



AUGUST 12, 2025

CITY COUNCIL WORK SESSION

4:30 P.M.

CITY COUNCIL AGENDA

6:00 P.M.

116 S. Main St., Fountain

Register to attend meeting virtually @

www.fountain.colorado.gov

1) Call to Order

2) Pledge of Allegiance

3) Roll Call

4) Public to be Heard

Citizens may address the Council on items that are not on the agenda. Council may not be able to provide an immediate answer but will direct staff to follow up. Out of respect for the Council and others in attendance, please limit your comments to five (5) minutes or less.

5.1) Presentations

- Presentation by El Paso County Treasurer, Chuck Broerman, on Property Tax Budget Billing Program (C. Broerman, 10 mins)

5.2) Board/Commission/Committee

6) Correspondence, Comments and Ex-Officio Reports

7) Consent Agenda

All items listed under the Consent Agenda are considered routine and will be approved with one motion. There will be no separate discussion of these items unless a Council Member or citizen so requests, in which case the item may be removed from the Consent Agenda and considered separately, at the discretion of Council. (Est. time-3 min)

A. Approval Of July 22, 2025, City Council Meeting Minutes (J. Carneal)

B. Resolution 25-030, A Resolution Authorizing The City Of Fountain To Proceed With The Replacement Of The City Hall Fountain And To Utilize FEMA Grant Funds For Reimbursement Of Eligible Costs And Amend The FY 2025 Budget. (G. McCormick)

8) Old Business

9) New Business

A. Consideration Of Items Removed From The Consent Agenda

B. Resolution 25-031, A Resolution To Authorize The City Manager to Execute The Construction Contract With Rock M' Inc. for The Utilities Operations Center Access Road Reconstruction Project and Appropriate Funds to Complete the Project (D. Blankenship, 5 mins)

- C. Consideration of three resolutions related to regional water infrastructure, including project access agreements, participation in a new water authority, and the City's withdrawal from and asset sale in the Roy Haynes Creek Reservoir project (Taylor 30 min.)
1. Resolution 25-032, A Resolution Approving The Temporary Construction And Right Of Entry License Agreement For The Arkansas Valley Conduit Fryingpan-Arkansas Project Across The Jointly Owned Roy Haynes Creek Reservoir Property
 2. Resolution 25-033, A Resolution Authorizing And Approving The Establishing Agreement For Restoration Of Yield Water Authority And Committing The City Of Fountain, Acting By And Through Its Electric, Water And Wastewater Utility Enterprise, As A Member Of The Authority
 3. Resolution 25-034, A Resolution Directing Staff To Take Necessary Steps To Remove The City Of Fountain From The Roy Haynes Creek Reservoir Project And Authorizing The City Manager To Sell Fountain's Share Of The Project Assets
- D. First Reading Of Ordinance No. 1813, An Ordinance Submitting A Charter amendment To The Electors Of The City Of Fountain At The Coordinated Election To Be Held November 4, 2025 Relating To Simplification And Clarification Of The Charter Pertaining To Publishing Or Publication Of Notices, Ordinances, Or Other Documents Of The City (J. Carneal 10 min.)
- E. Resolution No. 25-035 Acceptance Of An EPA Brownfield Cleanup Grant Cooperation Agreement In The Amount Of \$1,924,580.00 With Regard To The City-Owned Lorraine Facility (S. Trainor 15 min)
- F. Request To Reclassify An Existing Position And Create A Director Of Communications. (S. Trainor 10 Min)

10) City Council Agenda Requests

11) Announcement of Executive Session

In accordance with the City Charter and the Colorado Open Meetings Act, the City Council open session is to determine whether it will hold a Closed Executive Session. A Closed Executive Session may be held upon an affirmative vote of two-thirds of the quorum present. If consent to the closed Executive Session is not given, the items may be discussed in open session or withdrawn from consideration.

PURPOSE OF THE EXECUTIVE SESSION:

- Pursuant to C.R.S. Section 24-6-402(4) for the Purpose of Review, Approval, and Amendment of Executive Session Minutes
- Pursuant to C.R.S. Section 24-6-402(4)(e) for the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators.
- Pursuant to C.R.S. Section 24-6-402(4)(b) for the purpose of receiving legal advice on specific legal questions on potential conflicts of interest relating to the purchase of water rights

12) Adjourn

A (Administrative Action) QJ (Quasi-Judicial Action) L (Legislative Action)

**NEXT REGULAR COUNCIL MEETING
August 26, 2025**



Regular City Council Meeting

Consent –7A

Council Meeting Minutes

August 12, 2025

Summary Information

Title:

APPROVAL OF THE July 22, 2025, CITY COUNCIL MEETING MINUTES

Initiator: City Clerk Carneal

Presenter: City Clerk Carneal

Legal Review: ☐ Yes ☒ No

☒ Council Action

☐ Council Information

☐ Report to Council

Summary Overview and List of Attachments:

The attached minutes were compiled as the result of the July 22, 2025 City Council Meeting

Attachments: Above Referenced Meeting Minutes

Background Information

Strategic Plan Priority (if applicable):

- ☐ STRENGTHEN PUBLIC COMMUNICATIONS EFFORTS.
- ☐ IMPROVE TRANSPORTATION INFRASTRUCTURE.
- ☐ SUPPORT LOCAL BUSINESS DEVELOPMENT.
- ☐ ENHANCE WATER AND ELECTRIC SECURITY.

Recommendation

Staff recommends approval.

Proposed Motion

Motion to approve shall be included under the consent agenda.

CITY COUNCIL MEETING

July 22, 2025

1) Call to Order

Mayor Thompson called the meeting to order at 6:00pm.

2) Pledge of Allegiance

The Pledge of Allegiance was recited.

3) Roll Call

Mayor Thompson

Mayor Pro Tem Rick

Council Member Estes

Council Member Herzberg

Council Member Duncan

Council Member Gieck

Council Member Hinton

4) Public to be Heard

Travis Baker VFW post 6461, Provided an update on Purple Heart Trail dedications, and reported that signage for the City, Fairview Cemetery, and the VFW building is funded by donors. Announced the following upcoming events:

- Annual Picnic – August 9 (doors open at 10:00 AM; serving begins around 11:30 AM; no set admission fee; donations and raffles welcome).
- Steak Dinners – August 22 and September 12 at 5:00 PM (\$15 per person; September proceeds to benefit another VFW post in need).

He also invited council, police, and fire chiefs to participate in a dunk tank fundraiser.

Resident Steve Arce expressed disappointment that Pride Month had not been recognized by the City over the past year despite numerous proclamations for other causes. Emphasized that recognizing Pride Month affirms the right of LGBTQ residents to exist without persecution. Stated, “Silence never supports the oppressed; it only supports the oppressor.” Urged Council to address this by next June.

5.1) Presentations

- **Proclamation Proclaiming The Month Of August As Olde Town Business Recognition Month Read In Perpetuity July 23, 2024. (K. Bailey/ N. Shull)**

Economic Development Specialist Shull reiterated the ongoing designation of August as Old Town Business Recognition Month (first read in perpetuity in 2024). Encouraged residents to shop locally and attend the recognition event August 1.

- **Department Update: Development Services – Planning & Engineering (K. Martinez/ B. Sheets, 10 mins)**

City Engineer Sheets reported that the Indiana Road reconstruction project was completed under budget. He highlighted ongoing progress on the Link Road multi-phase expansion, improvements at the Jimmy Camp Road/Ohio Avenue intersection, channel repair projects, and the expansion of railroad quiet zones. Sheets also noted that the Safe Streets for All action plan is underway.

Planning Manager Martinez reported that the City currently has 42 active land use applications, including 25 new commercial projects, 88 homeowner improvement permits, and 53 new single-family home permits. She provided an update on the ongoing King Soopers development and its surrounding pad sites, which will include businesses such as Whataburger, Chipotle, and AutoZone. Martinez also noted that staffing shortages continue to impact application processing times.

- **Repairs On Highway 85/87 (G. Rick, 5 mins)**

Mayor Pro Tem Rick reported on collaboration with CDOT, legislators, and staff to address potholes, weeds, and mowing along the corridor. Progress has been made, but work will continue.

5.2) Board/Commission/Committee Appointments

There were no appointments.

6) Correspondence, Comments and Ex-Officio Reports

Council Member Duncan announced her appointment to the Colorado Department of Health and Environment's Health Equity Commission.

Council Member Herzberg recognized the service members participating in the Wounded Warrior Games.

Council Member Hinton announced that he will not seek a second term on City Council, reflected on his accomplishments during his tenure, and expressed his gratitude to City staff and the community.

Mayor Pro Tem Rick thanked City Engineer Ben Sheets for his prompt assistance in helping a resident who experienced utility damage.

Council Member Estes highlighted the Fountain Valley Senior Center's 50 years of service to the community, urged residents to donate in light of recent transportation funding cuts, and reminded everyone that August 1 is Colorado Day.

Mayor Thompson reported on the Pikes Peak Area Council of Governments (PPACG) and the Thunder in the Valley Car Show event, and inquired about the expected completion date for the sanitation project near a Aragon Elementary school. The City Manager will follow up with Fountain Sanitation District regarding the project timeline.

7) Consent Agenda

A. Approval Of The July 8, 2025, City Council Meeting Minutes (J. Carneal)

B. Resolution 25-026, A Resolution To Approve Additional Administrative Support To The General Facility Construction Intergovernmental Support Agreement Between Fountain and Fort Carson (J. Trylch)

Council Member Estes made a motion to approve Consent Agenda; seconded by Council Member Hinton. All members voted yes (7-0): the motion carried.

8) Old Business

A. Resolution 25-027, Adoption of the City's Wayfinding System Signage Plan per D15/BD4 Strategic Plan objective (EDC: K. Bailey, N. Shull and MBI Consultant, 20 mins)

Economic Development presented the 10-year master plan (\$1.47M total; ~\$147K/year average). Council discussed funding flexibility, ADA compliance in design, maintenance, and grant opportunities.

Council Member Herzberg made a motion to approve; seconded by Mayor Pro Tem Rick. All members voted yes (7-0): the motion carried.

9) New Business

A. Consideration Of Items Removed From The Consent Agenda

There were no items removed.

B. Resolution 25-028, A Resolution Amending the Appropriation of Fiscal Year (FY) 2025 Budgeted Funds (S. Dail, 10 mins)

Finance Director Dail reviewed changes to appropriations and revenues and discussed increased property insurance costs implemented by CIRSA.

Council Member Herzberg made a motion to approve; seconded by Council Member Estes. All members voted yes (7-0): the motion carried.

C. Resolution 25-029, A Resolution Authorizing The City Of Fountain To Enter Into A Sales Agreement With Urbenblu For The Purchase Of Smart Restrooms For Aga Park (G. McCormick, 10 mins)

Parks Director Gordy McCormick explained that the purchase of smart restroom facilities for Aga Park will be funded primarily by a grant from the Colorado Department of Transportation (CDOT). The facilities will improve accessibility, cleanliness, and maintenance efficiency. Council Member Hinton suggested that similar upgrades should be considered for the restrooms at Metcalfe Park and stressed the importance of having soap dispensers stocked. Mayor Thompson added that ADA-compliant parking improvements should also be incorporated at the site.

Mayor Pro Tem Rick made a motion to approve; seconded by Council Member Herzberg. All members voted yes (7-0): the motion carried.

D. Fountain Urban Renewal Authority Recommend Area Modification to the US85 URA and Establish an East Infill #6 URA designation within the City of Fountain (K.Bailey, 15 mins)

Economic Development Director Kimberly Bailey provided an informational overview of the proposed modification to the existing US85 Urban Renewal Area and the establishment of a new East Infill #6 Urban Renewal Area within the City of Fountain. She explained that the new designation would allow for targeted economic development efforts, encourage private investment, and potentially leverage additional grant opportunities. This item was presented as a recommendation from FURA for Council's awareness, no formal action or vote was taken.

E. Reorganization of City Organizational Structure to Eliminate Administrative Services Department and Establish the Strategic Partnerships Department (S. Trainor, 15 mins)

City Manager Scott Trainor presented a plan to reorganize the City's structure by eliminating the Administrative Services Department and creating a new Strategic Partnerships Department. Trainor explained that the new department would focus on generating revenue streams beyond the City's tax base, particularly through Intergovernmental Support Agreements (IGSAs) with Fort Carson and other partners. He emphasized that the City already receives revenue "off the top" from these agreements and that the new structure will better position Fountain to expand such partnerships. Council Member Hinton asked for clarification on the difference between a Deputy and Assistant City Manager; Trainor explained that the Deputy City Manager holds line and contingent authority, while the Assistant City Manager supports both the City Manager and Deputy and is not a charter position or part of the chain of command. Hinton also stressed the importance of title perception, especially in a military community. Council Member Herzberg praised the innovative approach and emphasized the importance of maintaining a separate accounting fund for IGSA revenues. Trainor confirmed that the funds would be tracked separately by a dedicated accountant and that interest could be included in bids. Council discussed engaging the public on how to use IGSA revenues, with Hinton recommending they be spent on visible, tangible community projects. Resident Connie Whisenhunt questioned how the appointment of John Trylch to lead IGSA projects was decided. Trainor responded that Trylch created the City's IGSA program, is recognized as a subject matter expert in the region, and that all other positions related to the program would be publicly advertised and filled internally or externally according to standard hiring procedures.

Council Member Duncan made a motion to approve; seconded by Council Member Herzberg. All members voted yes (7-0): the motion carried.

10) City Council Agenda Requests

Mayor Thompson requested a future presentation from Code Enforcement to outline the complaint process from both the perspective of the reporting citizen and the property owner, with the goal of providing a clear explanation of procedures and timelines to the public. The Mayor also requested that Council consider a resolution similar to one adopted by the City of Thornton, which supports municipalities involved in a homestead law dispute with the State of Colorado. Council Member Duncan requested an update from the Chamber of Commerce on its current role in supporting small businesses within the community.

11) Announcement of Executive Sessions

In accordance with the City Charter and the Colorado Open Meetings Act, the City Council open session is to determine whether it will hold a Closed Executive Session. A Closed Executive Session may be held upon an affirmative vote of two-thirds of the quorum present. If consent to the closed Executive Session is not given, the items may be discussed in open session or withdrawn from consideration.

PURPOSE OF THE EXECUTIVE SESSION:

- Pursuant to C.R.S. Section 24-6-402(4) for the Purpose of Review, Approval, and Amendment of Executive Session Minutes
- Pursuant to C.R.S. Section 24-6-402(4)(g) for the purpose of discussing a personnel matter and not involving: any specific employees who have requested discussion of the matter in open session; any member of this body or any elected official; the appointment of any person to fill an office of this body or of an elected official; or personnel policies that do not require the discussion of matters personal to particular employees for executive evaluation.

Council Member Estes made a motion; seconded by Council Member Duncan. All members voted yes (7-0); the motion carried.

12) Adjourn

There being no further business, Mayor Thompson declared the meeting adjourned at 9:06PM.

City Clerk

Mayor



Regular City Council Meeting

Consent-7B

Approval for FEMA grant funds

August 12, 2025

Summary Information

Title:

RESOLUTION 25-030, A RESOLUTION AUTHORIZING THE CITY OF FOUNTAIN TO PROCEED WITH THE REPLACEMENT OF THE CITY HALL FOUNTAIN AND TO UTILIZE FEMA GRANT FUNDS FOR REIMBURSEMENT OF ELIGIBLE COSTS AND AMEND THE FY 2025 BUDGET.

Initiator: Gordy McCormick

Presenter: Gordy McCormick

Legal Review: ☐ Yes ☒ No

☒ Council Action

☐ Council Information

☐ Report to Council

Summary Overview and List of Attachments:

Request for approval to move forward with the replacement of the deteriorated City Hall fountain and authorize use of FEMA grant funds to reimburse eligible project costs and amend the FY 2025 budget revenues and expenditures.

Attachments: RESOLUTION 25-030

Background Information

In Fall 2024, staff met with City Council to discuss using FEMA grant funds to replace the non-functional play fountain at City Hall. Although design renderings were not budgeted, both play and decorative concepts were considered. FEMA funding, originally expiring in February 2025, has been extended through February 2026 — but it will only reimburse costs for a decorative fountain. A final design direction must now be chosen to ensure construction is completed before the funding deadline. Grant does require 12.5% match if project is cost is over \$279,125.00 (\$39,875.00).

This Resolution amends the FY 2025 budget per City Financial Policies. This amendment will be included with the original 2025 budget to comply with State of Colorado requirements.

Strategic Plan Priority (if applicable):

- ☐ STRENGTHEN PUBLIC COMMUNICATIONS EFFORTS.
- ☐ IMPROVE TRANSPORTATION INFRASTRUCTURE.
- ☐ SUPPORT LOCAL BUSINESS DEVELOPMENT.
- ☐ ENHANCE WATER AND ELECTRIC SECURITY.

Recommendation

Staff recommends approval of the project and amending the FY 2025 budget revenue and expenditures accordingly.

Proposed Motion

" I move to approve Resolution 25-030"



Regular City Council Meeting

New Business –9A

Items removed from Consent Agenda

August 12, 2025

Summary Information

Title:

CONSIDERATION OF ITEMS REMOVED FROM THE CONSENT AGENDA

Initiator: City Clerk Carneal

Presenter: City Clerk Carneal

Legal Review: ☐ Yes ☒ No

☒ Council Action

☐ Council Information

☐ Report to Council

Summary Overview and List of Attachments:

Any Items removed from the Consent agenda for further discussion shall be heard under this item.

Attachments:

Background Information

Strategic Plan Priority (if applicable):

- ☐ STRENGTHEN PUBLIC COMMUNICATIONS EFFORTS.
- ☐ IMPROVE TRANSPORTATION INFRASTRUCTURE.
- ☐ SUPPORT LOCAL BUSINESS DEVELOPMENT.
- ☐ ENHANCE WATER AND ELECTRIC SECURITY.

Recommendation

Proposed Motion

"I move to approve..."



Regular City Council Meeting

New Business –9B

UOC Access Road Reconstruction
Project

August 12, 2025

Summary Information

Title:

RESOLUTION 25-031, A RESOLUTION TO AUTHORIZE THE CITY MANAGER TO EXECUTE THE CONSTRUCTION CONTRACT BETWEEN THE CITY OF FOUNTAIN AND ROCK M' INC FOR THE UTILITIES OPERATIONS CENTER ACCESS ROAD RECONSTRUCTION PROJECT, APPROPRIATE FUNDS FOR THE PROJECT, AND AUTHORIZE EXPENDITURES FOR THE COMPLETION OF THE CONSTRUCTION.

Initiator: Cody Clark, Electric General Foreman

Presenter: Dan Blankenship, Utilities Director

Legal Review: ☐ Yes ☒ No

☒ Council Action

☐ Council Information

☐ Report to Council

Summary Overview and List of Attachments:

A portion of the Utilities Operation Center access road is in disrepair and needs to be reconstructed. The purpose of this action item is for the Council to consider approval of Resolution 25-031, a resolution to authorize the City Manager to execute the construction contract between City of Fountain and Rock M' Inc. for the Utilities Operations Center Access Road Reconstruction Project, appropriate funds for the project and authorize expenditures for the completion of the construction.

Attachments: Resolution 25-031

Background Information

The property on which the Utilities Operations Center (UOC) was a former aggregate mining operation. Due to the nature of the aggregate operation, the entry road was regularly subjected to heavy loads, primarily tractor trailers which lead to diminished integrity of the asphalt surface. For the last five years, the Utilities Department has worked to maintain and repair damaged areas of the entry road but has now determined that a portion of the road needs to be reconstructed to mitigate wear and tear of City vehicles and equipment. The proposed reconstruction project covers approximately one-half of the length of the existing access road, starting at the entry gate on Charter Oak Ranch Road and extending toward the UOC to just past the water tank.

Utilities staff publicly solicited formal bids for the project. Three sealed bids were received and evaluated. Upon initial review of the bids, it was determined there were some discrepancies, so staff issued a clarification and asked each of the bidders to revise and resubmit, sealed formal bids based on the clarified bid documents. The lowest responsible bid was submitted by Rock M' Inc., in the amount of \$260,925.

Funding for the project is available in the remaining unspent proceeds from the 2019 Utilities Bond. In the 2019 Utilities Bond Official Statement, a utilities maintenance building, now known as the Utilities Operations Center (UOC) is specifically listed as a use of the bond proceeds so the reconstruction of the road that provides access to the UOC is an appropriate expense for the bond funds. The remaining 2019 Utilities Bond proceeds are set aside as restricted funds, in both the Electric Fund and Water Fund, and the use of these funds will have no impact on the 2025 Electric Fund or Water Fund operating budgets.

For the completion of the project, Staff is requesting approval of expenditures up to \$287,018, which is the bid price plus a 10% contingency to cover unexpected conditions that may be discovered during construction.

The project expenses will be split, 70% to the Electric Fund and 30% to the Water Fund, which is consistent with the split used for the original construction of the UOC.

Strategic Plan Priority (if applicable):

- ☐ STRENGTHEN PUBLIC COMMUNICATIONS EFFORTS.
- ☐ IMPROVE TRANSPORTATION INFRASTRUCTURE.
- ☐ SUPPORT LOCAL BUSINESS DEVELOPMENT.
- ☐ ENHANCE WATER AND ELECTRIC SECURITY.

Recommendation

Utilities staff recommends that City Council approve Resolution 25-031, a resolution to authorize the City Manager to execute the construction contract between City of Fountain and Rock M' Inc. for the Utilities Operations Center Access Road Reconstruction Project, appropriate funds for the project, and authorize expenditures for the completion of the construction.

Proposed Motion

" I move to approve Resolution 25-031."



Regular City Council Meeting

New Business –9C1

Granting License Agreement on Haynes
Creek Reservoir Property

August 12, 2025

Summary Information

Title:

RESOLUTION 25-032, A RESOLUTION APPROVING THE TEMPORARY CONSTRUCTION AND RIGHT OF ENTRY LICENSE AGREEMENT FOR THE ARKANSAS VALLEY CONDUIT FRYINGPAN-ARKANSAS PROJECT ACROSS THE JOINTLY OWNED ROY HAYNES CREEK RESERVOIR PROPERTY

Initiator: Taylor Murphy, Water Resources & Engineering Manager

Presenter: Taylor Murphy, Water Resources & Engineering Manager

Legal Review: ☒ Yes ☐ No

☒ Council Action

☐ Council Information

☐ Report to Council

Summary Overview and List of Attachments:

The City of Fountain, acting through the Electric, Water and Wastewater Enterprise owns 4.76% of a property east of Boone, CO that was purchased by the members of the Restoration of Yield (ROY) group for the construction of a water storage reservoir. The United States Government has requested a license agreement across the property to facilitate construction of the Arkansas Valley Conduit (AVC) to deliver clean drinking water to rural communities in southeastern Colorado.

Attachments: License Agreement

Background Information

Fountain is one of six governmental members that make up the Restoration of Yield (ROY) group, which seeks to develop storage projects on the Arkansas River downstream of Pueblo. In pursuit of this goal, the ROY group has studied various sites and in 2021 purchased property in eastern Pueblo County for construction of a reservoir on Haynes Creek. Fountain participated in this purchase, acquiring a 4.76% ownership stake in that Haynes Creek property.

In 2020, the US Federal Government began design and construction of the 130-mile Arkansas Valley Conduit (AVC) to bring clean drinking water to 39 communities in the lower Arkansas valley that deal with contaminated groundwater. The planned route for upcoming phases runs through the ROY members' Haynes Creek property parallel to CO State Highway 96. This alignment has been reviewed by the ROY members and will not conflict with proposed Reservoir construction plans.

The ROY members are currently working to develop a Water Authority to own all assets and manage ROY affairs, but that Authority is not expected to be legally formed prior to the time the US Government expects to start construction (AVC). Each of the ROY members having an ownership interest in the Haynes Creek property is being asked to execute the Construction and Right of Entry License Agreement to allow for immediate construction of the AVC to accommodate the Government's project schedule.

Strategic Plan Priority (if applicable):

- ☐ STRENGTHEN PUBLIC COMMUNICATIONS EFFORTS.
- ☐ IMPROVE TRANSPORTATION INFRASTRUCTURE.
- ☐ SUPPORT LOCAL BUSINESS DEVELOPMENT.
- ☐ ENHANCE WATER AND ELECTRIC SECURITY.

<i>Recommendation</i>
Staff recommends Council approve Resolution 25-032
<i>Proposed Motion</i>
"I move to approve Resolution 25-032"



Regular City Council Meeting

New Business –9C2

Formation of ROY Authority

August 12, 2025

Summary Information

Title:

RESOLUTION 25-033, A RESOLUTION AUTHORIZING AND APPROVING THE ESTABLISHING AGREEMENT FOR RESTORATION OF YIELD WATER AUTHORITY AND COMMITTING THE CITY OF FOUNTAIN, ACTING BY AND THROUGH ITS ELECTRIC, WATER AND WASTEWATER UTILITY ENTERPRISE, AS A MEMBER OF THE AUTHORITY

Initiator: Taylor Murphy, Water Resources & Engineering Manager

Presenter: Taylor Murphy, Water Resources & Engineering Manager

Legal Review: ☒ Yes ☐ No

☒ Council Action

☐ Council Information

☐ Report to Council

Summary Overview and List of Attachments:

Fountain is a party to a series of IGA's formalizing the partnership of 6 governmental members to jointly pursue projects for the Restoration of Yield (ROY) from exchanges limited by the Arkansas Flow Management Program. The ROY group's efforts have progressed to the point where the members now desire to form a governmental Water Authority pursuant to State Law to manage the joint ROY efforts and assets.

Pursuant to Section 29-1-204.2(1), C.R.S., any combination of municipalities, special districts, and other political subdivisions of the state, by contract with each other, may establish a separate governmental entity known as a Water Authority.

Attachments: Establishing Agreement for Restoration of Yield Water Authority (41 pages)

Background Information

In the early 2000's, the City of Pueblo filed Water Court case 01CW160, seeking to maintain minimum levels of flow in the Arkansas River to provide reliable recreation opportunities for a whitewater park they were constructing on the river. This filing had the potential to harm existing water users with decreed exchanges, which are used to move water upstream into Pueblo Reservoir but have the consequence of reducing river flows through the whitewater park area.

Seeking to avoid lengthy and contentious legal fights and uncertainty of a trial, the opposing governmental entities and Pueblo entered a 2004 IGA establishing the Arkansas Flow Management Program. This program establishes minimum flow levels in the Arkansas River through Pueblo year-round, which vary based on climate forecasts and drought designations, and provides for the limiting of water users' exchanges when flows fall below set trigger levels. When a trigger is reached, the partnering members must restrict their water exchanges, resulting in their water flowing downstream and potentially being forfeited. To remedy this, the IGA allows for a Restoration of Yield (ROY) program for the water users to construct downstream storage. When their exchanges are limited, they can capture their water in a reservoir and hold it temporarily until conditions improve and they can exchange it upstream to Pueblo.

The 6 ROY partners entered a 2015 IGA to formalize their roles and participation in the ROY program and began studying and pursuing storage opportunities. Since 2015, the ROY partners have performed engineering studies, selected a preferred site, purchased the land for the reservoir and are now contemplating design and construction. Through the process of site selection and property ownership, it has

been concluded that ownership and management of physical assets by 6 different governments is unfeasible, requiring review by 6 teams of attorneys and approval of all actions by 6 separate Boards and Councils.

The ROY members have now resolved to form a governmental Water Authority as allowed by Colorado Statute for the purpose of efficient management of ROY efforts and ownership of ROY assets. The members and their attorneys have spent 2+ years developing an Establishing Agreement to create the ROY Water Authority to achieve this goal, which is now being presented to each members' respective board/council for approval.

The 6 government entities that would comprise the ROY Authority are:

City of Fountain

Colorado Springs Utilities

Aurora Water

Pueblo Board of Waterworks

Pueblo West Metropolitan District

Southeastern Colorado Water Conservancy District

Strategic Plan Priority (if applicable):

- ☐ STRENGTHEN PUBLIC COMMUNICATIONS EFFORTS.
- ☐ IMPROVE TRANSPORTATION INFRASTRUCTURE.
- ☐ SUPPORT LOCAL BUSINESS DEVELOPMENT.
- ☐ ENHANCE WATER AND ELECTRIC SECURITY.

Recommendation

Staff recommends Council approve Resolution 25-033.

Proposed Motion

" I move to approve 25-033 executing the Establishing Agreement for the Restoration of Yield Water Authority and committing Fountain as a member of the Authority"



Regular City Council Meeting

New Business –9C3

Authorization to Sell the City's Interest
in the Haynes Creek Reservoir

August 12, 2025

Summary Information

Title:

RESOLUTION 25-034, A RESOLUTION DIRECTING STAFF TO TAKE NECESSARY STEPS TO REMOVE THE CITY OF FOUNTAIN FROM THE ROY HAYNES CREEK RESERVOIR PROJECT AND AUTHORIZING THE CITY MANAGER TO SELL FOUNTAIN'S SHARE OF THE PROJECT ASSETS

Initiator: Taylor Murphy, Water Resources & Engineering Manager

Presenter: Taylor Murphy, Water Resources & Engineering Manager

Legal Review: ☒ Yes ☐ No

☒ Council Action

☐ Council Information

☐ Report to Council

Summary Overview and List of Attachments:

The City of Fountain, acting through the Electric, Water and Wastewater Enterprise owns 4.76% of a property east of Boone, CO that was purchased by the members of the Restoration of Yield (ROY) group for the construction of a water storage reservoir. After careful consideration, it has been determined that proposed reservoir does not fit within the current water system plans and it is not financially feasible to continue to participate in the planned reservoir project.

Attachments: None.

Background Information

Fountain, acting through the Electric, Water and Wastewater Enterprise is a member of what is referred to as the Restoration of Yield (ROY) group that seeks to capture and use water that would otherwise be lost when water exchanges are restricted through Pueblo, limiting the ability to move water upstream to storage in Pueblo Reservoir. As a remedy to this issue, the 6 ROY partners banded together via an Intergovernmental Agreement to study, plan, and ultimately construct projects for downstream storage and better management of their water exchanges. In pursuit of this objective, in 2021, the ROY group purchased property for the construction of a downstream reservoir to facilitate more flexible management of water exchanges. Fountain participated in this purchase, paying for 4.76% of the property at a cost of \$135,660.

The recent movement by the ROY group towards development of the Haynes Reservoir and the pending formation of a Water Authority that will move this project forward, staff felt it was an appropriate time to re-evaluate participation in the Haynes Creek Reservoir project. After careful consideration of the Water Utilities' needs and current challenges, staff is making a recommendation to Council to pull out of the Haynes Creek project but remain in the ROY Authority at an administrative level with the option to join future projects. The basis for this recommendation is as follows:

1. The ROY partners have leased temporary space in an existing downstream reservoir since 2004 to perform the same purpose as a future ROY Reservoir. To date, Fountain has not utilized this temporary space because of our ability to trade water to irrigation partners who in turn provide water in Fountain's storage accounts in Pueblo Reservoir.
2. The ROY Haynes Creek Reservoir preliminary scoping has identified an approximate size of 4,350 acre-feet. Fountain's 4.76% of that space would equate to approximately 200 acre-feet, which would only act as temporary storage until exchanges can be made to move the stored water up into Pueblo Reservoir.

Fountain's 2021 Water Master Plan identified potential a future storage shortfall of up to 6,500 acre-feet of firm storage as demands grow, but the proposed ROY storage would not meet this expected need due to the limited size and temporary nature of the Haynes Creek Reservoir.

3. Fountain is designing and permitting the construction of a reservoir within City limits at the former gravel mining pit at the site of the Utilities Operations Building (Fountain Reservoir). The Fountain Reservoir project would create between 2,000 and 3,000 acre-feet of storage, include a water treatment facility, and allow for exchange management in the same vein as a ROY reservoir by capturing water when it couldn't be exchanged.

4. The cost estimate for the Haynes Creek Reservoir from 2019 was \$52.9 Million. With Fountain's 4.76% share of the project, the Water Utility would be responsible for an estimated \$2.5+ million in project costs. Given the financial status of the Water Fund, the project is not financially feasible.

During the drafting of the Establishing Agreement for Restoration of Yield Water Authority (ROY Agreement), Fountain made it known to the other ROY participants that it may not desire to participate in the Haynes Creek project. The final version of the ROY Agreement, which is on the Council agenda for consideration, creates a process for a member to sell their project stake if requested. Subject to approval of the ROY Agreement by City Council under Resolution 25-034, the Utilities Department recommends that Council direct staff to take the necessary steps to remove the City of Fountain from the ROY Haynes Creek Reservoir project and authorize the City Manager to sell Fountain's 4.76% of the project. The expected revenue from the sale is approximately \$135,660. Fountain would remain a 4.76% member of the ROY Water Authority and its administrative duties, including study of future ROY projects, but would not have any further participation or expense related to the Haynes Creek Reservoir project.

Strategic Plan Priority (if applicable):

- ☐ STRENGTHEN PUBLIC COMMUNICATIONS EFFORTS.
- ☐ IMPROVE TRANSPORTATION INFRASTRUCTURE.
- ☐ SUPPORT LOCAL BUSINESS DEVELOPMENT.
- ☒ ENHANCE WATER AND ELECTRIC SECURITY.

Prioritizing and minimizing expenses enables the utility to establish and maintain an appropriate operations and maintenance financial reserve (WES2). The sales revenue will contribute towards the ongoing effort to eliminate the Water Fund's interfund payable to the Electric Fund (WES6).

Recommendation

Staff recommends that Council approve Resolution 25-034.

Proposed Motion

" I move to approve Resolution 25-034."



Regular City Council Meeting

New Business –9D

Charter Amendment

August 12, 2025

Summary Information

Title:

FIRST READING OF ORDINANCE NO. 1813, AN ORDINANCE SUBMITTING A CHARTER AMENDMENT TO THE ELECTORS OF THE CITY OF FOUNTAIN AT THE COORDINATED ELECTION TO BE HELD NOVEMBER 4, 2025 RELATING TO SIMPLIFICATION AND CLARIFICATION OF THE CHARTER PERTAINING TO PUBLISHING OR PUBLICATION OF NOTICES, ORDINANCES, OR OTHER DOCUMENTS OF THE CITY.

Initiator: City Council

Presenter: City Clerk Carneal

Legal Review: ☒ Yes ☐ No

☒ Council Action

☐ Council Information

☐ Report to Council

Summary Overview and List of Attachments:

At the request of the Council the attached Charter Amendment is being proposed to the electors at the November 4, 2025 Ballot to simplify the Charter language allowing for publishing or publication of notices in any form of media, be it digital or physical, generally circulated or otherwise available within the City.

Attachments: Ordinance 1813

Background Information

Until 2023, the City's official publications were printed in the El Paso County Advertiser and Fountain Valley News. When they printed their final edition, the City transitioned to publishing in The Gazette. While The Gazette is a printed publication with circulation in our area, its primary audience is the broader Colorado Springs region. This change has increased our printing costs and shifted much of our outreach to readers outside the Fountain community.

The proposed amendment would update the charter language to allow official City publications to be distributed through digital or physical print that is circulated within the City. This would:

- Enable cost-effective publication methods.
- Allow digital distribution to reach more residents.
- Maintain compliance with publication requirements while broadening the range of communication options.

Strategic Plan Priority (if applicable):

- ☐ STRENGTHEN PUBLIC COMMUNICATIONS EFFORTS.
- ☐ IMPROVE TRANSPORTATION INFRASTRUCTURE.
- ☐ SUPPORT LOCAL BUSINESS DEVELOPMENT.
- ☐ ENHANCE WATER AND ELECTRIC SECURITY.

Recommendation

Proposed Motion

I move to approve Ordinance 1813 on First Reading.

ORDINANCE NO. 1813

AN ORDINANCE SUBMITTING A CHARTER AMENDMENT TO THE ELECTORS OF THE CITY OF FOUNTAIN AT THE COORDINATED ELECTION TO BE HELD NOVEMBER 4, 2025 RELATING TO SIMPLIFICATION AND CLARIFICATION OF THE CHARTER PERTAINING TO PUBLISHING OR PUBLICATION OF NOTICES, ORDINANCES, OR OTHER DOCUMENTS OF THE CITY

WHEREAS, the City of Fountain, El Paso County, Colorado (the “City”), is a home-rule municipality and political subdivision of the state of Colorado (the “State”), duly organized and operating under the City of Fountain Home Rule Charter (the “City Charter”) and the constitution and laws of the State of Colorado; and

WHEREAS, the citizens of the City and other interested parties now receive notices through a variety of media platforms, both digital and physical; and

WHEREAS, the amendment to the City Charter in this Ordinance involves simplification of the Charter to include language allowing for publishing or publication of notices in any form of media, be it digital or physical, generally circulated or otherwise available within the City.

WHEREAS, the City Council desires to submit to the registered electors of the City an amendment to the City Charter as hereinafter set forth.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Fountain, Colorado:

Section 1. The above recitals are incorporated by reference in this Ordinance and such recitals constitute findings in support of the following ordaining sections.

Section 2. It is hereby submitted and referred to registered electors of the City of Fountain at the coordinated/general election to be conducted on Tuesday, November 4, 2025 between the hours of 7:00 a.m. and 7:00 p.m., the following proposed amendment to the City Charter.

BE IT ENACTED BY the People of the City of Fountain:

The following Article and Section of the City of Fountain Home Rule Charter are hereby amended to read as follows:

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 12.11 – Publication Procedure and Requirement.

The requirements contained in this Charter for the publishing or publication of notices, ordinances or other documents of the City shall be met by publishing an appropriate insertion or insertions in a legal media publication, either digital or physical, which has had a general circulation or availability in the City.

Section 3. The question of amending the City Charter for this purpose shall be submitted to the registered electors of the City in substantially the following form:

(Ballot title)

Shall Article XII Section 12.11 of the Charter of the City of Fountain (the “City Charter”) be amended to simplify requirements for publishing or publication of notices, ordinances, or other documents of the City, either digital or physical and providing that Section 12.11 Article XII of the City Charter as it exists prior to this amendment shall remain in full force and effect until such amendment to the City Charter is implemented by the passage of the electorate as provided by law?

Section 4. The submission of this question to the registered electors at a coordinated/general municipal election is authorized under the City of Fountain Home Rule Charter Article XII, section 12.10, C.R.S §31-11-111, and The Municipal Home Rule Act of 1971, Part 2 of Article 2 of Title 31 C.R.S..

Section 5. The election shall be conducted as a mail ballot election in the City of Fountain, Colorado.,

Section 6. The election shall be conducted in accordance with Articles 1 through 13, of Title 1, C.R.S. (the “Uniform Election Code”) as allowed by § 31-10-102.7 C.R.S. as a coordinated election by the El Paso County Clerk and Recorder and in accordance with an Intergovernmental Agreement or agreements to be entered into between the City and El Paso County Board of County Commissioners and the El Paso County Clerk and Recorder. The City Clerk or, in their absence, the Deputy City Clerk, will be the designated election official for all matters except as otherwise provided in the Intergovernmental Agreement.

Section 7. All acts required or permitted by the Uniform Election Code relevant to voting by early voters’ ballots, absentee ballots, provisional ballots and emergency absentee ballots, which are to be performed by the designated election official, shall be performed by the County Clerk, including acts that the County Clerk is to perform pursuant to the Intergovernmental Agreement.

Section 8. For purposes of C.R.S. §31-11-111, this Ordinance shall serve to set the title and content for the ballot title for the question set forth herein. Any contest to the content of the ballot title shall be conducted in accordance with §1-11-203.5 C.R.S. and any other applicable provisions of Articles 1 through 13 of Title 31 C.R.S.

Section 9. The City Clerk and other City officials and employees are hereby authorized and directed to take all action necessary or appropriate to effectuate the provisions of this Ordinance.

Section 10. If any section, paragraph, clause or provision of this Ordinance shall be adjudged to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining sections, paragraphs, clauses or provisions of this Ordinance, it being the intention that the various parts hereof are severable.

Section 11. All prior ordinances, resolutions, regulations of the City or parts thereof in conflict with this Ordinance are hereby repealed only to the extent of such inconsistency.

Section 12. This Ordinance shall be in full force and effect from and after its passage and publication as provided by the City Charter. If passed by the electorate, the ballot measure shall be immediately effective thereafter as provided by law.

Introduced, read by title and passed this 12th day of August, 2025, by the City Council, City of Fountain, Colorado, signed by the Mayor, and ordered published by title with a summary written by the City Clerk, together with a statement that the Ordinance is available for public inspection and acquisition in the office of the City Clerk in The Gazette, a newspaper of general circulation in the City of Fountain.

Mayor

ATTEST:

City Clerk

Introduced, read by title, and passed on second and final reading on the _____ day of _____, 2025, signed by the Mayor and ordered published by title in The Gazette, a newspaper of general circulation in the City of Fountain, Colorado, in accordance with the City Charter.

Mayor

ATTEST:

City Clerk



Regular City Council Meeting

New Business –9E

Approval of EPA Brownfield Grant
Cooperation Agreement

August 12, 2025

Summary Information

Title:

RESOLUTION NO. 25-035 ACCEPTANCE OF AN EPA BROWNFIELD CLEANUP GRANT COOPERATION AGREEMENT IN THE AMOUNT OF \$1,924,580.00 WITH REGARD TO THE CITY-OWNED LORRAINE FACILITY.

Initiator: Kimberly Bailey, Economic Development

Presenter: Scott Trainor, City Manager

Legal Review: ☒ Yes ☐ No

☒ Council Action

☐ Council Information

☐ Report to Council

Summary Overview and List of Attachments:

City Administration requests for approval by City Council the acceptance of EPA Brownfield Grant Cooperation Agreement in the amount of \$1,924,580 with regard to the city-owned Lorraine Facility.

Attachments: Resolution 25-035

Background Information

The City of Fountain was notified on May 16, 2025 by the US Environmental Protection Agency (EPA) as an approved awardee of a Brownfield CleanUp Grant in the amount of \$1,924,580 with regard to site abatement at the city-owned Lorraine Facility, located at 301 E. Iowa Avenue in Fountain, CO, 80817. The award shall be in effect for a 3YR duration from 8/15/25 through 10/30/28 with zero local match required under EPA guidelines in the acceptance of funding under the Brownfield Cleanup Grant Cooperation Agreement.

The Cleanup Plan shall consist of the following criteria. Contaminated media to be addressed: approximately 129,000 sf of ACM primarily consisting of plaster, drywall, floor tile, and insulation with numerous lower-volume areas of vinyl wall base/mastic, linoleum countertops, and plaster patching. Cleanup method: ACM will be abated by removal by a CDPHE certified contractor. ACM abatement will consist of site setup; permitting; constructing containment, barrier, and monitoring areas; removing, packaging, and labeling ACMs for disposal; waste transport and disposal at a certified landfill; post-abatement cleanup; and third-party asbestos clearance monitoring and sampling. Disposal Requirements: ACM waste will be disposed at a landfill authorized by the State of CO CDPHE division to accept non-hazardous, class 9, friable ACM waste.

The success of the 2025 EPA Brownfield Cleanup Grant award is directly due in part to the former (2020-2023) Colorado Springs-Fountain Brownfield Coalition Assessment Grant that the City served as a coalition partner to apply resource funding to establish a brownfield inventory for sites remediation and redevelopment. The Lorraine facility was one of 38 sites identified under the Coalition assessment which lies within the downtown district known as Olde Town, is an infill site with established infrastructure to support private redevelopment.

Strategic Plan Priority (if applicable):

- ☐ STRENGTHEN PUBLIC COMMUNICATIONS EFFORTS.
- ☐ IMPROVE TRANSPORTATION INFRASTRUCTURE.
- ☐ SUPPORT LOCAL BUSINESS DEVELOPMENT.
- ☐ ENHANCE WATER AND ELECTRIC SECURITY.

<i>Recommendation</i>
Staff recommends that City Council approve Resolution No. 25-035
<i>Proposed Motion</i>
" I move to approve Resolution 25-035"



Regular City Council Meeting

New Business –9F

Creation of Communications Director
Position

August 12, 2025

Summary Information

Title:

REQUEST TO RECLASSIFY AN EXISTING POSITION AND CREATE A DIRECTOR OF COMMUNICATIONS.

Initiator: Scott Trainor, City Manager

Presenter: Scott Trainor, City Manager

Legal Review: ☐ Yes ☒ No

☒ Council Action

☐ Council Information

☐ Report to Council

Summary Overview and List of Attachments:

This request is to replace the existing Executive Assistant Position with a Communications Director position, to place a greater focus and emphasis on the Council's Strategic Priorities around communications.

Attachments: Proposed Job Description

Background Information

The resignation notification of the City's Executive Assistant has created an opportunity to evaluate that position and determine whether it could be replaced with the position of Communications Director. With the much greater emphasis on communications throughout the City Council's Strategic Plan, the desire is to place some resources towards those priorities and objectives through the creation of a position strictly focused on them.

The intended job description is attached and the intent is to attract a communications professional who has the training, education, and experience to help the City communicate better with our partners and, more importantly, our citizens. This person will provide strategic direction and advice as the City seeks to dramatically improve our efforts towards greater transparency and information.

The fully-burdened cost impact (incl. salary, benefits, taxes, etc) would be a net increase of approximately \$33,000 to be funded out of the General Fund.

Strategic Plan Priority (if applicable):

- ☒ STRENGTHEN PUBLIC COMMUNICATIONS EFFORTS.
- ☒ IMPROVE TRANSPORTATION INFRASTRUCTURE.
- ☒ SUPPORT LOCAL BUSINESS DEVELOPMENT.
- ☒ ENHANCE WATER AND ELECTRIC SECURITY.

Recommendation

Staff recommends that City Council authorize the reclassification of the Executive Assistant position to a Communications Director position, as presented by the City Manager

Proposed Motion

"I move to authorize the reclassification of the Executive Assistant position to a Communications Director position and authorize the City Manager to begin recruitment"