

RESOLUTION 2025-05

CHEROKEE METROPOLITAN DISTRICT

**A RESOLUTION OF THE BOARD OF DIRECTORS OF CHEROKEE
METROPOLITAN DISTRICT IMPOSING A TEMPORARY MORATORIUM
ON WATER SERVICE AREA EXPANSIONS
AND EXTERNAL CONTRACTUAL WATER COMMITMENTS**

WHEREAS, the Cherokee Metropolitan District (the “District”) was organized pursuant to §§ 32-1-101 *et seq.*, C.R.S. (the “Special District Act”), as amended, and is a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, pursuant to § 32-1-1001(1)(h), C.R.S., the Board of Directors of the District (the “Board”) is empowered with the management, control, and supervision of all the business and affairs of the District; and

WHEREAS, pursuant to § 32-1-1001(1)(m), C.R.S., the Board is authorized to adopt, amend, and enforce bylaws and rules and regulations not in conflict with the constitution and laws of Colorado for carrying on the business, objects, and affairs of the Board and the District; and

WHEREAS, the District provides water, sanitary sewer and park and recreation services to the occupants and property within its jurisdiction; and

WHEREAS, the City of Colorado Springs (“City”), through its Colorado Springs Utilities (“CSU”), is the dominant water and wastewater provider in El Paso County; and

WHEREAS, the City’s 2006 AnnexCOS Plan shows the City considering annexation eastward from its current boundaries along Highway 94 to Schriever Space Force Base and beyond; and

WHEREAS, since the 2006 Plan was adopted, the City has not annexed major areas within its planned annexation area and has rejected several annexation attempts by various development groups; and

WHEREAS, the City altered its position on annexations within this eastern area by approving the Karman Line Development for annexation in January 2024 (“Karman Line Annexation”); and

WHEREAS, the Karman Line Annexation has been put to City voters in a special election scheduled for June 17, 2025 (“Karman Line Annexation Election”); and

WHEREAS, if the Karman Line Annexation is approved by Colorado Springs voters, it is likely that additional developments in the City’s proposed eastern annexation area will also be annexed into the City; and

WHEREAS, if the Karman Line Annexation is denied by Colorado Springs voters, it is unlikely that additional developments in the City's eastern annexation area will be annexed into the City and the City's current eastern boundary would remain relatively unchanged; and

WHEREAS, if the Karman Line Annexation Election fails, the District will be the only available water provider along the Highway 94 corridor and around Schriever Space Force Base; and

WHEREAS, the outcome of the Karman Line Annexation Election presents diverging criteria for the District to consider in planned growth scenarios, through water service area expansions in the form of District inclusions and potential external water contractual commitments; and

WHEREAS, the District's long term available water supply has recently increased due to approval of the Cherokee Metropolitan District - Meridian Service Metropolitan District Replacement Plan and other water rights decisions; and

WHEREAS, the District's long term available water supply and current water system infrastructure are not sufficient to meet all of the potential development demands on the District's water system and its ability to service its customers; and

WHEREAS, based largely on the outcome of the Karman Line Annexation Election, the Board needs sufficient time to properly evaluate and comprehensively plan the long-term supply and demand options on the District's water resources and capabilities based on potential service area expansions in the form of District inclusions and possible external contractual water commitments, in consultation with District staff and consultants; and,

WHEREAS, the Board finds that imposing a temporary moratorium on service area expansions and external contractual water commitments is necessary for the immediate preservation of public health, safety and welfare of the District's property owners and occupants, for responsible stewardship, and to ensure water availability to the District's existing customers.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cherokee Metropolitan District, El Paso County, Colorado:

1. Moratorium. There is hereby established a temporary moratorium on service area expansions and external contractual water commitments entered into by the District for approximately six months (the "Moratorium"), effective until December 31, 2025, unless sooner repealed or extended by a resolution of the Board of Directors. The Moratorium shall not affect existing service areas and existing external contractual water commitments of the District.

2. Authorization. The Board hereby directs its General Manager to implement and otherwise enforce the Moratorium.

3. Amendments. The District expressly reserves the right to amend, revise, and/or repeal this Resolution in whole or in part, in order to further the purpose of carrying on the business, objects, and affairs of the District.

4. Severability. All acts, orders, and resolutions, or parts thereof, of the Board which are inconsistent or in conflict with this Resolution are hereby repealed to the extent only of such inconsistency or conflict.

5. Effective Date. The provisions of this Resolution shall take effect immediately.

ADOPTED this 17th day of June, 2025.

CHEROKEE METROPOLITAN DISTRICT

By: 

President

ATTEST



Secretary