



BOARD SUMMARY REPORT

Date: January 23, 2020

To: Board of County Commissioners

Through: Bryan Weimer, Director of Public Works and Development

From: Jan Yeckes, Planning Division Manager

Subject: Request Direction: Update of Water Resource Study for Eastern Arapahoe County

Request for Direction and Providing Information

Public Works and Development staff is requesting feedback from the Board of County Commissioners on a proposal to include in the Planning Division 2020-2021 work plans an update of the Water Resource Study for Eastern Arapahoe County, prepared by Leonard Rice Water Consulting Engineers in 2001 in association with the County's 2001 Comprehensive Plan. This study considered a timeframe of 2001-2020. An updated Comprehensive Plan was adopted in 2018, and a study of the Tier 1 area of the east County/I-70 Corridor has been initiated as part of our 2020 work program.

This is being scheduled as a drop-in. If the BOCC would like a more detailed study session prior to providing direction to move forward with next steps, staff will schedule additional time for a more in-depth discussion. We anticipate an additional study session with the Board as information develops; at this time, we are primarily looking for consensus that this work is valuable to undertake so we can work toward the documentation needed for a budget request to be filed in July 2020.

Request and Recommendation

Staff recommends that the 2001 Water Resource Study for Eastern Arapahoe County be undertaken in the 2021 budget year. While the project to update the plan would be scheduled in 2021, staff would need to expend staff resources during the 2020 work year to prepare a scope of work, identify partners and stakeholders, determine a likely timeframe for the project, and determine an estimated cost in order to submit a budget request in July 2020 for consideration as part of the County's 2021 fiscal year budget. In addition, a grant opportunity may be available in early 2021 to help pay for the study; work in 2020 would help staff meet a February 1 application deadline to the State.

Background

In 2000, the firm of Leonard Rice Consulting Water Engineers did a water study of the east county (published March 2001) as part of work related to development of the County's 2001 Comprehensive Plan. Approximately 2010-2011, Planning staff investigated whether the BOCC

would support a budget request to update this water study in follow-up to an economic assessment of the east county; there was not support for updating the report at that time.

Changes that support an updated water study

A number of changes have occurred, or continue to be issues for the east county, since these two events (completion of Leonard Rice study and decision to not fund an update):

- We now have a State Water Plan in place, and the County participates in implementation through the Metro and South Platte Basin Roundtables/InterBasin Compact Committee. Loretta Daniel, Long Range Planning Program Manager, was most recently appointed by BOCC to MRT and SPBRT as County representative.
- Arapahoe County adopted an updated Comprehensive Plan in 2018, and we are working toward further study in 2020 of what “Tier One” really means to future development in the east county. Water resource and infrastructure needs are critical for any new development to occur in the east county, as noted in the 2010 I-70 Corridor Economic Assessment sponsored by REAP, Arapahoe County and Adams County.
- Arapahoe County is looking at further changes to the Land Development Code in 2020-2021 to help implement the Comprehensive Plan, including provisions related to water supply adequacy for land development and to implementation of open spaces plans and new regulations for oil and gas development.
- Arapahoe County is in early stages of updates to the Transportation Master Plan and the Open Spaces Master Plan, both of which could be significant influences to development patterns impacting water needs in the east county/I-70 Corridor communities as well as water needs to support natural open spaces values.
- Prosper and Sky Ranch developments (Watkins) have been approved and are moving forward. Full details of the Prosper water plan necessary for future-phase final development plans have not yet been submitted to the County.
- Byers and Strasburg Subarea Plans need revisiting in light of continued challenges for economic development and sustainability of strong economies in these communities. Water will be an important factor, and the role of Byers Water District should be evaluated, as well as lack of infrastructure connections south of I-70 within the Strasburg community for water and wastewater service.
- Oil and gas development has become a significant land use in portions of the near-east county, with accompanying concerns for high water usage (so far, water is trucked in or provided by temporary pipelines), as well as potential water quality impacts of operations.
- Continued 35-acre residential subdivisions exempt from County regulation and the development of utility-scale solar power installations may continue to decrease land used for agriculture (irrigated or non-irrigated), while interest in farming hemp may increase some water needs for agriculture.
- The Lend Lease/State Land Board development reflected in the County’s Lowry Range Subarea Plan (an element of the Comprehensive Plan) is no longer on track to occur, and the conditions of approval for regional urban growth area allocation for urban-level development were not achieved. This area will need a new subarea plan or a repeal of the current subarea plan in response to changes in the State Land Board’s use of the property unless annexed by the City of Aurora in the near term.
- Engineering Services has a funding mechanism in place to conduct basin studies for flood control/water quality protection in the east county. Staff may want to assess whether there

may be a relationship between the two issues, given the east county's current dependence on groundwater, and whether associated costs could apply toward local match of any grant funding obtained through the Colorado Water Conservation Board (CWCB). This is a stormwater planning fee, and not associated with water use, so is not otherwise a source of funding the water study.

- Potential public partners could expand the study or feed into the study for eastern Arapahoe County, depending on the overall goal.
 - The City of Aurora has undertaken significant annexations in the east county and has added areas to the City's comprehensive planning area in anticipation of future annexations;
 - the I-70 Corridor communities of Adams County, City of Aurora and Town of Bennett have updated (or continue to update) their comprehensive plans;
 - Deer Trail has experienced new residential development pressures and opportunities;
 - Range View Water District/Pure Cycle has expanded into mixed-use land development (Sky Ranch).
 - Work related to the Former Lowry Bombing and Gunnery Range Restoration continues (multiple land owners).
 - Tri-County Health would like to see Arapahoe County require that unincorporated properties in the vicinity of the Lowry Range Superfund Site/DADS buffer areas be required to obtain public water service, rather than further developing on domestic wells, moving forward. Two properties with wells identified, to date.

Steps to undertake in first half of 2020

1. Determine BOCC support for updating the east county water resource study, and potentially pursuing a CWCB grant to help with costs, before we invest staff time necessary for steps 2 and 3.
2. Contact Purchasing for early input on Planning's process to develop a scope of work, identify any other public partners, and estimate preliminary costs to update to the water study to facilitate budgeting for the project during the July budget request cycle. Having this step completed will be important for a reliable grant application with good potential for success.
3. Submit a July 2020 budget request for 2021 funding. Funds for the required minimum 25% match to a CWCB grant are currently available only from annual baseline professional services funds in the range of \$15,000 within the Planning Division budget unless approved as part of a budget package.

Purpose statement and scope of work

A preliminary review of recent El Paso and Elbert water plans, as well as the County's 2001 study, helped to identify the following as a very early start to the purpose and scope of work for a water study:

- Update the outlook for the projected water supply needs to 2040 (and beyond) and the water sources required to meet these projections. If there is a projected gap in water supply, how could this gap be closed? The County should have a clear understanding of water demand and supply.
- Analyze how different sections of the eastern area could obtain water and the projected water supply for each area. Analyze relationships between projected areas of highest density growth and existing water providers.

- Analyze the recommendations from the 2001 study and whether these were successful.
- Analyze water use for agricultural and industrial purposes, past use and trends.
- Analyze the cost of water for County residents and businesses. Is this a barrier to attracting businesses to the county/towns?
- Analyze the number of wells and the sustainability of private wells (e.g., fluctuating water levels, costs associated with deeper wells). Is there a need to address the eventual coordination for centralized water suppliers? Is there a cost for this that can be ascertained at this time?
- Is water quality an issue for the rural domestic or household wells that draw on water from the Denver Basin?
- Address concerns of adequate access to water for fire districts.
- Analyze options for reliance on the Denver Basin for water. What would be a sustainable long-term approach for water in the county?
- There are numerous agencies/districts providing water to customers in the eastern part of the county. Should there be more coordination between the municipalities, water providers and the County?
- For additional information on funding, contracts or processes, we could reach out to El Paso and Elbert Counties.

Potential grant funding opportunity

The **Colorado Water Conservation Board** has a grant process that may help to pay for the study, if awarded. Possible categories include **Conservation & Land Use** and/or **Water Education, Outreach and Innovation Efforts** (applications may qualify for more than one category of funding). Applications are due February 1 for the first-round 2020 grants; we anticipate a similar application deadline in 2021, which supports the work proposed during 2020 to prepare for this opportunity. The guidelines for the grant indicate 40% of funding in a grant year may be reserved for a second round of applications; we would like to take advantage of both application windows in case the first request is not successful.

Links to Align Arapahoe

Quality of Life, Government Efficiency, Fiscal Responsibility – This project would help to plan for the future of economic growth and land development in the eastern I-70 Corridor of unincorporated Arapahoe County, while also coordinating with planning efforts underway in other Arapahoe County Departments and in Adams County, the Town of Bennett and the City of Aurora. It may also support an opportunity to obtain grant funding to cover a significant portion of the costs of the work to be done.

Alternatives – Option include:

1. Recommended by Staff: Provide direction to staff that an update of the Water Resource Plan for Eastern Arapahoe County should be planned for 2021 and that work items necessary to prepare for that project be undertaken as part of the Planning Division's 2020 work program.
2. Direct staff to bring this discussion back to a full study session, rather than a drop-in, prior to proceeding with the work outlined for the 2020 work program.
3. Provide direction to staff that an update to the Water Resource Plan for Eastern Arapahoe County should not be scheduled for 2021; the 2020 work plan would not be needed.

Fiscal Impact

Fiscal impact to the County during 2020 is the expenditure of staff time to prepare for the 2021 proposed update to the water resource study and to prepare a budget submittal in July 2020 for the upcoming budget year. Positive fiscal impacts may accrue through the County's ability to provide responsive planning for development pressures and economic development opportunities in the east county, an opportunity to leverage costs through coordination with other projects underway within the County organization and within neighboring jurisdictions, and the opportunity to apply for grant funding from the Colorado Water Conservation Board in 2021.

Concurrence

Departments and others impacted: Planning and other Divisions of the Public Works and Development Department, Purchasing Division of Finance, County Attorney's Office, Open Spaces Division. An email outline of the information presented in this Board Summary Report was sent to PWD and Open Spaces staff in early January to solicit feedback on whether to pursue this opportunity. The BSR has been reviewed by Public Works and Development representatives and the County Attorney's Office.

Reviewed By

Bryan Weimer, Director of Public Works and Development
Loretta Daniel, Long Range Planning Program Manager
Jason Reynolds, Current Planning Program Manager
Robert Hill, Senior Assistant County Attorney
Todd Weaver, Finance Department