



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: JEFF GOBLE, PUBLIC WORKS DIRECTOR
CHRIS MCGINNIS, TOWN ENGINEER
RE: LAKE HILL EXTRA-TERRITORIAL WATER SERVICE APPLICATION
DATE: OCTOBER 10, 2023

Summary and Background:

On July 13, 2023, the Town received an Extra-Territorial Water Application from Summit County for the Lake Hill Housing project. The request is for 440.8 EQR's. The application indicates a phase II that could require an additional 384.2 EQR's, but this application is only for 440.8 EQR's. Included with the application were payment of the appropriate fees, a project narrative, and a drawing indicating how the proposed development would use the property.

Town staff and legal counsel met on July 25, 2023, to discuss the application and formulate a response to the County requesting more information. A formal response from the Town was sent to the County on July 31, 2023. The County responded to the Town's comments and questions on August 16, 2023. No additional follow-up has occurred since the August 16, 2023, response, as both parties agreed that the next course of action should be a work session with the Council and the County. All documents related to this application are included with this memo.

During the October 10, 2023, work session, Summit County staff will present their water request to the Town Council for extra-territorial water taps for the proposed Lake Hill housing project.

Analysis:

Recently, Ordinance 23-05 was approved, which modified Chapter 171 of the Town code by adding an application process for Extra-Territorial water taps. The new process requires prospective water users outside the Town of Frisco to submit a written application, dedicate water rights, submit a written will-serve letter from Frisco Sanitation District, and other conditions per the ordinance. Town Council will then grant denial or approval with conditions based on the "best interest of Town residents". In addition, the ordinance states that the Council will consider whether the request will result in detrimental secondary impacts to Town or its residents. If Council approves a request, the applicant is required to meet all conditions, dedicate water rights, pay all fees and reimbursements, and execute the Extra-Territorial Tap Contract.

It is the Manager's intent to allow the County applicant to brief their application to the Town Council in work session with the goal of encouraging dialogue between the Council and the County for questions, clarifications, interaction, and comments that would be instructive to the Town staff for further analysis of the application. Then a further work session on the topic of the application would be had between the Town Council and Town Staff to present the staff analysis and recommendations.

Financial Impact:

Any financial impact to the Town has not yet been quantified.

Alignment with Strategic Plan:

The ET process and provision of water under the ordinance follows the Quality Core Services strategic goal in protecting the Towns water sources. As well, provision of water under this process and for this project would support our Inclusivity goals and Thriving Economy goals by providing water to a workforce housing project that would house workforce that services businesses in Frisco.

Environmental Sustainability:

This item aligns with the Council's environmental sustainability goals in that if approved, the County will dedicate water rights that can be released upstream of Frisco which may help maintain healthy stream flows for riparian and aquatic flora and fauna.

Staff Recommendation:

Staff recommends that the Council get all their questions, clarifications, and comments across to the County staff and broadcast to the Town Staff so that further analysis and recommendations can be brought forward at further meetings concerning this application.

Reviews and Approvals: This report has been reviewed and approved by:

Tom Fisher, Town Manager
Diane McBride, Assistant Town Manager
Leslie Edwards, Finance Director
Chris McGinnis, Town Engineer
Thad Renaud, Town Attorney

Attachments:

Attachment 1: Extra-Territorial Water Service Application

Attachment 2: Project Narrative

Attachment 3: Project Sketch

Attachment 4: Letter to County w/ County's response

Attachment 5: County's Work Session Presentation