Fountain Creek ILF Program – Standing Meeting Notes

Date: 09/29/2026

Location: Microsoft Teams

Time: 11:00 AM

Attendees:

- Alli Schuch, FCWD
- Steve Rodriguez, FCWD
- Lucy Harrington, GEI Consultants
- Christine Gutierrez, GEI Consultants
- Shai Kamin, GEI Consultants
- Mark Shea, Colorado Springs Utilities
- Stephane Atencio, FCWD Counsel
- Wendy Pettit, Pueblo County
- Dana Moses, Pueblo County
- Terry Hart, FCWD Board
- Yvonne Wetzig, Colorado Springs Utilities
- Jessica Clayton, Stormwater Enterprise
- Jeff Rice, El Paso County
- Jason Messamer, Colorado Springs Utilities

Agenda:

I. Introductions of those present (if needed) and review and acceptance of previous meeting notes (Mark) (5 min).
   a. *No new introductions needed.*

II. Schedule and deliverables review for 2026-2027. (10 min) (Lucy)
   a. Will conduct site visits and update Outreach Plan after ILF Instrument submission to agencies (10/14).
      i. *Following submittal of the revised draft ILF Instrument, project site identification and landowner coordination will become the primary focus.*
      ii. *Steve A. requested the development of a flow chart to present to the FCWD Board that illustrates the site selection process and includes site identification, landowner coordination, site-specific mitigation planning, board approval points, credit sales, and project implementation.*
      iii. *Steve A. reported that Board members have expressed concerns about potential future conflicts between mitigation easements and member government infrastructure projects. GEI reiterated that this is part of the site selection process, but will put greater emphasis when considering future planned infrastructure, capital improvement plans, and consultation with affected jurisdictions during site screening and project development.*
   b. Alli and GEI to meet this week (9/30) to discuss Outreach Plan updates.

i. *The Outreach Plan is targeted for completion in January 2027. The Outreach Plan is focused on information efforts for now. No marketing will take place until after the FCWD Board approves the ILF Instrument.*

c. ILF Subcommittee meetings scheduled through June 2027.
   i. *The October 15 ILF Subcommittee will be optional and will focus on site selection. Our next full ILF Subcommittee meeting will be held on October 27.*

d. ILF redline MUST be reviewed and all comments submitted by 9/29
   i. *Final ILF Subcommittee review of redline edits are underway and are due by 5 pm on 9/29. The revised draft ILF Instrument and appendices are due to the IRT by October 15. This will be followed by a 45 day review period by the agencies. The goal is to have the ILF Instrument approved by May 2027; however, there is a possibility for a third round of revisions which will push approval to July 2027.*
   ii. *The FCWD Board has requested greater visibility into the revised draft ILF Instrument revisions and comment responses. The Board will be reviewing the latest draft ILF Instrument at the December 18 Board meeting. Steve A. will be providing a memo to the Board containing a high level review of issues that remain outstanding. Internal coordination will be conducted prior to the Board meeting, to consolidate comments and prepare appropriate documents for Board review including redline versions with tracked changes, comment matrices showing how agency and board comments have been addressed, and supporting materials to help the Board members navigate the technical content of the ILF Instrument.*
   iii. *The December 18 FCWD Board meeting will focus heavily on governance (ILF Advisory Committee development), administration, staffing, financing, and program implementation issues that fall outside the Instrument itself.*
   iv. *Continue development of governance recommendations for an ILF Advisory Committee and Board ILF Committee.*
   v. *Incorporate consideration of future member government infrastructure plans into project screening discussions.*

III. Updates on conversations with IRT and follow-up (Mark/Lucy – 15 min)
   a. Updates from USFWS and CDPHE.
      i. *USFWS – Guidance on the ILF Instrument is on hold while USFWS works through new regulatory constraints.*
      ii. *CDPHE – evolving state wetlands and dredge-and-fill permitting framework in the face of recent WOTUS regulatory changes.*
      iii. *Goal remains to ensure the ILF Program can support both federal and state compensatory mitigation needs.*
   b. Updates from Kara (USACE) on ILF Instrument questions.
      i. *USACE clarified that we don't have to sell all advance credits allotted under the ILF Instrument.*

IV. Update on Credit Pricing and Real-time Accounting Spreadsheet (Lucy – 60 min)
   a. Overview of contractor pricing request approach and date of delivery from contractors
   b. Walkthrough Proforma to date

i. *Construction cost estimates were developed using contractor pricing from comparable stream and wetland restoration projects. Key attributes of the cost model include construction, design, cultural resources, surveys, permitting, water rights contingencies, and long-term endowment funding.*
ii. *Based on discussion, credit pricing will range from $300-$400k for wetland credits and $4-6k for stream credits in 2026 dollars with an assumed inflation rate of 10% per year. FCWD does not have a tax liability and 10% on non-construction and non-endowment elements will be included for the projects.*
iii. *Audits will be paid out of the administrative fee collected (min. of 20% on TOTAL project costs, including endowment and construction).*
iv. *We will request 35 advance wetland credits and 2700 advance stream credits*
v. *Steve A. relayed the FCWD Board is concerned with the long-term financial sustainability of the ILF Program. Key concerns include funding projects before advance credits are fully replenished, avoiding cash flow deficits, and ensuring adequate administrative funding and staffing.*
vi. *The team agreed to develop materials for clearer financial explanations for the FCWD Board; illustrate the use of advance credits and replenishment timelines; demonstrate how future projects can proceed without funding gaps; and further evaluate contingency and endowment assumptions.*

Note: we must finalize pricing range by end of today's ILF Subcommittee meeting

V. Land Security Instruments (Lucy/Alli – 5 min)
   a. Update on efforts to review/develop templates for CE and MOA.
VI. Revised Draft ILF Instrument Q&A (Lucy – 20 min)
   a. Audit Question (outstanding)
   b. Confirmation of advance credit amounts
   c. Open discussion with ILF members on questions we need to discuss
VII. Next Steps (5 min)
   a. Incorporation of USFWS data.
   b. Selected properties for site visits.
   c. Intro to full delivery group (Naturion)
   d. Outreach to landowners and partner groups.
      i. ILF Practitioners meeting/roundtable – tentatively scheduled for October 29, 2026
VIII. Close