capacity limitations, the City and its Public Works Department made clear that they could not responsibly approve new sewer system connections until: (1) Sewer IGAs (between the City and Town) were renegotiated; or (2) the Developer Plaintiffs provided off-site improvements to address sewer capacity.

After neither Town nor 2 developers moved forward with either option, the City Council, through Ordinance 2023-09, imposed a moratorium on sewer system connection applications for those properties benefitting from the Poncha Interceptor and affected by its noted capacity limitations.

Now that the Lawsuit brought by the Town of Poncha Springs, Tailwind Group, LLC and Full Matters, LLC against the City of Salida has been settled, and the First Amendment to Intergovernmental Agreement for Transfer of Sewer System between the City of Salida and Town of Poncha Springs has been approved, the responsibilities of all parties regarding funding and financing the necessary sewer infrastructure have been clarified, outlined and memorialized. The City and Enterprise is now able to responsibly lift the moratorium imposed by Ordinance 2023-09.

**Please note** that this is an emergency ordinance, which requires an affirmative vote of 3/4ths of the governing body in order to become effective immediately upon adoption. This means that **5 or more** councilmembers must vote in favor of this Ordinance for it to become effective immediately, on February 4, 2025.

## **RECOMMENDATION**

Staff recommends approval of Ordinance 2025-03, lifting the temporary moratorium imposed by Ordinance 2023-09, now that all parties have agreed to be part of the solution to fund and finance the necessary sewer infrastructure.

## **MOTION**

A City Councilmember should state "*I move to approve Ordinance 2025-03, lifting the temporary moratorium imposed by Ordinance 2023-09, and declaring an emergency,*" followed by a second and a roll call vote.