

AGENDA

Wednesday, January 21, 2026

1:00 p.m. – 5:00 p.m.

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Dial-in by phone

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1:00 p.m.	1. Call to Order	Chair Donelson
1:05 p.m.	2. Invocation and Pledge of Allegiance	Chair Donelson
1:10 p.m.	3. Consent Agenda These items will be acted upon as a whole unless a specific item is called for discussion by a Board Member or a citizen wishing to address the Utilities Board. (Any items called up for separate consideration shall be acted upon following Compliance Reports.) <ul style="list-style-type: none"> • Approval of Nov. 19, 2025, Utilities Board Meeting Minutes • P-1.2 2026 Annual Planning Calendar • G-4.3 2026 Board Enterprise Scorecard • G-2.1 2026 CEO Performance Plan • E-2.3 Organizational Oversight—Compliance Frequency and Method • Resolution to Appoint a Member to the Board of the Public Authority for Colorado Energy (“PACE”) 	Chair Donelson
1:25 p.m.	4. Customer Comments <ul style="list-style-type: none"> • During the customer comment period, comments are accepted for any topic not on the agenda. • Comments for specific agenda items will be taken following the presentation of the item and the Board’s discussion. • Comments will be limited to three minutes per speaker, per item. • Following the comments from customers who have signed up to speak, an announcement will be made seeking additional comments and the Board will accept all those wishing to comment. 	Chair Donelson
1:35 p.m.	5. Recognition <ul style="list-style-type: none"> • 2025 Gallagher Best in Class Award Winner 	Renee Adams, Chief Human Resources Officer

1:50 p.m.	<p>6. Compliance Reports:</p> <ul style="list-style-type: none"> • I-1 Pricing of Services G-5, G-6 • I-2 Financial Condition and Activities (to include Contracts Over \$500K) G-7 <p>E-2 CEO/Board Partnership Responsibilities</p> <ul style="list-style-type: none"> • Electric Cost Adjustment / Gas Cost Adjustment Update • Water Outlook 	Travas Deal, Chief Executive Officer
2:00 p.m.	7. Items Called Off Consent Agenda	Chair Donelson
2:05 p.m.	<p>8. Utilities Policy Advisory Committee (UPAC) Recommendation on Geothermal Energy Assignment</p> <p><u>Vote</u> on UPAC's assignment regarding geothermal energy.</p>	Kate Danner, Utilities Policy Advisory Committee Chair
2:35 p.m.	<p>9. Resolution Approving 2026 Pikes Peak Geospatial Alliance (PPGA) Memorandum of Understanding</p> <p><u>Vote</u> to recommend this resolution for approval by City Council pursuant to an intergovernmental agreement amongst the parties.</p>	Mike Herrmann, Asset Management Manager Tim Scheiderer, City Associate Attorney
2:50 p.m.	<p>10. Authorizing Recreational Use of Rosemont Reservoir and Surrounding Watershed Property</p> <p><u>Vote</u> to recommend approval of this Resolution by City Council pursuant to City Code section 12.4.804.</p>	Jessica Davis, Manager of Facilities and Land Resources
3:10 p.m.	<p>11. Approval of the 2026 Strategic Plan</p> <p><u>Vote</u> to approve Colorado Springs Utilities' 2026 Strategic Plan.</p>	Bethany Schoemer, Strategic Planning and Governance Specialist Senior
3:30 p.m.	12. Board Member Updates	Board of Directors
3:40 p.m.	13. Summary of Board Actions	Natalie Watts, Manager of Strategic Planning and Governance
3:45 p.m.	14. Adjournment	Chair Donelson

Minutes
Wednesday, November 19, 2025
1:00 p.m. – 5:00 p.m.
Blue River Board Room

1. Call to Order

Chair Donelson called the meeting to order at 1:04 p.m.

Ms. Gail Pecoraro, Utilities Board Administrator, called roll.

Present – Chair Dave Donelson, Board Member Tom Bailey, Board Member Lynette Crow-Iverson, Board Member Kimberly Gold, Board Member Nancy Henjum, Board Member David Leinweber, Board Member Brian Risley, Board Member Roland Rainey and Vice Chair Brandy Williams.

2. Invocation and Pledge of Allegiance

Mr. Jeff Hanson, Electric Transmission Planning Engineer, offered the invocation, and Board Chair Donelson led the Pledge of Allegiance.

3. Consent Agenda

These items will be acted upon as a whole unless a specific item is called for discussion by a Board Member or a resident wishing to address the Utilities Board. (Any items called up for separate consideration shall be acted upon following Compliance Reports.)

- **Approval of Oct. 22, 2025, Utilities Board Meeting Minutes**

Board Member Gold made a motion to approve the October minutes. Board Member Rainey seconded the motion. The motion to approve the October 2025 Utilities Board meeting minutes passed unanimously.

4. Customer Comments

- During the customer comment period, comments are accepted for any topic not on the agenda.
- Comments for specific agenda items will be taken following the presentation of the item and the Board's discussion.
- Comments will be limited to three minutes per speaker, per item.
- Following the comments from customers who have signed up to speak, an announcement will be made seeking additional comments and the Board will accept all those wishing to comment.

There were no customer comments.

5. Recognition

- **Smart Water Application Technologies (SWAT) Outstanding Industry Partnership Award**

Board Member Henjum shared her experience with employees and their work toward this Partnership Award.

- **Resolution of Appreciation for Colorado Springs Utilities Employee Mike McCune**
Mr. Travas Deal, Chief Executive Officer, thanked Mr. McCune's family for his service to the organization.

Board Vice Chair Williams thanked the family for loaning Mr. McCune to the organization and said to make their memories with Mike live on.

Board Member Henjum made the motion to adopt the Resolution of Appreciation. Board Member Bailey seconded the motion. The resolution passed unanimously.

- **Resolution of Appreciation for former Board Member and Board Chair Merv Bennett**

Board Member Risley expressed his condolences to Mr. Bennett's family. He remembered him as one of the greatest men he has ever met, and he was a true mentor to him.

Vice Chair Williams said she was elected the first time she was on City Council. Mr. Bennett introduced her to parts of the community that were not well known. He was always willing to listen. He was an amazing man and will be greatly missed.

Board Member Crow-Iverson said that she worked with Mr. Bennett during the transition of Memorial Hospital. She offered her condolences, thoughts, and prayers to the family.

Board Member Bailey made the motion to adopt the Resolution of Appreciation. Board Vice Chair Williams seconded the motion. The resolution passed unanimously.

6. Compliance Reports:

- **E-2 CEO/Board Partnership Responsibilities**
 - Electric Cost Adjustment / Gas Cost Adjustment Update
 - Water Outlook

There was no presentation for these items.

7. Items Called Off Consent Agenda

No items were called off consent.

8. Utilities Policy Advisory Committee (UPAC) Update on Geothermal Energy

Ms. Kate Danner, UPAC Chair, gave an update on the current Geothermal Energy Assignment.

Board Member Henjum said that she recently learned that Colorado College has been using geothermal. Ms. Danner said that any geothermal being used within the city is most likely a heat pump. UPAC set boundaries on the onset of the project on what could be applicable for a large-scale utility project. Mr. Deal verified that Colorado College does use their heat pump to help keep energy costs down in heating their buildings.

Board Member Rainey said there is a huge difference between building scale systems and utility-size geothermal systems.

9. Government Streetlighting Revenue Requirements

Mr. Scott Shirola, Pricing and Rates Manager, reviewed the Government Streetlighting Revenue Requirements.

Board Chair Donelson asked for an explanation of why wires are stolen from the lights. Mr. Shirola said that this is usually for monetary purposes, but this is a dangerous venture, because these wires are charged.

Mr. Deal said that there has been an uptick in wire theft, especially on overpasses and underpasses.

Board Member Crow-Iverson made a motion to recommend to City Council setting the Street Lighting Service Revenue Requirement for calendar year 2026 under City Code section 12.9.105 on 12.09.2025 on consent. Board Vice Chair Williams seconded the motion. The motion passed unanimously.

10. An Ordinance Prohibiting the Use of Graywater within the City

Ms. Jenny Bishop, Engineer IV, and Ms. Lauren Swenson, Manager of Environmental Services, explained the ordinance prohibiting the use of graywater within the city.

Board Member Leinweber said the idea that a completely separate drainage system being connected to shower, sink, and laundry is required and could be constrictive for customers. Board Member Leinweber asked how harmful it is to water gardens and lawns with this water. Ms. Bishop said that this would be a consideration but cannot say what would happen if gardens were watered with this water.

Board Member Risley said that in his view, this state recommendation does not make sense. This would add cost to existing and new construction. He supports the idea of opting out as recommended.

Board Member Gold said that this sounds very environmentally friendly, but thinks this is an existing conversation and would recommend it not be on the consent agenda.

Board Member Rainey asked that since this was a state mandate, will the state do something to piggyback on this? He would like a better understanding of the legislature's requirement. Ms. Bishop said that the mandate says that every organization is allowed to implement this requirement or to opt out of the mandate.

Board Member Leinweber made a motion to recommend to City Council the addition of Article 15 to Chapter 6 of City Code regarding Graywater on 11.25.2025. Board Member Rainey seconded the motion. The motion passed unanimously.

11. The Acquisition of Real Property Located at 1765 N. Academy Boulevard to be used for the Rock Island Substation Relocation Project

Ms. Jessica Davis, Manager of Land Resources, described the acquisition of real property located at 1765 N. Academy Boulevard to be used for the Rock Island Substation Relocation Project.

Board Member Henjum made a motion to recommend to City Council the acquisition of property for the Rock Island Substation Relocation Project located at 1765 N. Academy Boulevard pursuant to section 4.1 of the City's Real Estate Manual be placed on consent at the Dec. 9, 2025, City Council meeting. Board Member Leinweber seconded the motion. The motion passed unanimously.

12. Property acquisitions for the Rock Island Substation Relocation Project - 1705, 1715, and 1749 North Academy Boulevard

Ms. Davis described the acquisition of real property located at 1705, 1715, and 1749 N. Academy Boulevard to be used for the Rock Island Substation Relocation Project.

Board Member Leinweber made a motion to recommend to City Council the acquisition of property for the Rock Island Substation Relocation Project located at 1705, 1715, and 1749 North Academy Blvd pursuant to section 4.1 of the City's Real Estate Manual be placed on consent at the Dec. 9, 2025, City Council meeting. Board Member Henjum seconded the motion. The motion passed unanimously.

13. The Acquisition of Real Property Located at 1856 North Academy Boulevard to be used for the Rock Island Substation Relocation Project

Ms. Davis described the acquisition of real property located at 1856 N. Academy Boulevard to be used for the Rock Island Substation Relocation Project.

Board Member Leinweber made a motion to recommend to City Council the acquisition of property for the Rock Island Substation Relocation Project located at 1856 North Academy Boulevard pursuant to section 4.1 of the City's Real Estate Manual be placed on consent at

the Dec. 9, 2025, City Council meeting. Board Member Gold seconded the motion. The motion passed unanimously.

14. Authorization of the Use of a Possession and Use Agreement and/or Eminent Domain to Acquire Permanent Easements on Properties Owned by the Lockwood Limited Liability Company Needed for the Kelker to South Plant Transmission Project

Ms. Davis explained the Authorization of the Use of a Possession and Use Agreement and/or Eminent Domain to Acquire Permanent Easements on Properties Owned by the Lockwood Limited Liability Company Needed for the Kelker to South Plant Transmission Project.

Board Member Rainey asked about the significant difference between appraisals. Ms. Davis said in these cases a third-party approval is done at the expense of Springs Utilities.

Vice Chair Williams asked if there is room to move the infrastructure. Ms. Davis said that there is no room to move it.

Board Member Bailey asked about the permit for the south tower. Ms. Davis said that there is no room to build an additional cell tower.

Board Member Crow-Iverson made a motion to recommend to City Council approval of the Authorization of the Use of a Possession and Use Agreement and/or Eminent Domain to Acquire Permanent Easements on Properties Owned by the Lockwood Limited Liability Company Needed for the Kelker to South Plant Transmission Project on Dec. 9, 2025, be placed on the consent agenda. Board Member Gold seconded the motion. The motion passed unanimously.

15. Authorization of the use of a Possession and Use Agreement and/or Eminent Domain to Acquire a Permanent Easement on Property Owned by Weston Road Holdings Company, LLC Needed for the Kelker to South Plant Transmission Project

Ms. Davis explained the Authorization of the use of a Possession and Use Agreement and/or Eminent Domain to Acquire a Permanent Easement on Property Owned by Weston Road Holdings Company, LLC Needed for the Kelker to South Plant Transmission Project.

Board Member Henjum made a motion to recommend to City Council approval of the Authorization of the use of a Possession and Use Agreement and/or Eminent Domain to Acquire a Permanent Easement on Property Owned by Weston Road Holdings Company, LLC Needed for the Kelker to South Plant Transmission Project on Dec. 9, 2025, be placed on the consent agenda. Board Member Bailey seconded the motion. The motion passed unanimously.

16. A Resolution Declaring the Real Property known as Teller County Tax Schedule Number R0014623 / 3745.074000090 Surplus Property and Authorizing the Disposal of Such Property

Ms. Davis reviewed the Resolution Declaring the Real Property known as Teller County Tax Schedule Number R0014623 / 3745.074000090 Surplus Property and Authorizing the Disposal of Such Property.

Board Vice Chair Williams made a motion to recommend to City Council approval of Resolution Declaring the Real Property known as Teller County Tax Schedule Number R0014623 / 3745.074000090 Surplus Property and Authorizing the Disposal of Such Property be placed on the Dec. 9, 2025, City Council meeting agenda on consent. Board Member Gold seconded the motion. The motion passed unanimously.

17. Board Member Updates

Board Member Henjum said she went on a tour in November of headwaters of Fountain Creek. It was great to learn more about this part of the watershed.

Mr. Deal said that the organization has secured a long-term deal with Goldman Sachs and Tennessee Energy Acquisition Corp that will save customers millions of dollars on natural gas over the next 30 years. These savings help keep energy bills more affordable. He presented a check to the organization.

18. Summary of Board Actions

Ms. Pecoraro provided a summary of the agenda items approved.

19. Executive Session

Ms. Renee Congdon, Utilities Division Chief, City Attorney's Office, read the meeting into Closed Executive Session.

Board Members unanimously approved the motion to go into Closed Executive Session.

Board Members took a 10-minute break at 2:41 p.m. to prepare the Room.

The Regular Utilities Board Meeting came back into session at 4:07 p.m.

20. Adjournment

The November meeting of the Utilities Board adjourned at 4:08 p.m.

Meeting Date	Topics
January 21, 2026	Compliance Reports: <ul style="list-style-type: none"> I-1 Pricing of Services G-5, G-6 (Annual)* E-2 UB/CEO Partnership Expectations – CEO Responsibilities
February 18, 2026	Compliance Reports: <ul style="list-style-type: none"> I-6 Infrastructure (Annual)* I-4 Risk Management (Semi-annual) E-2 UB/CEO Expectations
March 18, 2026	Compliance Reports: <ul style="list-style-type: none"> ER:1-3 Utilities Board Expected Results Year End Performance – Scorecard (Semi-annual) I-5 Economic Development (Annual)* I-13 Community Investment (Annual)* I-4 Risk Management (Annual City Auditor Report) I-8 Asset Protection (Semi-annual) E-2 UB/CEO Partnership Expectations – CEO Responsibilities
April 22, 2026	Compliance Reports: <ul style="list-style-type: none"> I-2 Financial Condition and Activities (to include Contracts Over \$500K) G-7 (Quarterly Oct-Dec) I-12 Environmental Stewardship (Annual)* E-2 UB/CEO Partnership Expectations – CEO Responsibilities
May 20, 2026	Compliance Reports: <ul style="list-style-type: none"> I-2 Financial Condition and Activities - Annual City Auditors Report G-7 I-2 Financial Condition and Activities (to include Contracts Over \$500K) (Quarterly January-March) I-8 Asset Protection - Annual City Auditors Report E-2 UB/CEO Partnership Expectations – CEO Responsibilities
June 17, 2026	Compliance Reports: <ul style="list-style-type: none"> E-2 UB/CEO Partnership Expectations – CEO Responsibilities (Monthly)

*These annual reports will go to the Utilities Board the month after they are seen by Working Committee to provide additional time should there be questions.

Meeting Date	Topics
July 22, 2026	Compliance Reports: <ul style="list-style-type: none"> E-2 UB/CEO Partnership Expectations – CEO Responsibilities (Monthly)
August 19, 2026	Compliance Reports: <ul style="list-style-type: none"> ER:1-3 Utilities Board Expected Results – Mid-year Scorecard and CEO Performance Results G-4 (Semi-Annual) I-3 Financial Planning & Budgeting G-8 (Annual)* I-2 Financial Condition and Activities (to include Contracts Over \$500K**) G-7 (Quarterly April-June) I-4 Risk Management (Semi-annual) I-8 Asset Protection (Semi-annual) E-2 UB/CEO Partnership Expectations – CEO Responsibilities (Monthly)
September 16, 2026	Compliance Reports: <ul style="list-style-type: none"> I-7 Water Supply Management (Annual)* I-9 Treatment of Customers and Customer Information (Annual)* E-2 UB/CEO Partnership Expectations – CEO Responsibilities (Monthly)
October 21, 2026	Compliance Reports: <ul style="list-style-type: none"> I-10 Treatment of Staff (Annual)* I-11 Compensation & Benefits G-9 (Annual)* E-2.8 Emergency CEO Succession (Annual) E-2 UB/CEO Partnership Expectations – CEO Responsibilities (Monthly)
November 18, 2026	Compliance Reports: <ul style="list-style-type: none"> I-2 Financial Condition and Activities (to include Contracts Over \$500K) (July-September) E-2.3 Organizational Oversight – Compliance Frequency and Method (Annual)* P-1.2 2027 Annual Planning Calendar (Annual)* P-5.4 2027 Committee Work Plan (Annual)* P-5.4 2027 CEO Performance Plan (Annual)* P-5.4 2027 BER Scorecard (Annual)* E-2 UB/CEO Partnership Expectations – CEO Responsibilities (Monthly)
December 16, 2026	Compliance Reports: <ul style="list-style-type: none"> E-2 UB/CEO Partnership Expectations – CEO Responsibilities (Monthly)

*These annual reports will go to the Utilities Board the month after they are seen by Working Committee to provide additional time should there be questions.



Proposed 2026 Enterprise Balanced Scorecard

Natalie Watts

Manager – Strategic Planning and Governance

Approach to Updating the Balanced Scorecard

- Gauge the appropriate measures
- Use mix of leading versus lagging indicators
- Determine what or who is best to measure against
- Make targets achievable yet challenging
- Review and input timeline
 - September-October 2025:
 - Colorado Springs Utilities leadership
 - November 2025:
 - Working Committee
 - January 2026:
 - Utilities Board meeting for approval



Proposed 2026 Balanced Scorecard

- 50% of CEO Performance Plan
- A key element of the Kaplan Norton Balanced Scorecard strategic planning model
- Supports Board's strategic focus on reliability, rates and relationships
- Measures performance in achieving organization's 5 Strategic Objectives
- Results reported to Utilities leadership quarterly
- Results reported to Utilities Board semi-annually (2x/yr.)



Proposed 2026 Enterprise Balanced Scorecard

Strategic Focus Areas Weighting (no change)

- Reliability - 40%
- Rates - 40%
- Relationships - 20%

4 Reliability measures weighted at 10% each

13 Rates measures with weightings ranging from 2.5% - 7%

5 Relationship measures with different weightings from 3% - 8%



Proposed 2026 Scorecard

Proposed 2026 Colorado Springs Utilities Enterprise Balanced Scorecard									
The Balanced Scorecard measures the organization's performance in achieving enterprise Strategic Objectives									
Utilities Board Strategic Focus Weight	Strategic Objective	Performance Measure	Responsible Officer	Weight	1 Does Not Meet Expectations	2 Partially Meets Expectations	3 Meets Expectations	4 Exceeds Expectations	5 Far Exceeds Expectations
Reliability 40%	Operational Excellence	1. Electric - SAIDI - Interruptions in minutes per year	Somer Mesa	10.0	> 57.50 minutes	57.50 - 52.51 minutes	52.50 - 47.51 minutes	47.50 - 42.50 minutes	< 42.50 minutes
		2. Natural Gas - Failures per 100 miles of pipe		10.0	> 8.00 failures	8.00 - 6.01 failures	6.00 - 4.00 failures	3.99 - 2.00 failures	< 2.00 failures
		3. Water - Failures per 100 miles of mainline		10.0	> 14.00 failures	14.00 - 12.01 failures	12.00 - 10.00 failures	9.99 - 8.00 failures	< 8.00 failures
		4. Wastewater - Failures per 100 miles of mainline		10.0	> 1.00 failures	1.00 - 0.76 failures	0.75 - 0.51 failures	0.50 - 0.25 failures	< 0.25 failures
Rates 40%	Financial Accountability	5. Residential Electric Service - Front Range Comparison	Tristan Gearhart	3.0	>10.0% higher than average	5.1 - 10.0% higher than average	+/- 5.0% of average	5.1 - 10.0% lower than average	>10.0% lower than average
		6. Residential Natural Gas Service - Front Range Comparison		3.0	>10.0% higher than average	5.1 - 10.0% higher than average	+/- 5.0% of average	5.1 - 10.0% lower than average	>10.0% lower than average
		7. Residential Water Service - Front Range Comparison		3.0	>25.0% higher than average	20.1 - 25.0% higher than average	10.1 - 20.0% higher than average	5.0 - 10.0% higher than average	<5.0% higher than average
		8. Residential Wastewater Service - Front Range Comparison		3.0	>10.0% higher than average	5.1 - 10.0% higher than average	+/- 5.0% of average	5.1 - 10.0% lower than average	>10.0% lower than average
		9. Small Comm 4-Service Bill - Front Range Comparison		3.0	>10.0% higher than average	5.1 - 10.0% higher than average	+/- 5.0% of average	5.1 - 10.0% lower than average	>10.0% lower than average
		10. Large Comm/Indest 4-Service Bill - Front Range Comparison		3.0	>10.0% higher than average	5.1 - 10.0% higher than average	+/- 5.0% of average	5.1 - 10.0% lower than average	>10.0% lower than average
		11. Days Cash on Hand - Current Year		2.5	<140 days	140 - 150 days	151 - 160 days	161 - 180 days	>180 days
		12. Days Cash on Hand - 3 Year Average		2.5	<140 days	140 - 150 days	151 - 160 days	161 - 180 days	>180 days
		13. Adjusted Debt Service Coverage - Current Year		2.5	< 1.75 times	1.75 - 1.79 times	1.80 - 1.90 times	1.91-1.95 times	> 1.95 times
		14. Adjusted Debt Service Coverage - 3 Year Average		2.5	< 1.75 times	1.75 - 1.79 times	1.80 - 1.90 times	1.91-1.95 times	> 1.95 times
		15. Debt Ratio - Current Year		2.5	>61.0%	61.0 - 59.6%	59.5 - 55.0%	54.9 - 48.1%	<48.1%
		16. Debt Ratio - 3 Year Average		2.5	>61.0%	61.0 - 59.6%	59.5 - 55.0%	54.9 - 48.1%	<48.1%
		17. Bond Rating		7.0	Any 2 of the 3 ratings from the agencies less than AA (\$&P)/Aa2 (Moody's)/AA (Fitch)	Any 1 of the 3 ratings from the agencies less than AA (\$&P)/Aa2 (Moody's)/AA (Fitch)	Standard & Poors AA Moody's Investors Service: Aa2 Fitch Ratings : AA	Any 1 of the 3 ratings from the agencies greater than AA (\$&P)/Aa2 (Moody's)/AA (Fitch)	Any 2 of the 3 ratings from the agencies greater than AA (\$&P)/Aa2 (Moody's)/AA (Fitch)
Relationships 20%	Focus on the Customer	18. Customer Satisfaction - Residential	Mike Francolino	3.0	< 1.50	1.50 - 2.49	2.50 - 3.49	3.50 - 4.49	> 4.49
		19. Customer Satisfaction - Business		3.0	< 1.50	1.50 - 2.49	2.50 - 3.49	3.50 - 4.49	> 4.49
	Support our Community	20. Environmental Index	Renee Adams	3.0	< 65.00	65.00 - 74.99	75.00 - 85.99	86.00 - 94.99	> 94.99
	Enable Employee Empowerment	21. Safety: Occupational Injuries and Illnesses Rate	Renee Adams	8.0	> 20% Above Benchmark	10.01 - 20% Above Benchmark	+/-10% of Benchmark	10.01 - 20% Below Benchmark	> 20% Below Benchmark
		22. Workforce Index		3.0	< 1.50	1.50 - 2.69	2.70 - 3.49	3.50 - 4.60	> 4.60

If approved by the Board, the effective date would be January 1, 2026.



Colorado Springs Utilities[®]

It's how we're all connected

Proposed 2026 Colorado Springs Utilities Enterprise Balanced Scorecard									
The Balanced Scorecard measures the organization's performance in achieving enterprise Strategic Objectives									
Utilities Board Strategic Focus Weight	Strategic Objective	Performance Measure	Responsible Officer	Weight	1 Does Not Meet Expectations	2 Partially Meets Expectations	3 Meets Expectations	4 Exceeds Expectations	5 Far Exceeds Expectations
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		2. Natural Gas - Failures per 100 miles of pipe		10.0	> 8.00 failures	8.00 - 6.01 failures	6.00 - 4.00 failures	3.99 - 2.00 failures	< 2.00 failures
		3. Water - Failures per 100 miles of mainline		10.0	> 14.00 failures	14.00 – 12.01 failures	12.00 – 10.00 failures	9.99 – 8.00 failures	< 8.00 failures
		4. Wastewater - Failures per 100 miles of mainline		10.0	> 1.00 failures	1.00 - 0.76 failures	0.75 - 0.51 failures	0.50 - 0.25 failures	< 0.25 failures
Rates 40%	Financial Accountability	5. Residential Electric Service - Front Range Comparison	Tristan Gearhart	3.0	>10.0% higher than average	5.1 – 10.0% higher than average	+/- 5.0% of average	5.1 – 10.0% lower than average	>10.0% lower than average
		6. Residential Natural Gas Service - Front Range Comparison		3.0	>10.0% higher than average	5.1 – 10.0% higher than average	+/- 5.0% of average	5.1 – 10.0% lower than average	>10.0% lower than average
		7. Residential Water Service - Front Range Comparison		3.0	>25.0% higher than average	20.1 – 25.0% higher than average	10.1 – 20.0% higher than average	5.0 – 10.0% higher than average	<5.0% higher than average
		8. Residential Wastewater Service - Front Range Comparison		3.0	>10.0% higher than average	5.1 – 10.0% higher than average	+/- 5.0% of average	5.1 – 10.0% lower than average	>10.0% lower than average
		9. Small Comm 4-Service Bill - Front Range Comparison		3.0	>10.0% higher than average	5.1 – 10.0% higher than average	+/- 5.0% of average	5.1 – 10.0% lower than average	>10.0% lower than average
		10. Large Comm/Indust 4-Service Bill - Front Range Comparison		3.0	>10.0% higher than average	5.1 – 10.0% higher than average	+/- 5.0% of average	5.1 – 10.0% lower than average	>10.0% lower than average
		11. Days Cash on Hand - Current Year		2.5	<140 days	140 - 150 days	151 - 160 days	161 - 180 days	>180 days
		12. Days Cash on Hand - 3 Year Average		2.5	<140 days	140 - 150 days	151 - 160 days	161 - 180 days	>180 days
		13. Adjusted Debt Service Coverage - Current Year		2.5	< 1.75 times	1.75 - 1.79 times	1.80 - 1.90 times	1.91-1.95 times	> 1.95 times
		14. Adjusted Debt Service Coverage - 3 Year Average		2.5	< 1.75 times	1.75 - 1.79 times	1.80 - 1.90 times	1.91-1.95 times	> 1.95 times
		15. Debt Ratio - Current Year		2.5	>61.0%	61.0 - 59.6%	59.5 - 55.0%	54.9 - 48.1%	<48.1%
		16. Debt Ratio - 3 Year Average		2.5	>61.0%	61.0 - 59.6%	59.5 - 55.0%	54.9 - 48.1%	<48.1%
		17. Bond Rating		7.0	Any 2 of the 3 ratings from the agencies less than AA (S&P)/Aa2 (Moody's)/AA (Fitch)	Any 1 of the 3 ratings from the agencies less than AA (S&P)/Aa2 (Moody's)/AA (Fitch)	Standard & Poors AA Moody's Investors Service: Aa2 Fitch Ratings : AA	Any 1 of the 3 ratings from the agencies greater than AA (S&P)/Aa2 (Moody's)/AA (Fitch)	Any 2 of the 3 ratings from the agencies greater than AA (S&P)/Aa2 (Moody's)/AA (Fitch)
Relationships 20%	Focus on the Customer	18. Customer Satisfaction - Residential	Mike Francolino	3.0	< 1.50	1.50 - 2.49	2.50 - 3.49	3.50 - 4.49	> 4.49
		19. Customer Satisfaction - Business		3.0	< 1.50	1.50 - 2.49	2.50 - 3.49	3.50 - 4.49	> 4.49
	Support our Community	20. Environmental Index	Renee Adams	3.0	< 65.00	65.00 – 74.99	75.00 – 85.99	86.00 – 94.99	> 94.99
	Enable Employee Empowerment	21. Safety: Occupational Injuries and Illnesses Rate	Renee Adams	8.0	> 20% Above Benchmark	10.01 - 20% Above Benchmark	+/-10% of Benchmark	10.01 - 20% Below Benchmark	> 20% Below Benchmark
		22. Workforce Index		3.0	< 1.50	1.50 - 2.69	2.70 - 3.49	3.50 - 4.60	> 4.60



Proposed 2026 Chief Executive Officer Performance Plan

Renee Adams
Chief Human Resources Officer

CEO Performance Plan

Background

- Combination of CEO leadership competencies + enterprise Balanced Scorecard
- An agreement between the CEO and the Utilities Board outlining the CEO's priorities and outcomes
- Measures enterprise and CEO performance
- Reviewed by the Utilities Board in November 2025 for the coming year



Proposed 2026 CEO Competencies – No changes recommended

- Competencies comprise 50% of CEO Performance Plan
- Evaluated by the Board semi-annually (2x/year)
- Five CEO leadership competencies with equal weight (10% each)
- Proposed for 2026 (same as 2025)
 - Balances internal/external stakeholders
 - Builds Effective Teams
 - Drives Engagement
 - Drives Results
 - Strategic Mindset



Balances Stakeholders

- Anticipates and balances the needs of multiple stakeholders.
- Creates flexibility in the organization that is needed to respond to varied stakeholder needs.
- Demonstrates foresight about how stakeholder priorities will change and evolve.
- Optimizes decisions across the varied needs of internal and external stakeholders.
- Serves as a role model for considering cultural and ethical factors in balancing the needs of stakeholders.



Builds Effective Teams

- Builds strong-identity teams that apply their diverse skills and perspectives to achieve common goals.
- Builds a cohesive leadership team that drives the goals and success of the organization.
- Creates a culture with systems and processes that enable cross-functional teamwork.
- Instills a common mindset and team spirit across the organization.
- Models teamwork by working effectively with other leaders throughout the organization.



Drives Engagement

- Creates a climate where people are motivated to do their best to help the organization achieve its objectives.
- Motivates others by appealing to deeply held values and goals.
- Creates a climate that makes work gratifying and enjoyable.
- Ensures that people in the organization feel their contributions are valued.
- Energizes the organization by clarifying the broader purpose and importance of the work.



Drives Results

- Consistently achieves results, even under tough circumstances.
- Creates an organization that pushes forward in difficult circumstances. Eliminates obstacles that affect organizational performance.
- Gets results that have a clear, positive, and direct impact on business performance.
- Drives the organization to achieve results.



Strategic Mindset

- Sees ahead to future possibilities and translates them into breakthrough strategies.
- Leverages the organization's key differentiators to develop a viable long-term strategy.
- Explores future scenarios and possibilities to help the organization respond to change and shape the future.
- Revisits and updates business strategies in response to evolving market dynamics and organizational needs.
- Develops and integrates organizational strategies to achieve and sustain competitive advantage.





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2026 Colorado Springs Utilities CEO Performance Plan												
The Balanced Scorecard measures the organization's performance in achieving enterprise Strategic Objectives												
Overall Weight	Utilities Board Strategic Focus Weight	Strategic Objective	Performance Measure	Responsible Officer	Weight	1 Does Not Meet Expectations	2 Partially Meets Expectations	3 Meets Expectations	4 Exceeds Expectations	5 Far Exceeds Expectations		
Enterprise Balanced Scorecard 50% of Results	Reliability 40%	Operational Excellence	1. Electric - SAIDI - Interruptions in minutes per year	Somer Mese	10.0	> 57.50 minutes	57.50 – 52.51 minutes	52.50 – 47.51 minutes	47.50 – 42.50 minutes	< 42.50 minutes		
			2. Natural Gas - Failures per 100 miles of pipe		10.0	> 8.00 failures	8.00 - 6.01 failures	6.00 - 4.00 failures	3.99 - 2.00 failures	< 2.00 failures		
			3. Water - Failures per 100 miles of mainline		10.0	> 14.00 failures	14.00 – 12.01 failures	12.00 – 10.00 failures	9.99 – 8.00 failures	< 8.00 failures		
			4. Wastewater - Failures per 100 miles of mainline		10.0	> 1.00 failures	1.00 - 0.76 failures	0.75 - 0.51 failures	0.50 - 0.25 failures	< 0.25 failures		
	Rates 40%	Financial Accountability	5. Residential Electric Service - Front Range Comparison	Tristan Gearhart	3.0	>10.0% higher than average	5.1 – 10.0% higher than average	+/- 5.0% of average	5.1 – 10.0% lower than average	>10.0% lower than average		
			6. Residential Natural Gas Service - Front Range Comparison		3.0	>10.0% higher than average	5.1 – 10.0% higher than average	+/- 5.0% of average	5.1 – 10.0% lower than average	>10.0% lower than average		
			7. Residential Water Service - Front Range Comparison		3.0	>25.0% higher than average	20.1 – 25.0% higher than average	10.1 – 20.0% higher than average	5.0 – 10.0% higher than average	<5.0% higher than average		
			8. Residential Wastewater Service - Front Range Comparison		3.0	>10.0% higher than average	5.1 – 10.0% higher than average	+/- 5.0% of average	5.1 – 10.0% lower than average	>10.0% lower than average		
			9. Small Comm 4-Service Bill - Front Range Comparison		3.0	>10.0% higher than average	5.1 – 10.0% higher than average	+/- 5.0% of average	5.1 – 10.0% lower than average	>10.0% lower than average		
			10. Large Comm/Indust 4-Service Bill - Front Range Comparison		3.0	>10.0% higher than average	5.1 – 10.0% higher than average	+/- 5.0% of average	5.1 – 10.0% lower than average	>10.0% lower than average		
			11. Days Cash on Hand - Current Year		2.5	<140 days	140 - 150 days	151 - 160 days	161 - 180 days	>180 days		
			12. Days Cash on Hand - 3 Year Average		2.5	<140 days	140 - 150 days	151 - 160 days	161 - 180 days	>180 days		
			13. Adjusted Debt Service Coverage - Current Year		2.5	< 1.75 times	1.75 - 1.79 times	1.80 - 1.90 times	1.91-1.95 times	> 1.95 times		
			14. Adjusted Debt Service Coverage - 3 Year Average		2.5	< 1.75 times	1.75 - 1.79 times	1.80 - 1.90 times	1.91-1.95 times	> 1.95 times		
			15. Debt Ratio - Current Year		2.5	>61.0%	61.0 - 59.6%	59.5 - 55.0%	54.9 - 48.1%	<48.1%		
			16. Debt Ratio - 3 Year Average		2.5	>61.0%	61.0 - 59.6%	59.5 - 55.0%	54.9 - 48.1%	<48.1%		
			17. Bond Rating		7.0	Any 2 of the 3 ratings from the agencies less than AA (S&P)/Aa2 (Moody's)/AA (Fitch)	Any 1 of the 3 ratings from the agencies less than AA (S&P)/Aa2 (Moody's)/AA (Fitch)	Standard & Poors AA Moody's Investors Service: Aa2 Fitch Ratings : AA	Any 1 of the 3 ratings from the agencies greater than AA (S&P)/Aa2 (Moody's)/AA (Fitch)	Any 2 of the 3 ratings from the agencies greater than AA (S&P)/Aa2 (Moody's)/AA (Fitch)		
	Relationships 20%	Focus on the Customer	18. Customer Satisfaction - Residential	Mike Francolino	3.0	< 1.50	1.50 - 2.49	2.50 - 3.49	3.50 - 4.49	> 4.49		
			19. Customer Satisfaction - Business		3.0	< 1.50	1.50 - 2.49	2.50 - 3.49	3.50 - 4.49	> 4.49		
		Support our Community	20. Environmental Index	Renee Adams	3.0	< 65.00	65.00 – 74.99	75.00 – 85.99	86.00 – 94.99	> 94.99		
		Enable Employee Empowerment	21. Safety: Occupational Injuries and Illnesses Rate	Renee Adams	8.0	> 20% Above Benchmark	10.01 - 20% Above Benchmark	+/-10% of Benchmark	10.01 - 20% Below Benchmark	> 20% Below Benchmark		
			22. Workforce Index		3.0	< 1.50	1.50 - 2.69	2.70 - 3.49	3.50 - 4.60	> 4.60		
CEO Leadership Competencies Evaluation 50% of Results					Weight	Ratings assigned by the Utilities Board						
						1 Does not Meet Expectations	2 Partially Meets Expectations	3 Meets Expectations	4 Exceeds Expectations	5 Far Exceeds Expectations		
					Balances Stakeholders	Chief Executive Officer	10.0	<2.00	2.00 - 2.99	3.00 - 3.74	3.75 - 4.49	>4.49
					Strategic Mindset		10.0	<2.00	2.00 - 2.99	3.00 - 3.74	3.75 - 4.49	>4.49
					Drives Results		10.0	<2.00	2.00 - 2.99	3.00 - 3.74	3.75 - 4.49	>4.49
					Builds Effective Teams		10.0	<2.00	2.00 - 2.99	3.00 - 3.74	3.75 - 4.49	>4.49
					Drives Engagement		10.0	<2.00	2.00 - 2.99	3.00 - 3.74	3.75 - 4.49	>4.49

GUIDELINES			
Guideline:	Compliance Report Frequency and Method (G-3)	Date of Adoption:	December 19, 2016
Applicable Policy Title (Number):	Organizational Oversight (E-2.3)	Revision Date:	Feb. 21, 2024
		Revision Number:	

Compliance Report Frequency and Method

<u>Policy</u>	<u>Method</u>	<u>Frequency</u>
I - 1 Pricing of Services	Internal	Annual
I - 2 Financial Condition and Activities	Internal City Auditor	Quarterly Annual
I - 3 Financial Planning and Budgeting	Internal	Annual
I - 4 Risk Management	Internal City Auditor External	Semi-Annual Annual Years ending in 0 or 5
I - 5 Economic Development	Internal	Annual
I - 6 Infrastructure	Internal	Annual
I - 7 Water Supply Management	Internal	Annual
I - 8 Asset Protection	Internal City Auditor	Semi-Annual Annual
I - 9 Treatment of Customers and Customer Information	Internal	Annual
I - 10 Treatment of Staff	Internal	Annual
I - 11 Compensation and Benefits	Internal	Annual
I - 12 Environmental Stewardship	Internal	Annual
I - 13 Community Investment	Internal	Annual

Board Memo Agenda Item

Staff Report

Date: (Date of Utilities Board Meeting)	January 21, 2026		
To:	Utilities Board		
From:	Travas Deal, Chief Executive Officer		
Subject:	Resolution to Appoint a Member to the Board of the Public Authority for Colorado Energy ("PACE")		
NARRATIVE:			
Desired Action: Choose only one	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Discussion <input type="checkbox"/> Information		
Executive Summary:	<p>The Public Authority for Colorado Energy ("PACE") is a separate legal entity governed and operated solely by Colorado Springs Utilities to execute and hold a 30-year natural gas prepay transaction.</p> <p>PACE bylaws require three representatives sit on its Board. Lisa Barbato, former Utilities Chief System Planning and Projects Officer and PACE Vice President, retired in the fall of 2025.</p> <p>To fill the now empty position, the PACE Board of Directors has nominated Nick Peters, Utilities Chief System Planning and Projects Officer, for PACE Board appointment.</p> <p>All nominations require approval by the Colorado Springs Utilities Board of Directors.</p>		
Benefits:	Compliance with organizational bylaws		
Board Policy: If this impacts one of the board policies, indicate that here.	N/A		
Cost / Budget: Include the projected cost or budget here.	N/A		
Affected Parties: This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.	N/A		
Alternatives:	The Utilities Board may choose to not accept this nomination. If that were to occur, the current PACE Board could choose to propose a new candidate.		
Submitter:	Adam S. Hegstrom	Email Address:	ahegstrom@csu.org
Division:	Planning and Finance Division	Phone Number:	719-668-8530
Department:	Treasury and Finance	Date Submitted:	December 29, 2025
SPG Staff Use Only:	Consent Calendar <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Item Number 3
ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING.			



PACE Board of Directors Nomination

Adam S. Hegstrom

Treasury and Finance Manager, Colorado Springs Utilities

Secretary-Treasurer, Public Authority for Colorado Energy

January 21, 2026

Public Authority for Colorado Energy

- Public Authority for Colorado Energy (“PACE”) is a separate legal entity governed and operated solely by Colorado Springs Utilities
- Created in 2008 to transact and execute a natural gas prepay transaction
 - Issued \$653 million in bonds to pre-purchase natural gas at substantial discounts for ratepayers
 - 30 years in duration
 - Contracted volumes of ~20% of forecasted natural gas supply needs
 - Results in just under \$1.00/MMBtu discount for said volumes
 - Cumulative savings 2008-2025: ~\$82 million

Board of Directors

- PACE bylaws require three members sit on its Board
 - Current President – Somer Mese (Chief Operations Officer)
 - Current Vice President – { *Vacant* }
 - Current Secretary/Treasurer – Adam Hegstrom (Treasury and Finance Manager)
- The PACE Board of Directors nominates the following candidate for PACE Board appointment
 - Vice President – Nick Peters (Chief Systems Planning and Projects Officer)



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RESOLUTION NO. 26-01

A RESOLUTION OF COLORADO SPRINGS UTILITIES BOARD
APPOINTING NICHOLAS PETERS TO THE PUBLIC
AUTHORITY FOR COLORADO ENERGY BOARD OF
DIRECTORS

WHEREAS, the City Council of the City of Colorado Springs, Colorado ("City Council") previously authorized the establishment of the Public Authority for Colorado Energy ("PACE") as part of City Ordinance No. 07-165; and

WHEREAS, pursuant to the Amended and Restated Bylaws of PACE (the "PACE Bylaws"), all members of the PACE Board of Directors ("PACE Board") are to be appointed by the Utilities Board of Directors ("Utilities Board") through an affirmative vote of at least five (5) members of the Utilities Board; and

WHEREAS, Lisa Barbato, former Chief System Planning and Projects Officer of Colorado Springs Utilities, was elected to the Board by Utilities Board by Resolution dated January 17, 2024; and

WHEREAS, Lisa Barbato retired from service at Colorado Springs Utilities, effective August 22, 2025; and

WHEREAS, the Amended and Restated Bylaws of PACE, dated November 13, 2024, provide that all Directors of PACE must be an official or employee of the City of Colorado Springs and in the event a Director shall cease to be an official or employee of the City of Colorado Springs, the term of that Director shall terminate and a vacancy shall exist in the Board; and

WHEREAS, Lisa Barbato's retirement ceased her employment with Utilities, an enterprise of the City of Colorado Springs, and terminated her term as a Director of PACE; and

WHEREAS, the Amended and Restated Bylaws of PACE provide that all members of the Board must be elected by the affirmative vote of at least five (5) members of the Utilities Board.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF COLORADO SPRINGS UTILITIES:

Section 1. The Colorado Springs Utilities Board of Directors hereby elects Nicholas Peters, Chief System Planning and Projects Officer of Colorado Springs Utilities, to serve as a Director on the PACE Board of Directors.

Section 2. This Resolution has been approved by at least five (5) members of the Utilities Board and shall take effect immediately.

DATED at Colorado Springs, Colorado, this 21st day of January, 2026.

Dave Donelson, Chair

ATTEST:

Travas Deal, Secretary

Board Memo Agenda Item

Staff Report

Date: (Date of Utilities Board Meeting)	January 21, 2026		
To:	Utilities Board		
From:	Travas Deal, Chief Executive Officer		
Subject:	Recognition – Gallagher Best in Class		
NARRATIVE:			
Desired Action: Choose only one	<input type="checkbox"/> Approval <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Information		
Executive Summary:	<p>Colorado Springs Utilities has been honored as a 2025 Best-in-Class Employer, based on our participation in Gallagher's Benefits Strategy & Benchmarking Survey.</p> <p>Colorado Springs Utilities stood out in key areas, including:</p> <ul style="list-style-type: none"> Strategic planning for benefits and compensation Comprehensive well-being initiatives Workforce engagement and retention Retirement planning support Competitive healthcare cost management <p>Our focus on employee satisfaction and engagement set us apart.</p> <p>Gallagher's Best-in-Class Employer designation helps current and prospective employees understand and appreciate an organization's workplace culture and people strategy, which are crucial differentiators in today's competitive labor market.</p>		
Benefits:	Acknowledgement of Benefits team, increased employee engagement		
Board Policy: If this impacts one of the board policies, indicate that here.	N/A		
Cost / Budget: Include the projected cost or budget here.	N/A		
Affected Parties: This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.	Colorado Spring Utilities Employees		
Alternatives:	N/A		
Submitter:	Renee Adams	Email Address:	radams@csu.org
Division:	Administrative and Human Resources Division	Phone Number:	719-668-7325
Department:	Human Resources	Date Submitted:	December 19, 2025
SPG Staff Use Only:	Consent Calendar <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Item Number 5

ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING.



Date: November 19, 2025

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Compliance Report
Pricing of Services (I-1)**

Desired Action: Compliance

Compliance: The CEO reports compliance with the instructions.

INSTRUCTIONS			
Category:	Utilities Board Instructions to the Chief Executive Officer	Reporting Timeframe:	November 1, 2024 – October 31, 2025
Policy Title (Number):	Pricing of Services (I-1)	Reviewing Committee:	Finance
Monitoring Type:	Internal	Monitoring Frequency:	Annual
Guidelines:	Rate Design (G-5); Electric and Gas Cost Adjustments (G-6)		

The Chief Executive Officer shall direct that pricing practices result in rates that are just, reasonable and not unduly discriminatory. Accordingly, the CEO shall:

- 1. Establish pricing practices that result in revenues that are sufficient to provide safe, reliable utility services to Springs Utilities citizens and customers.*

Springs Utilities prepares an annual revenue requirement for each separate regulated service to determine that revenue generated from current effective rates are sufficient to support all the budgeted expenses while maintaining strong financial metrics. As part of the five-year rate case approved by City Council on November 12, 2024, base rate increases take effect each January 1 for the years 2025 through 2029. Approved annual base rate increases by service are as follows:

- Electric: 6.5%
- Natural Gas: 4.0%
- Water: 6.5%
- Wastewater: 9.0%

2. *Establish pricing practices that maintain financial viability of each separate regulated service.*

All rate proceedings adhere to state statutes and City Code utilizing industry accepted pricing principles and methodology that demonstrate just and reasonable pricing that is not unduly discriminatory. Non-fuel base rate adjustments are submitted to City Council for approval and supported by cost-of-service studies forecasted to provide sufficient revenue to support non-fuel expense recovery. Non-fuel base rates are designed consistent with the principles established in the Rate Design Guideline (G-5).

The 2026 Rate Case approved by City Council on October 28, 2025, proposed several changes to Springs Utilities' tariffs and procedural actions including:

- Electric
 - Establishment of an Industrial Service – Large Load (ELL) Rate Schedule (effective January 1, 2026)
 - Modification to the Contract Service – Military Wheeling rate to include transmission cost (effective April 1, 2026)
 - Accepting conclusions and recommendations concerning two new Public Utility Regulatory Policy Act (PURPA) standards
 - Clerical corrections and/or revisions (effective January 1, 2026)
- Utilities Rules and Regulations (effective January 1, 2026)
 - Addition of substation and transmission fees and recovery agreement provisions related to ELL service
 - Changes to Large Load Requirement Study Fee applicability
 - Addition of \$200/hr. Hydraulic Analysis Report for basic analysis
 - Clerical corrections and/or revisions
- Open Access Transmission Tariff (OATT) Service
 - Clerical corrections and/or revisions (effective November 1, 2025)
 - Rescission of OATT upon entrance into Southwest Power Pool (SPP) Regional Transmission Organization (RTO) (effective upon entrance into SPP RTO), currently anticipated to be April 1, 2026)
- Transmission Owner Filing submittals for SPP tariff
 - Establishment of Transmission Formula Rate Template, Implementation Protocols, and 2026 Annual Transmission Revenue Requirement

The cost adjustment and capacity charge rate structures establish rates sufficient to recover fuel related costs. Electric Cost Adjustment (ECA), Electric Capacity Charge (ECC), Gas Cost Adjustment (GCA) and Gas Capacity Charge (GCC) rate adjustments are submitted to City Council for approval and forecasted to provide sufficient revenue to support fuel expense recovery. Fuel rates are calculated consistent with the Electric and Gas Cost Adjustment Guideline (G-6).

On March 25, 2025, City Council approved a change to the GCA effective April 1, 2025. Additionally, on June 24, 2025, City Council approved changes to the ECA, ECC, Green Power, GCA, and GCC rates effective July 1, 2025.



Date: November 19, 2025

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Monitoring Report
Financial Condition and Activities (I-2)**

Desired Action: Monitoring

Compliance: The CEO reports compliance with the instructions.

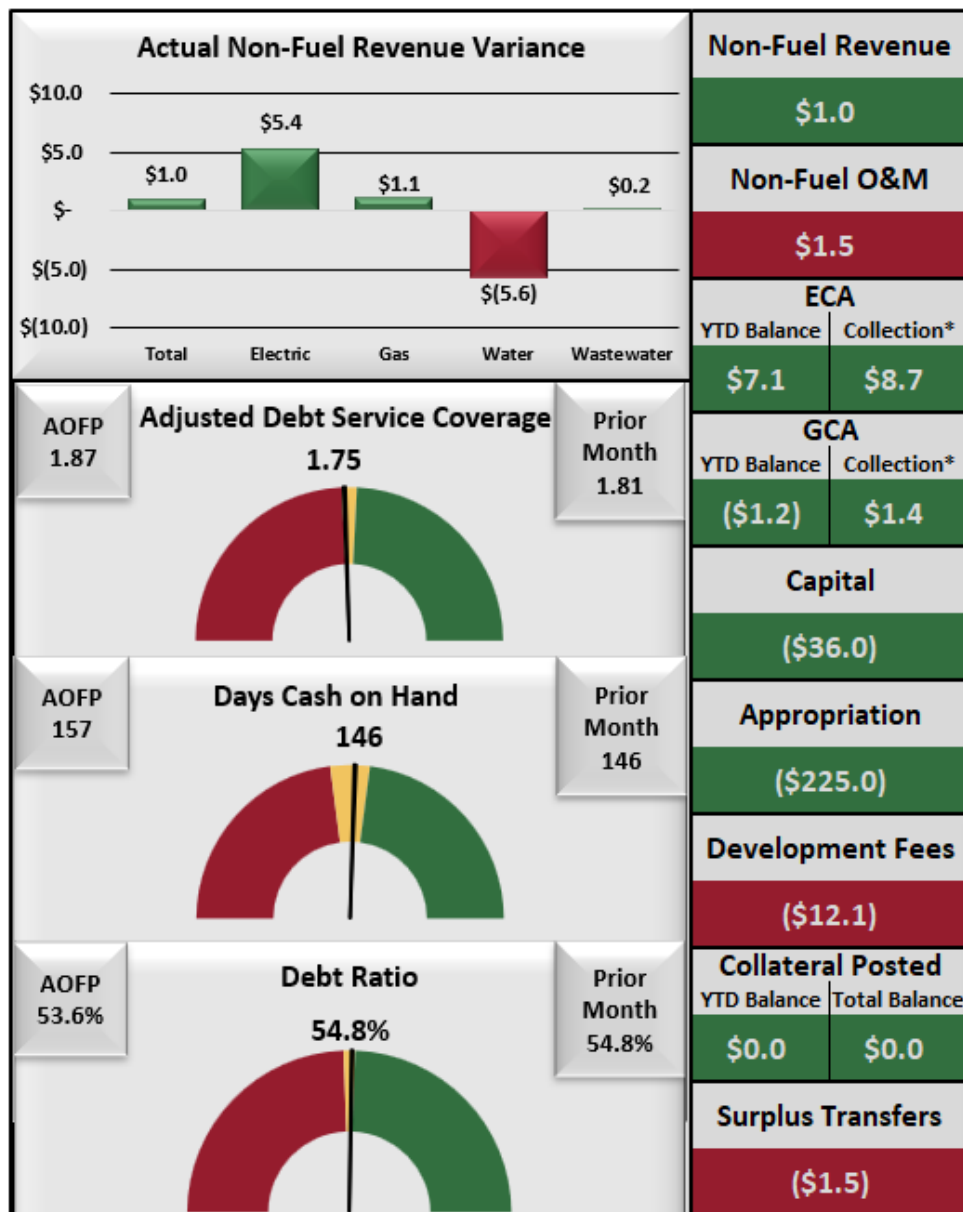
INSTRUCTIONS			
Category:	Utilities Board Instructions to the Chief Executive Officer	Reporting Timeframe:	July 1, 2025 – September 30, 2025
Policy Title (Number):	Financial Condition and Activities (I-2)	Reviewing Committees:	Finance; Program Management Review
Monitoring Type:	Internal; City Auditor	Monitoring Frequency:	Quarterly, Annually
Guidelines:	Local Vendor (G-7)		

The Chief Executive Officer shall direct that financial condition and activities and actual expenditures are consistent with Board Expected Results. Accordingly, the CEO shall:

1. Operate within total appropriations for the fiscal year and inform the Utilities Board of:

a. Significant financial variances

- 2025 projected Total Use of Funds to be \$1.60 billion a decrease of \$(225.0) million or (12.3)% from the 2025 Approved Budget of \$1.83 billion.
- Fuel expenses are projected to be \$(192.1) million or (38.9)% under the approved budget primarily due to lower actual 2025 natural gas prices than those projected at the time of the 2025 budget appropriation.
- Operating revenues are currently \$(142.0) million or (14)% under the approved budget due to a decrease in fuel costs that are being reflected in lower ECA / GCA revenue.
- Capital expenses are projected to be \$(36.0) million or (5.7)% under the approved budget primarily related to Las Animas Consolidated Company Shares shift from 2025 to 2026 and Labor and Benefits offset in Non-Fuel O&M.
- Non-fuel operating expenses are projected to be \$1.5 million or 0.3% over the approved budget primarily influenced by labor and benefits offset in Capital.
- Debt Service, Surplus Transfers, and Franchise Fees are projected to be \$1.7 million or 0.6% over the approved budget primarily due to higher debt service.



- b. Expenditures that exceed the Federal Energy Regulatory Commission capital and operating and maintenance budget classifications in electric, natural gas, water, wastewater and common.

	O&M	Capital
Electric	\$ (77,665)	\$ 33,365
Gas	\$ (104,636)	\$ 6,451
Water	\$ 976	\$ (40,651)
Wastewater	\$ 1,242	\$ (20,478)
A&G and Common	\$ (10,510)	\$ (14,696)
Utilities Total	\$ (190,594)	\$ (36,009)

Note: O&M is both fuel and non-fuel, non-fuel is over by \$1.5 million

2. Budget transfers, canceled major capital projects, or new major capital projects not funded in the Approved Budget over \$1,000,000

Project Over/Under Runs						
Activity#	Project Name	Service Line	Investment Type	2025 AAFP	Change	New Budget
193952	Operational Fiber Network	Electric	Regulatory	\$63,045,000	\$20,161,781	\$83,206,778
495436	EWSE Phase 1 - New Lift Stations and Force Mains	Wastewater	Growth	\$18,871,906	(\$13,504,419)	\$5,367,487
193884	APIP - Claremont Substation - Add Transformer, Switchgear, and Feeders	Electric	Regulatory	\$260,000	\$8,328,799	\$8,588,799
394749	Highline Pressure Zone Extension and Redundant Supply	Water	Growth	\$13,699,398	(\$7,699,397)	\$6,000,001
193877	SEP Kelker-South Plant New 115kV Transmission Line	Electric	Regulatory	\$8,604,232	(\$7,261,819)	\$1,342,413
194037	APIP - Horizon Substation - Add New (34.5kV) Transformer, Switchgear, and Feeders	Electric	Growth	\$9,600,000	(\$6,869,765)	\$2,730,235
193898	Front Range CT1 & CT2 Rotor Replacement	Electric	Reliability	\$6,750,000	(\$6,524,005)	\$225,995
394652	WOLF and UBGTP Pressure Zone Interconnection - North Segment, Phase 1	Water	Regulatory	\$5,589,000	(\$5,018,097)	\$570,903
394744	Finished Water Linear Asset Program	Water	Reliability	\$11,312,000	\$5,000,001	\$16,312,001
394476	Rosemont Pipeline Replacement	Water	Reliability	\$4,854,879	(\$4,594,490)	\$260,389
394696	N. Slope - South Catamount Dam Rehabilitation	Water	Reliability	\$6,000,000	\$4,362,781	\$10,362,781
495307	LVSRRF Aeration System Modifications	Wastewater	Reliability	\$10,960,000	(\$4,260,624)	\$6,699,376
193880	SEP MW-KE Transmission Line	Electric	Growth	\$19,242,704	\$4,077,387	\$23,320,091
293182	DIMP - Gas Projects	Natural Gas	Regulatory	\$220,000	\$4,069,406	\$4,289,406
193642	Central Bluffs Substation	Electric	Growth	\$16,000,000	(\$3,788,871)	\$12,211,129
293170	Marksheffel Connector GPAP expansion	Natural Gas	Growth	\$2,000,000	\$3,717,867	\$5,717,867
193975	Tesla TIV Replacement & Stanley Canyon Repair Project	Electric	Reliability	\$2,920,500	\$3,598,792	\$6,519,292
193970	Manitou Units 1&2 Turbines & Generators Rehabilitation Project	Electric	Reliability	\$3,500,000	(\$3,493,845)	\$6,155
293179	DIMP - Gas High-Pressure Distribution System Renewals	Natural Gas	Regulatory	\$7,433,144	(\$3,490,799)	\$3,942,345
193407	Front Range General Electric Hot Gas Path Replacement	Electric	Reliability	\$6,201,347	\$3,399,781	\$9,601,128
495363	LVSRRF Influent Junction Box Replacement	Wastewater	Reliability	\$4,000,000	(\$3,367,839)	\$632,161
193974	System Additions for New Development	Electric	Growth	\$2,400,000	\$3,224,622	\$5,624,622
495435	EWSE Phase 1 - Upper and Lower Crosstown Interceptor	Wastewater	Growth	\$2,689,052	\$3,038,306	\$5,727,358
394587	Potable Pumping Station Replacement Program	Water	Reliability	\$6,000,000	\$2,999,999	\$8,999,999
596710	Computer Maintenance Management System (CMMS)	Common	Reliability	\$4,935,000	(\$2,946,469)	\$1,988,531
596761	Vac Material Processing Wash Plant Recovery System	Common	Reliability	\$2,600,000	(\$2,560,000)	\$40,000
596712	Data Analytics and Strategy - Storage & Access	Common	Regulatory	\$4,500,000	(\$2,454,111)	\$2,045,889
495437	EWSE Phase 1 - Milton Proby Interceptor	Wastewater	Growth	\$481,584	\$2,440,130	\$2,921,714
194029	Santa Fe Substation - Add New Transformer, Switchgear, and Feeders	Electric	Growth	\$1,150,000	\$2,290,883	\$3,440,883
180283	Public Improvements-Electric	Electric	Reliability	\$253,003	\$2,235,136	\$2,488,139
394669	AMI Project - Water	Water	Reliability	\$3,700,000	(\$2,221,627)	\$1,478,373
394722	Pine Valley & McCullough DOVE Disinfection Improvements	Water	Reliability	\$2,250,000	(\$2,200,000)	\$50,000
194103	Airport & Powers - Electric Relocation - CDOT T&M	Electric	Reliability	\$300,000	\$2,059,421	\$2,359,421
495356	Northern Monument Creek Interceptor	Wastewater	Growth	\$4,000,000	(\$1,799,686)	\$2,200,314
192347	Electric Meters - Base Requirements	Electric	Growth	\$2,359,948	(\$1,750,692)	\$609,256
193874	SEP Kelker Substation Rebuild-Expansion	Electric	Regulatory	\$31,485,002	\$1,586,792	\$33,071,794
293180	DIMP - Gas Coated Steel Renewals	Natural Gas	Regulatory	\$2,000,000	(\$1,399,785)	\$600,215
596759	Network TIL Redesign	Common	Growth	\$1,500,000	(\$1,388,964)	\$111,036
596758	BRDS02 Data Center PDU/UPS Upgrade	Common	Reliability	\$1,500,000	(\$1,300,000)	\$200,000
194045	Fontanero Substation - Add Second 115/12.5 kV Transformer, Switchgear, and Feeders	Electric	Growth	\$4,000,000	(\$1,237,521)	\$2,762,479
596544	Network Enterprise Services Program	Common	Reliability	\$2,000,000	(\$1,226,819)	\$773,181
394575	Potable Water Tank Refurbishment/Replacement Program	Water	Reliability	\$1,054,236	\$1,225,152	\$2,279,388
293183	Gas Unplanned Maintenance	Natural Gas	Regulatory	\$1,605,533	\$1,155,126	\$2,760,659
394675	Homestake 72" Inline Valve on Discharge Line	Water	Reliability	\$1,500,000	\$1,128,689	\$2,628,689
495343	CSRRRF Electrical Upgrades Project	Wastewater	Reliability	\$2,300,000	\$1,124,671	\$3,424,671
193224	Electric Underground Infrastructure Preventative Maintenance	Electric	Reliability	\$1,890,000	\$1,099,273	\$2,989,273
394345	Continental-Hoosier System Project	Water	Growth	\$3,681,095	\$1,034,751	\$4,715,846
193745	Atmel Substation - Add New Transformer, Switchgear, and Feeders	Electric	Growth	\$458,543	(\$1,026,306)	(\$567,763)
Total				\$313,657,106	(\$10,026,404)	\$303,630,699

Cancelled / Delayed Projects						
Activity#	Project Name	Service Line	Investment Type	2025 AAFP	Change	New Budget
193784	SEP EIRP Implementation	Electric	Growth	\$42,120,000	(\$42,120,000)	\$0
394683	Water Acquisition	Water	Growth	\$33,000,000	(\$33,000,000)	\$0
194133	SEP EIRP Implementation - Transmission	Electric	Reliability	\$25,000,000	(\$25,000,000)	\$0
394790	Ruxton 24" and 30" Raw Water Main Replacement/Rehabilitation	Water	Reliability	\$3,500,000	(\$3,500,000)	\$0
300905	Water Manager Reserve	Water	Reliability	\$2,872,469	(\$2,872,469)	\$0
194028	Fuller Substation - Add Two New Feeders	Electric	Growth	\$2,385,000	(\$2,385,000)	\$0
394722	Pine Valley & McCullough DOVE Disinfection Improvements	Water	Reliability	\$2,250,000	(\$2,250,000)	\$0
400905	WWater Manager Reserve	Wastewater	Reliability	\$1,544,144	(\$1,544,144)	\$0
394771	Reduced Briargate Tank (2021 FWSP)	Water	Reliability	\$1,186,086	(\$1,186,086)	\$0
586280	BRDS02 Halon Replacement	Common	Reliability	\$1,050,446	(\$1,050,446)	\$0
Total				\$114,908,145	(\$114,908,145)	\$0

New or Advanced Projects						
Activity #	Project Name	Service Line	Investment Type	2025 AAFP	Change	New Budget
194144	SEP - Horizon Power Plant	Electric	Reliability	\$0	\$66,411,013	\$66,411,013
194147	Front Range High Energy Piping Insulation & Heat Trace Replacement	Electric	Regulatory	\$0	\$8,950,903	\$8,950,903
394802	South Suburban Reservoir Emergency Repairs	Water	Regulatory	\$0	\$5,438,477	\$5,438,477
193889	Kettle Creek 12.5kV Feeder Addition	Electric	Regulatory	\$0	\$2,285,873	\$2,285,873
394755	Arkansas Basin Storage - Clear Creek	Water	Reliability	\$0	\$1,900,000	\$1,900,000
394807	FLCC Shares Acquisition	Water	Growth	\$0	\$1,807,000	\$1,807,000
394793	SDS I&C Pump Station Upgrades	Water	Reliability	\$0	\$1,504,976	\$1,504,976
495475	LVTPO6 Complete Interior Renovation Project	Wastewater	Growth	\$0	\$1,499,991	\$1,499,991
194179	Rock Island Relocation Land Acquisition	Electric	Reliability	\$0	\$1,400,000	\$1,400,000
194154	Substations Power Transformer Purchases	Electric	Reliability	\$0	\$1,074,297	\$1,074,297
394787	Penrose Water Supply	Water	Reliability	\$0	\$1,007,239	\$1,007,239
Total				\$0	\$93,279,769	\$93,279,769

Summary			
Category	2025 AAFP	Change	New Budget
Total I-2 Reportable Changes	\$428,565,251	(\$31,654,780)	\$396,910,468
Total Other Changes	\$200,186,927	(\$4,353,791)	\$195,833,139
Grand Total	\$628,752,178	(\$36,008,571)	\$592,743,607

*Refer to appendix for variance type code descriptions

5-year Capital Outlook (in thousands)					
Category	2025	2026	2027	2028	2029
AAFP Budget*	\$628,752	\$697,046	\$997,463	\$985,384	\$602,274
I-2 Forecast	\$592,744	\$948,201	\$860,019	\$812,512	\$758,300
Variance	(\$36,008)	\$251,155	(\$137,443)	(\$172,872)	\$156,027
5-year Total Variance					\$60,859

*Based on 2025 approval

3. Invest funds in accordance with Bond Ordinance requirements and Utilities Investment Plan.

All cash and investments are in U.S. Treasury Notes, U.S. Agency securities, repurchase agreements, Local Government Investment Pools, and secured bank accounts that comply with Bond Ordinance investment requirements and the Colorado Springs Utilities Investment Plan.

4. Ensure controls are in place for receiving, processing, or disbursing funds and allow only bonded personnel access to material amounts of funds.

Colorado Springs Utilities maintains adequate controls that are reviewed annually by an external auditor. Appropriate personnel have access to material amounts of funds. In addition, the City of Colorado Springs' Risk Management team has expanded insurance coverage of high-risk employees through a shared Crime Insurance Policy, which affords a financial backstop for employee theft, forgery, money order tampering, counterfeit money, and other elements of potential fraud and misappropriation.

5. Ensure receivables are resolved within a reasonable grace period.

Days Sales Outstanding (DSO) is the average number of days receivables remain outstanding before being collected. At the end of the third quarter of 2025, there is 23.85 of DSO.

6. *Settle payroll and debts in a timely manner.*

These conditions have been achieved as of this monitoring report.

7. *Ensure tax payments or other government ordered payments are timely and materially accurate.*

These conditions have been achieved as of this monitoring report.

8. *Operate within the applicable sections of the Colorado State Procurement Code and Springs Utilities procurement policies and procedures assuring legal and fiscal compliance with competitive acquisition practices, conflict of interest, favoritism and procurement from local vendors.*

Colorado Springs Utilities maintains written purchasing regulations that assure legal and fiscal compliance with competitive acquisition practices, avoid conflicts of interest, avoid favoritism, and promote procurement from local vendors. Total spending associated with purchase orders and contracts with local area addresses at 30.6% for the third quarter, with a target of 30%.

9. *Inform the Utilities Board of significant financial impacts on the Municipal Government.*

During the third quarter of 2025, there were no significant financial impacts on the Municipal Government.

Surplus Transfers are forecast to be \$36.1 million, which is below the budget by \$1.4 million or 3.7%.

The Office of the City Auditor is conducting an Audit to ensure surplus rates are set at the appropriate levels.

City Council and Clerk payment allocations are being reviewed by the City and Colorado Springs Utilities.



Date: January 21, 2026

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Monitoring Report**
Utilities Board/Chief Executive Officer Partnership Expectations (E-2)

Desired Action: Monitoring

EXPECTATIONS	
Category:	Utilities Board/Chief Executive Officer Partnership Expectations
Policy Number:	E: 2 (Chief Executive Officer Responsibilities)

The Utilities Board and the Chief Executive Officer work in partnership to achieve excellence in governance and operations to attain long-term organizational success and sustainability.

Water Outlook

January 2026 Water Outlook: Data as of December 31, 2025.

Local Conditions: December brought above normal temperatures and above average precipitation to the region.

Water Demands: December water use averaged 40 million gallons per day (MGD), which was about 4.1% less than last December. Total 2025 water demand was 21.8 billion gallons, which was about 7% less than 2024. Total system storage is currently at 77.5% of capacity, equating to approximately 2.9 years of demand in storage, a level that is above average for the end of December. Local storage currently holds enough water to meet approximately 213 days of demand, based on average usage.

Climate Summary: Temperatures in December were above the 30-year average at 41.0 degrees Fahrenheit, which was 9.3 degrees above normal. Total precipitation for December was 0.36 inches, which is above normal. Total 2025 precipitation was 16.22 inches, which is 102% of normal.

Current Reservoir Levels: Local storage is currently at about 40,540 acre-feet (61% of

capacity). The 1991-2020 average is 68% of capacity. Rampart Reservoir is at 69% of capacity, and Pikes Peak storage is at 48% of capacity. System wide, total storage is about 201,800 acre-feet (78% of capacity). Last year at this time, total system wide storage was 80% of capacity. It was about 85% at this same time in 2023, about 72% of capacity in 2022, about 73% of capacity in 2021, and about 72% of capacity in 2020. The 1991-2020 normal system wide storage for the end of December is 73% of capacity.

Water Supply Outlook: The U.S. Drought Monitor indicates varying drought conditions across the country, with 30% of the U.S. experiencing no drought conditions. In Colorado, 29% of the state is currently free from drought conditions, a 46-percentage point decline since the beginning of 2025. There have been some notable increases in the drought conditions across the state over the 2025 calendar year.

Looking ahead, the Seasonal Drought Outlook predicts drought persistence is likely in Northwestern Colorado with drought development likely in Central and Southern Colorado between now and March 31, 2026. The three-month climate outlook predicts Central and Southern Colorado have a slightly higher chance of above normal temperatures. The three-month outlook is also forecasting near normal precipitation across most of the state, with a small portion of southeast Colorado showing a slightly reduced likelihood of precipitation.

Operational Notes: Mason Reservoir capacity remains restricted for maintenance.

Electric Cost Adjustment / Gas Cost Adjustment

Electric Cost Adjustment (ECA)

On June 24, 2025, City Council approved the ECA rate of \$0.0263 per kWh effective July 1, 2025. As of November 30, 2025, the ECA over collection balance was \$16.5 million. The over collection balance changed by \$1.2 million from the \$15.3 million over collection balance reported last month. Colorado Springs Utilities will continue to provide regular updates to the Utilities Board as appropriate.

Gas Cost Adjustment (GCA)

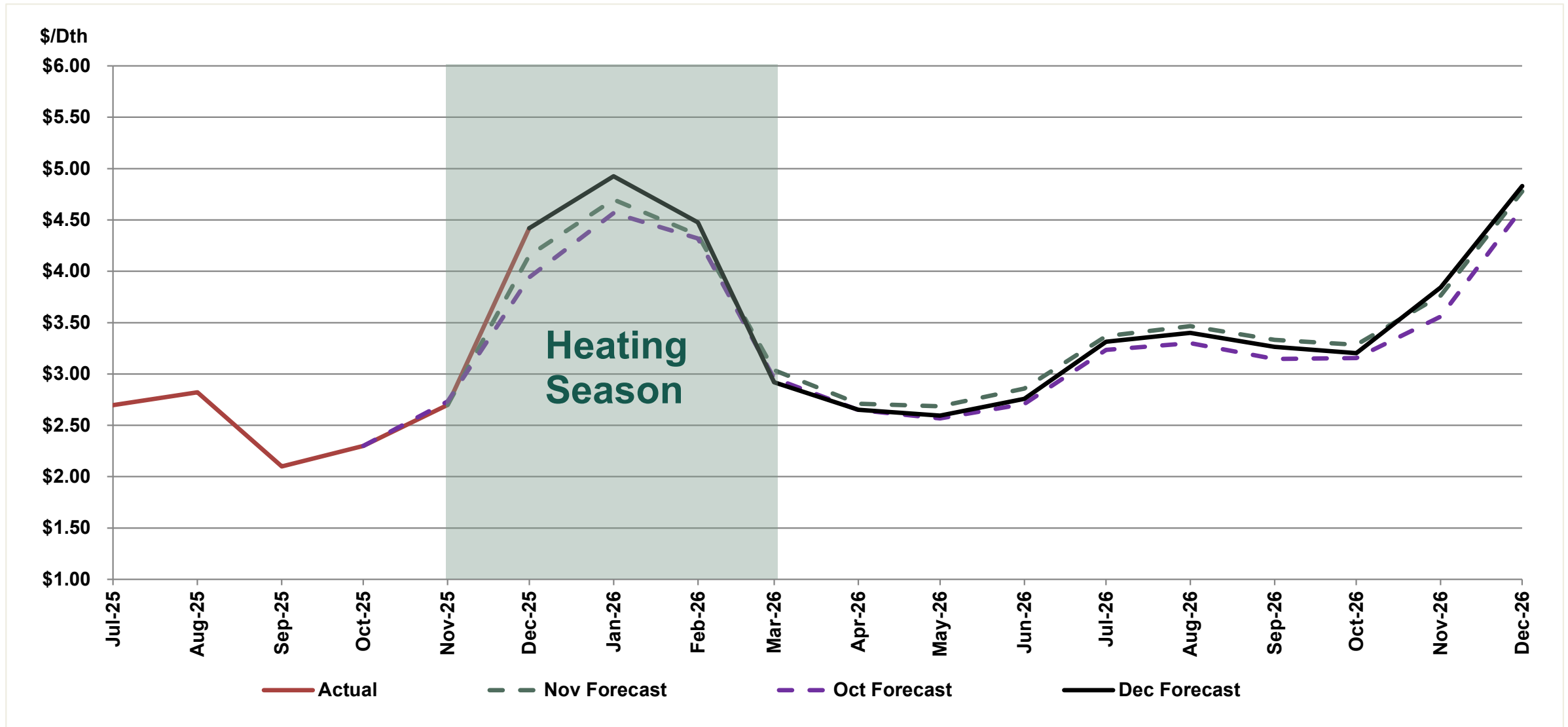
On June 24, 2025, City Council approved the GCA rate of \$0.3263 per Ccf effective July 1, 2025. As of November 30, 2025, the GCA over collection balance was \$2.9 million. The over collection balance changed by \$1.1 million from the \$1.8 million over collection balance reported last month. Colorado Springs Utilities will continue to provide regular updates to the Utilities Board as appropriate.



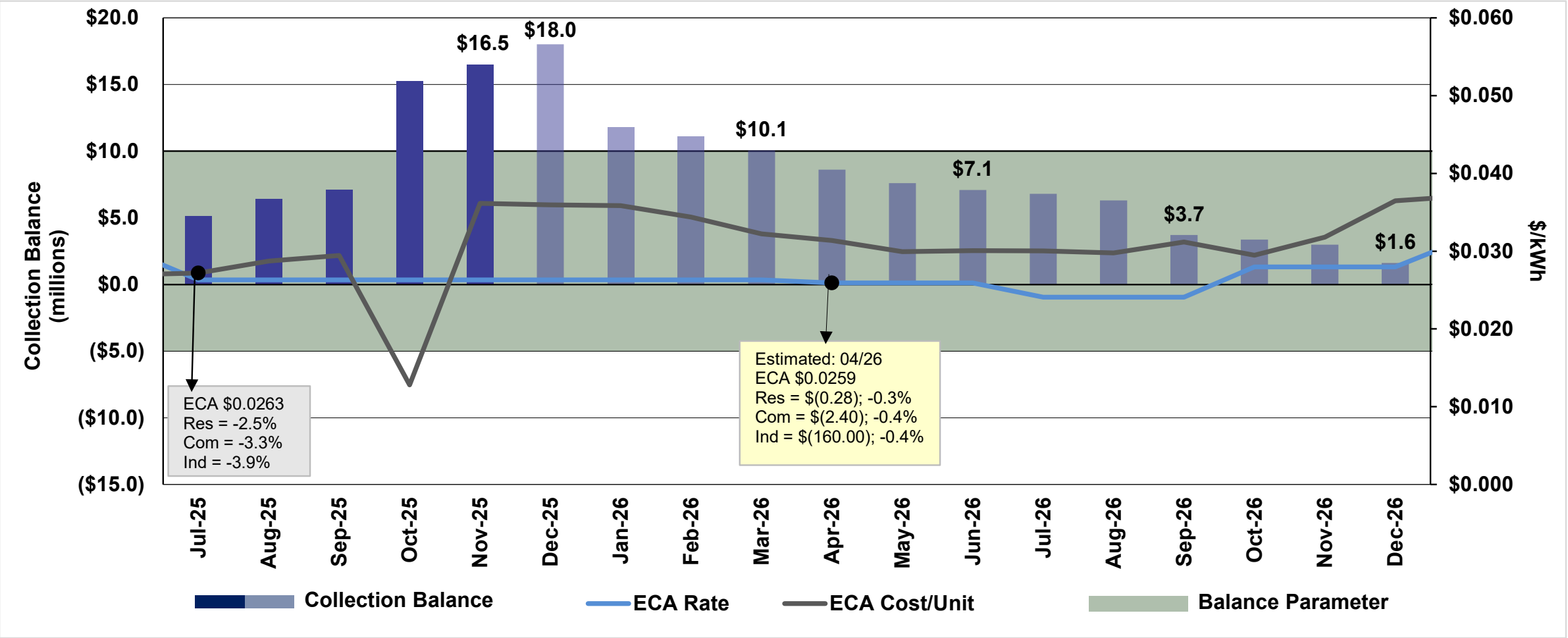
Electric Cost Adjustment Gas Cost Adjustment

Scott Shirola, Pricing and Rates Manager
January 21, 2026

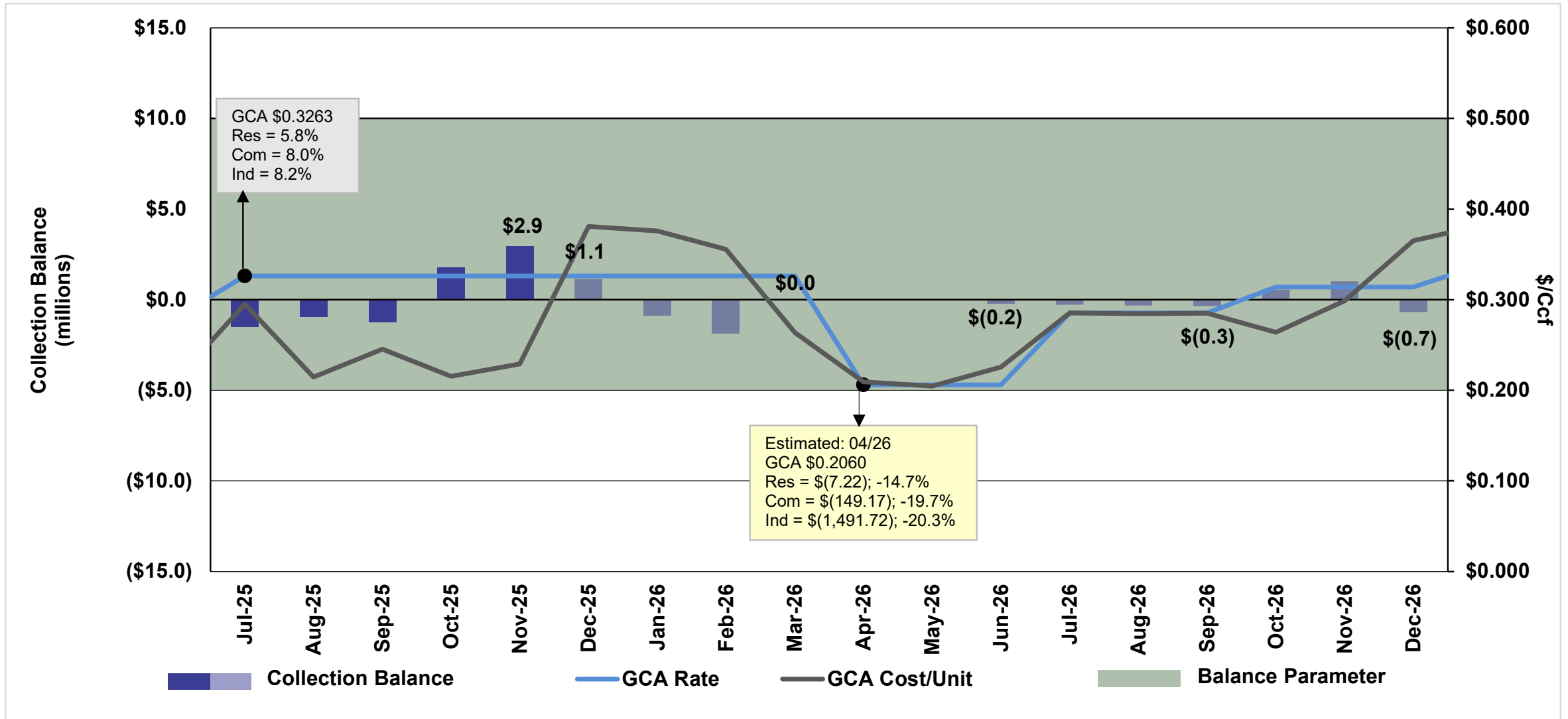
Natural Gas Prices as of December 1, 2025



ECA Projections December 2025



GCA Projections December 2025





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Water Outlook

Nick Harris, P.E.

Water Resource Engineer, Water Resource Planning

January 21, 2026

Local Weather Conditions as of December 31, 2025

Precipitation (Inches of Moisture)

- December 2025 – 0.36 in. (156.5% of normal)
- 2025 YTD Total – 16.22 in. (101.9% of normal)

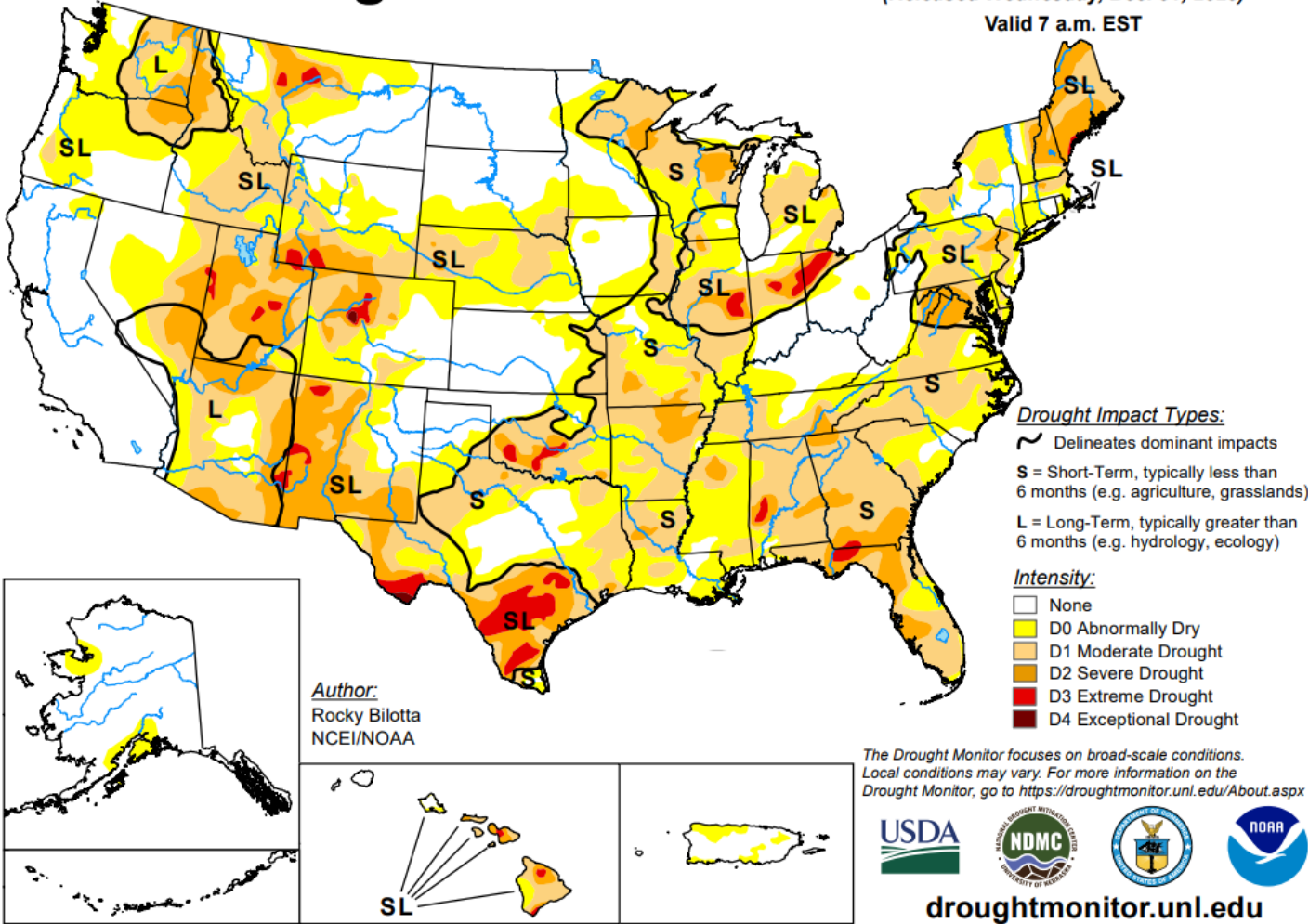
Average Temperature (Degrees F)

- December 2025 – 41.0 Deg. (9.3 deg. above normal)
- 2025 YTD Average – 51.6 Deg. (1.1 deg. above normal)

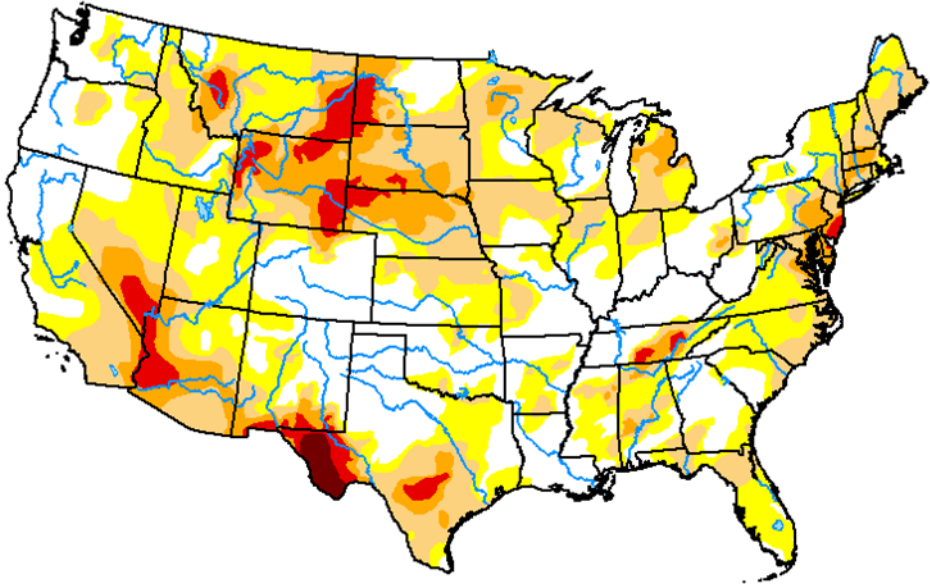


U.S. Drought Monitor

December 30, 2025
(Released Wednesday, Dec. 31, 2025)
Valid 7 a.m. EST



December 31, 2024










Colorado

Map released: Weds. December 31, 2025

Data valid: December 30, 2025 at 7 a.m. EST

Intensity

-  None
-  D0 (Abnormally Dry)
-  D1 (Moderate Drought)
-  D2 (Severe Drought)
-  D3 (Extreme Drought)
-  D4 (Exceptional Drought)
-  No Data

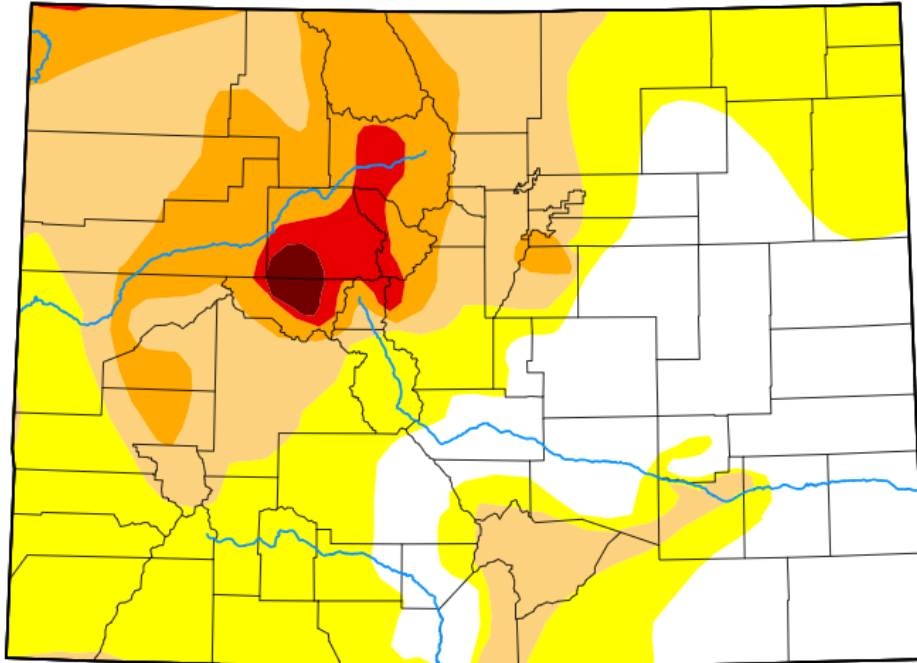
Authors

United States and Puerto Rico Author(s):

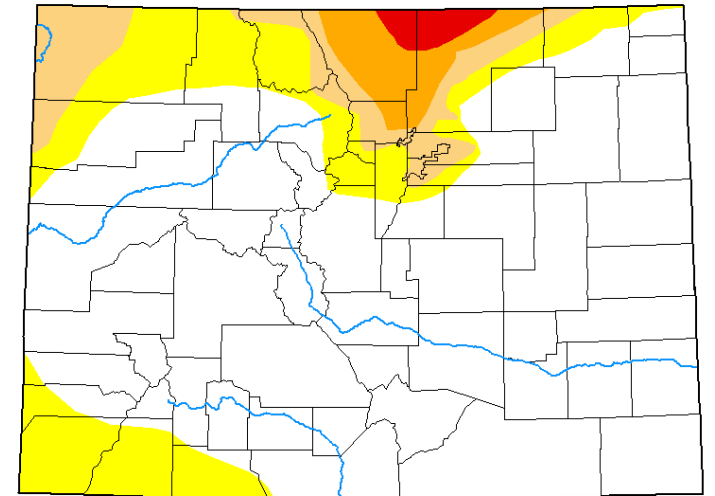
[Rocky Bilotta](#), NOAA/NCEI

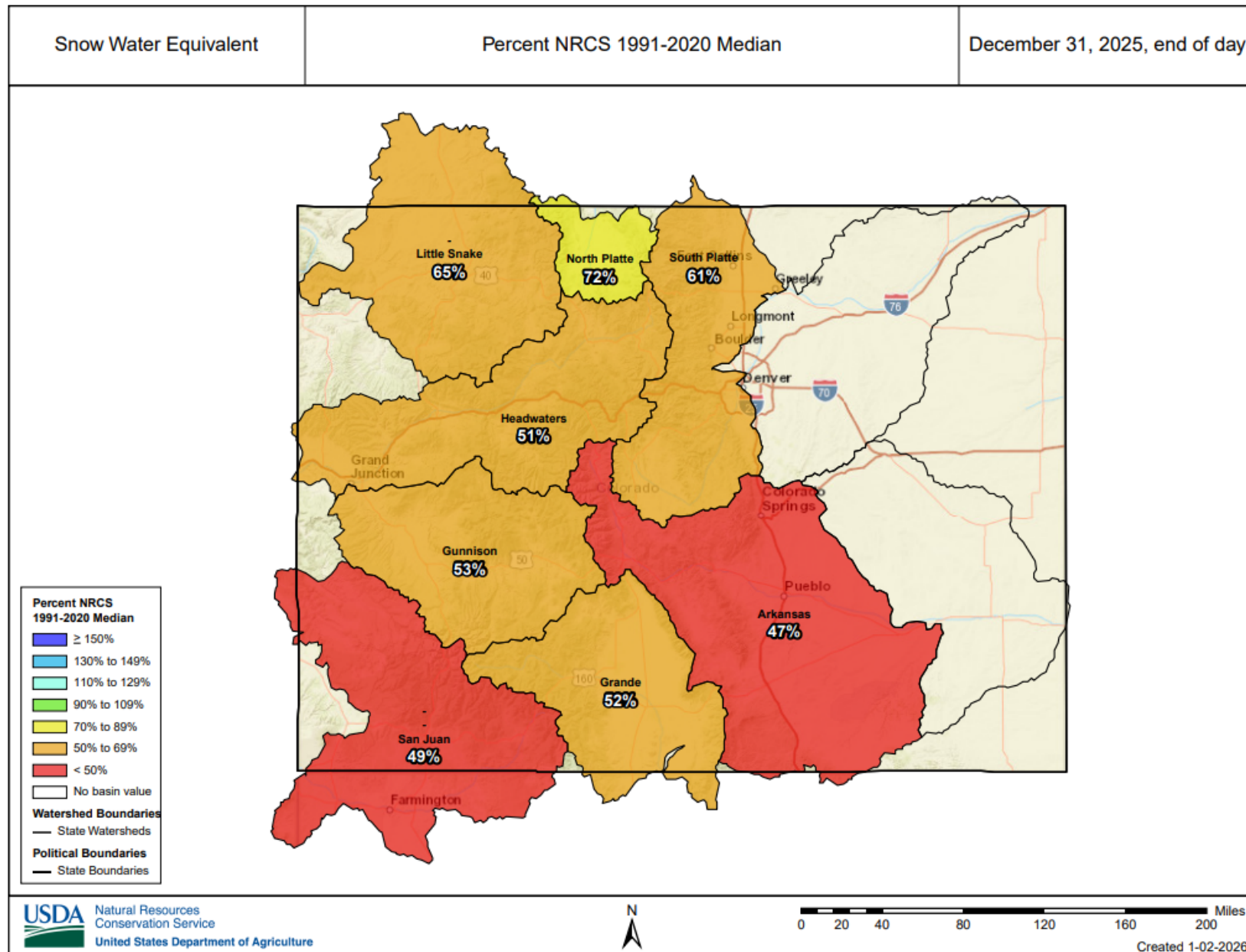
Pacific Islands and Virgin Islands Author(s):

[Anthony Artusa](#), NOAA/NWS/NCEP/CPC



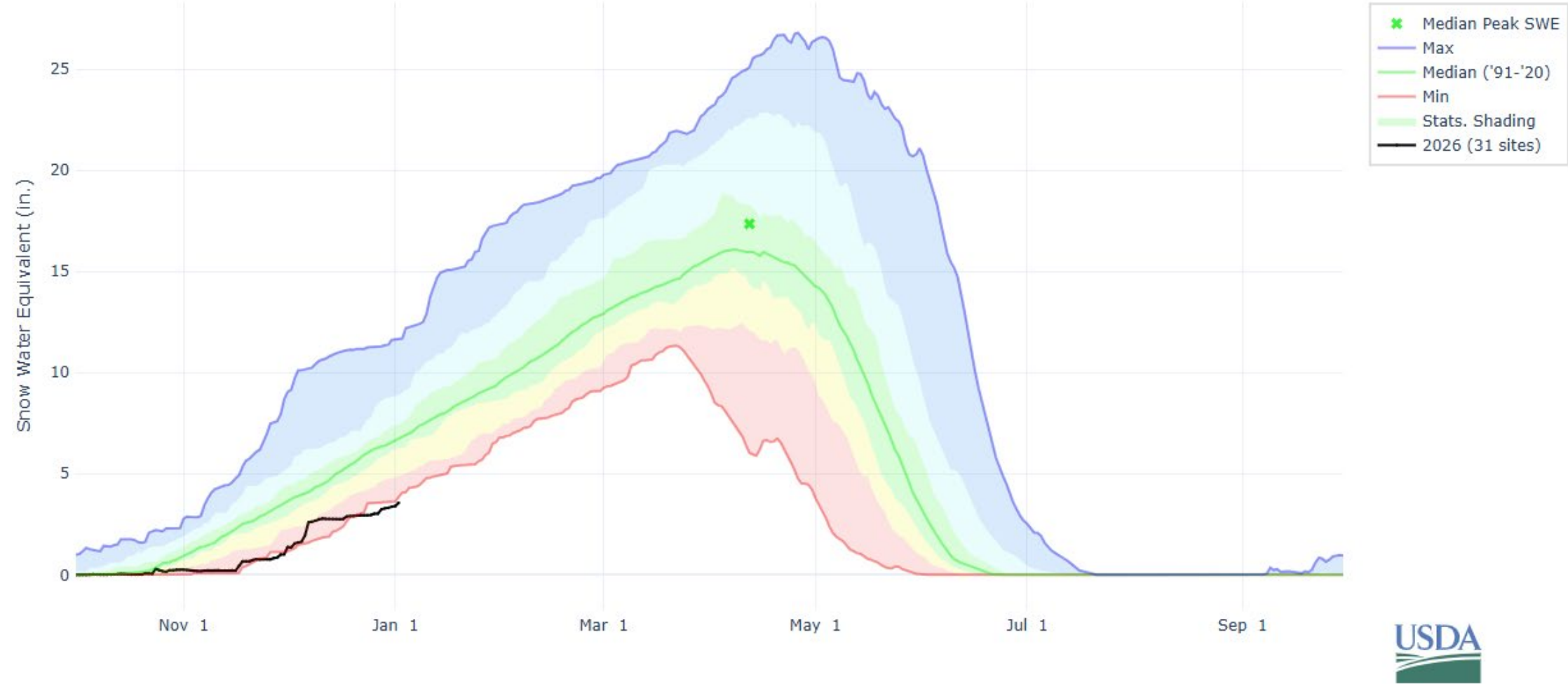
December 31, 2024



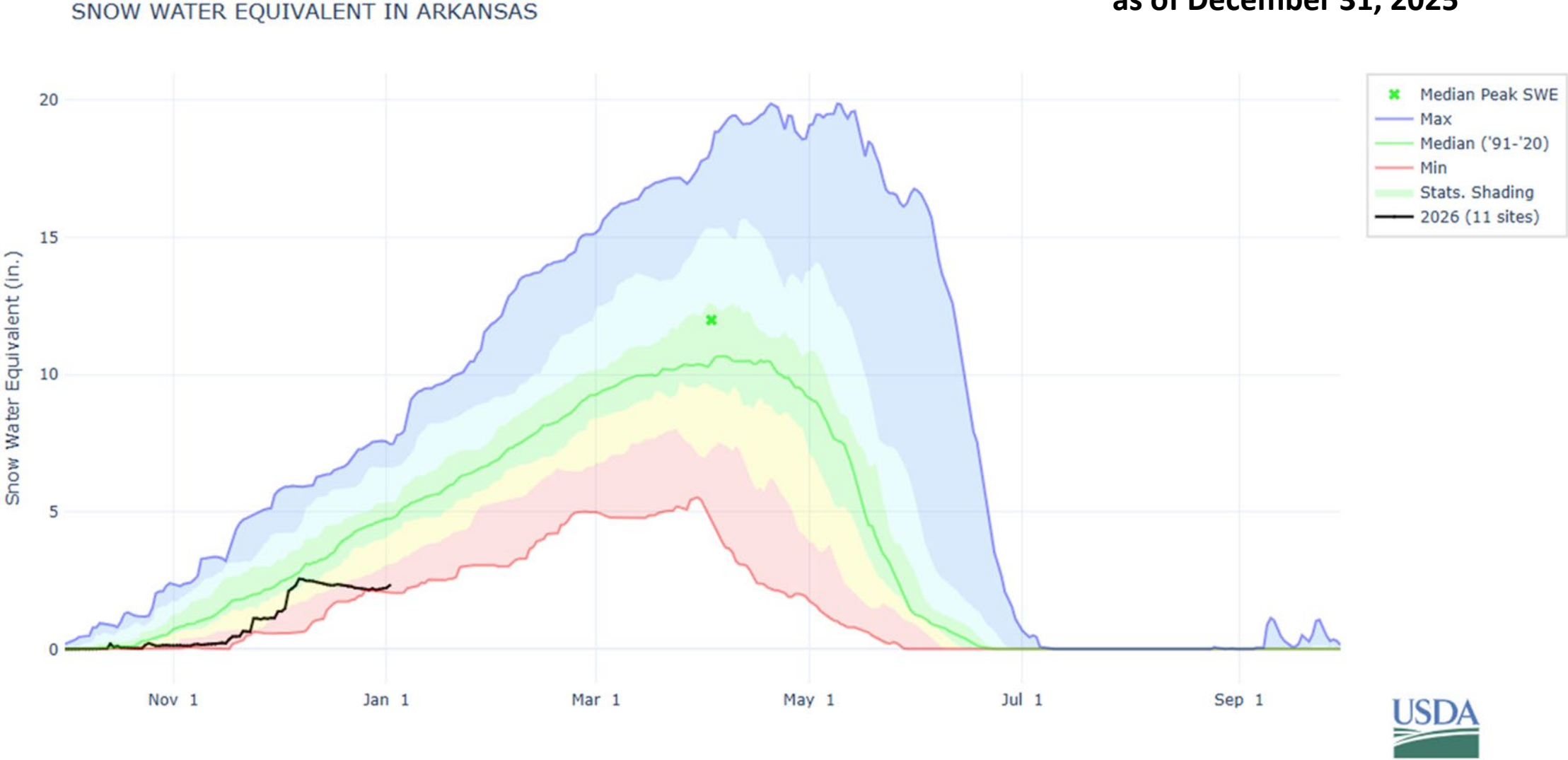


**Snowpack in the Colorado River
Headwaters Basin is 51% of normal
as of December 31, 2025**

SNOW WATER EQUIVALENT IN COLORADO HEADWATERS



**Snowpack in the Arkansas River
Basin is 47% of normal
as of December 31, 2025**

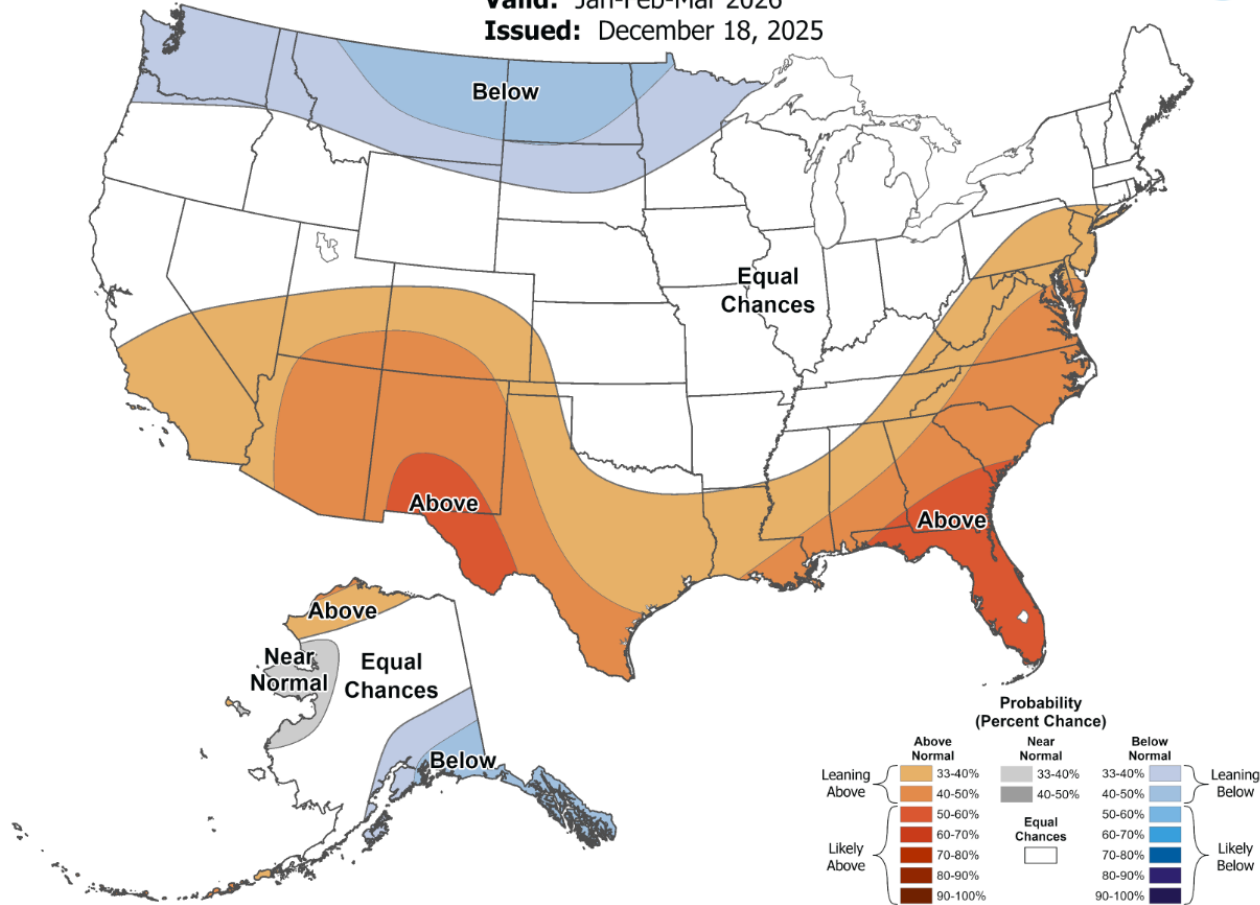




Seasonal Temperature Outlook

Valid: Jan-Feb-Mar 2026

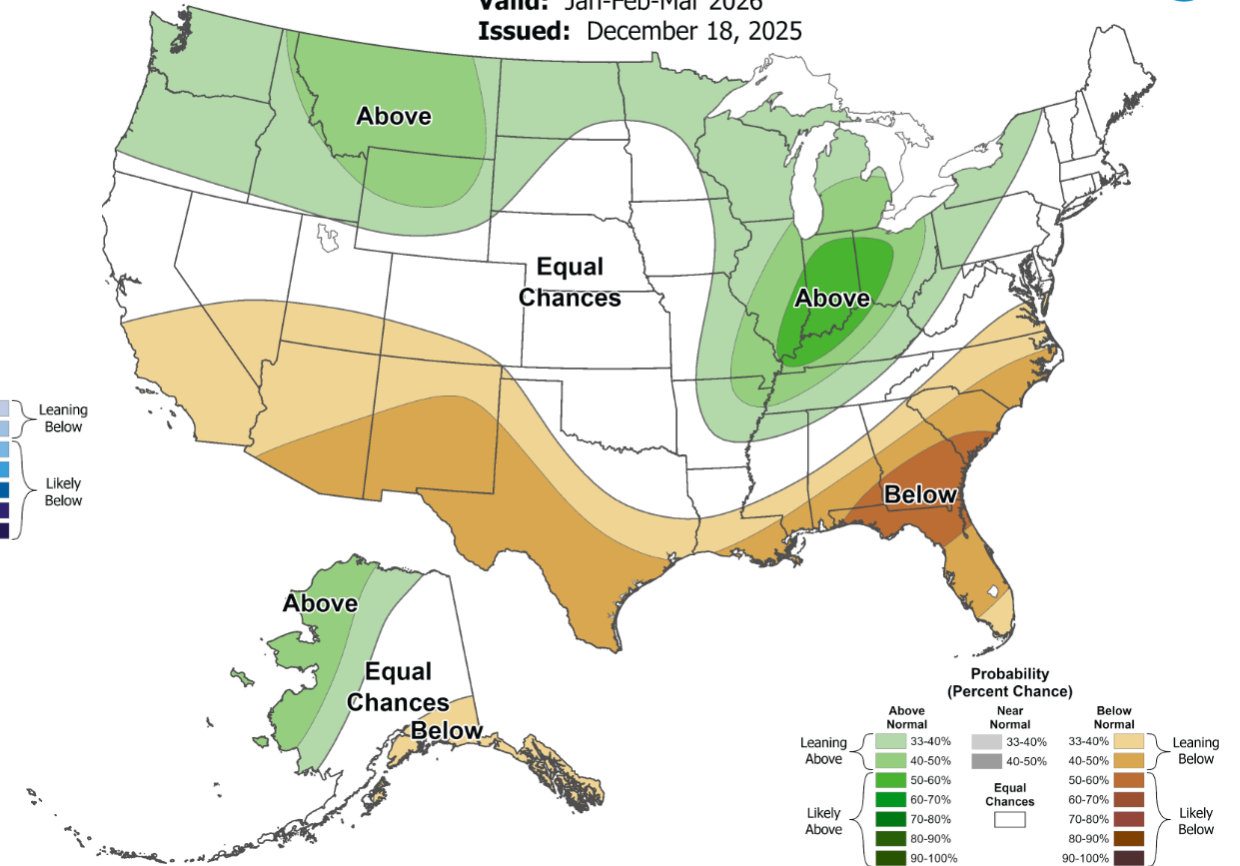
Issued: December 18, 2025



Seasonal Precipitation Outlook

Valid: Jan-Feb-Mar 2026

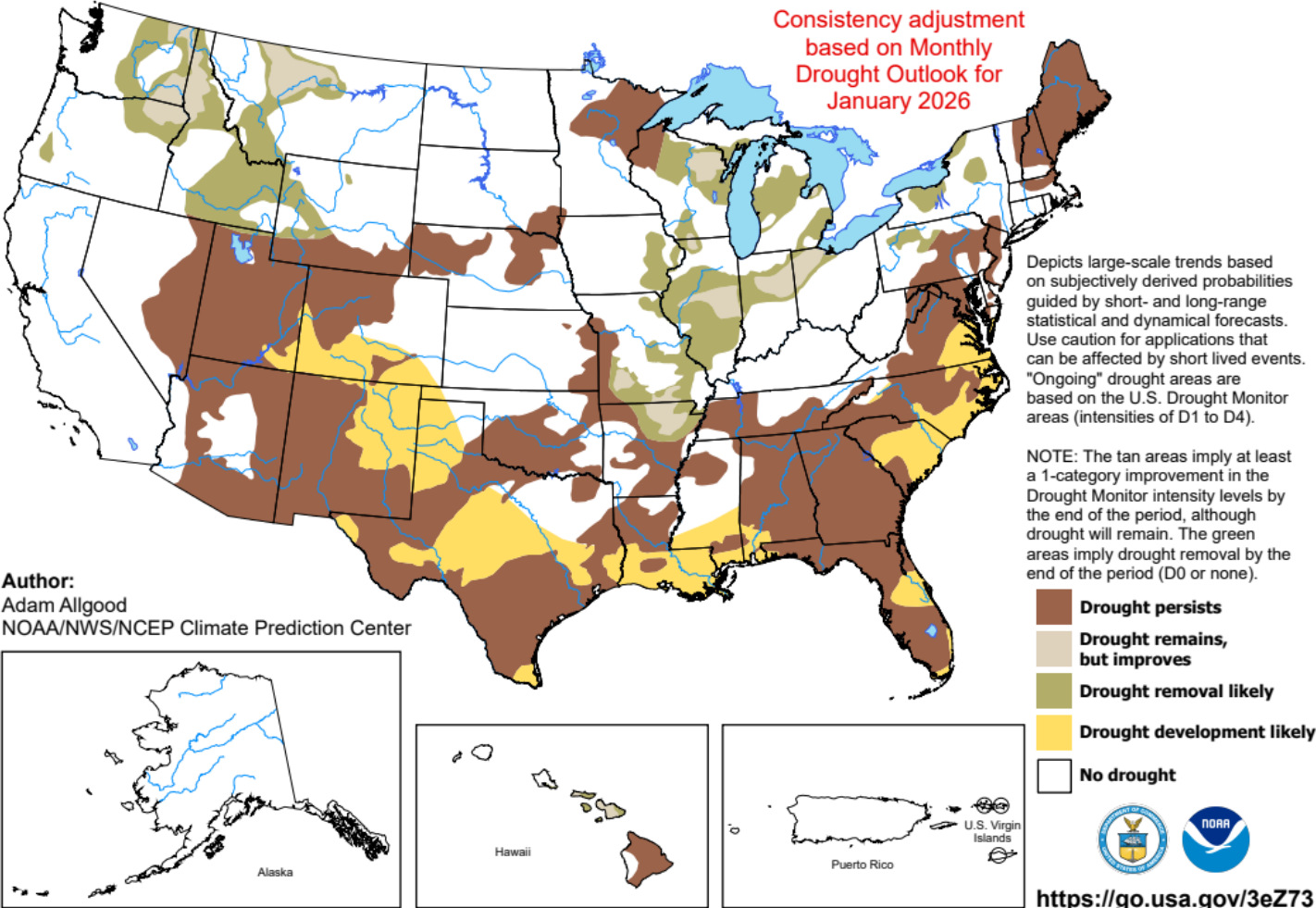
Issued: December 18, 2025



U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period

Valid for January 1 - March 31, 2026
Released December 31, 2025

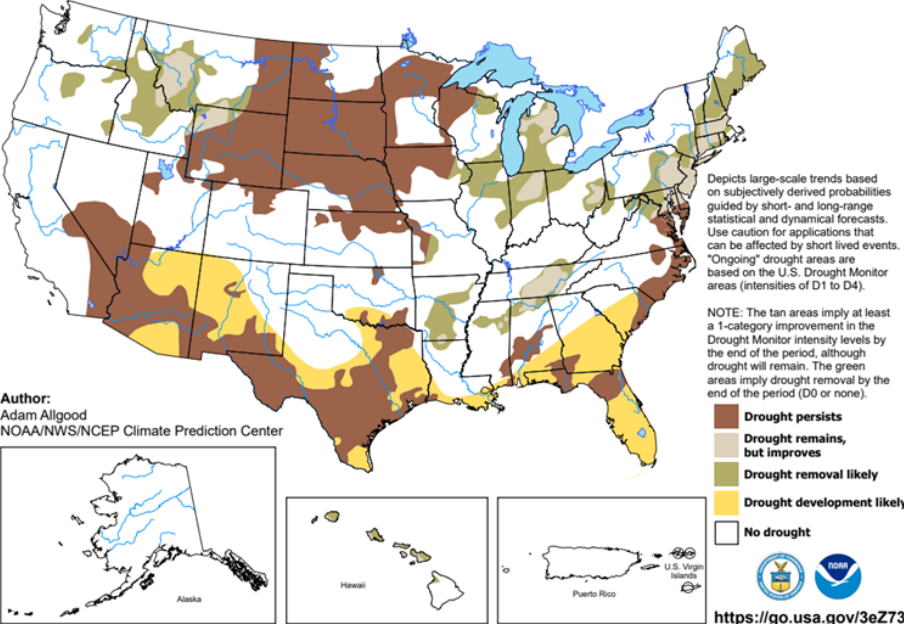


<https://go.usa.gov/3eZ73>

U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period

Valid for December 19, 2024 - March 31, 2025
Released December 19, 2024



<https://go.usa.gov/3eZ73>

2025 Demands

December

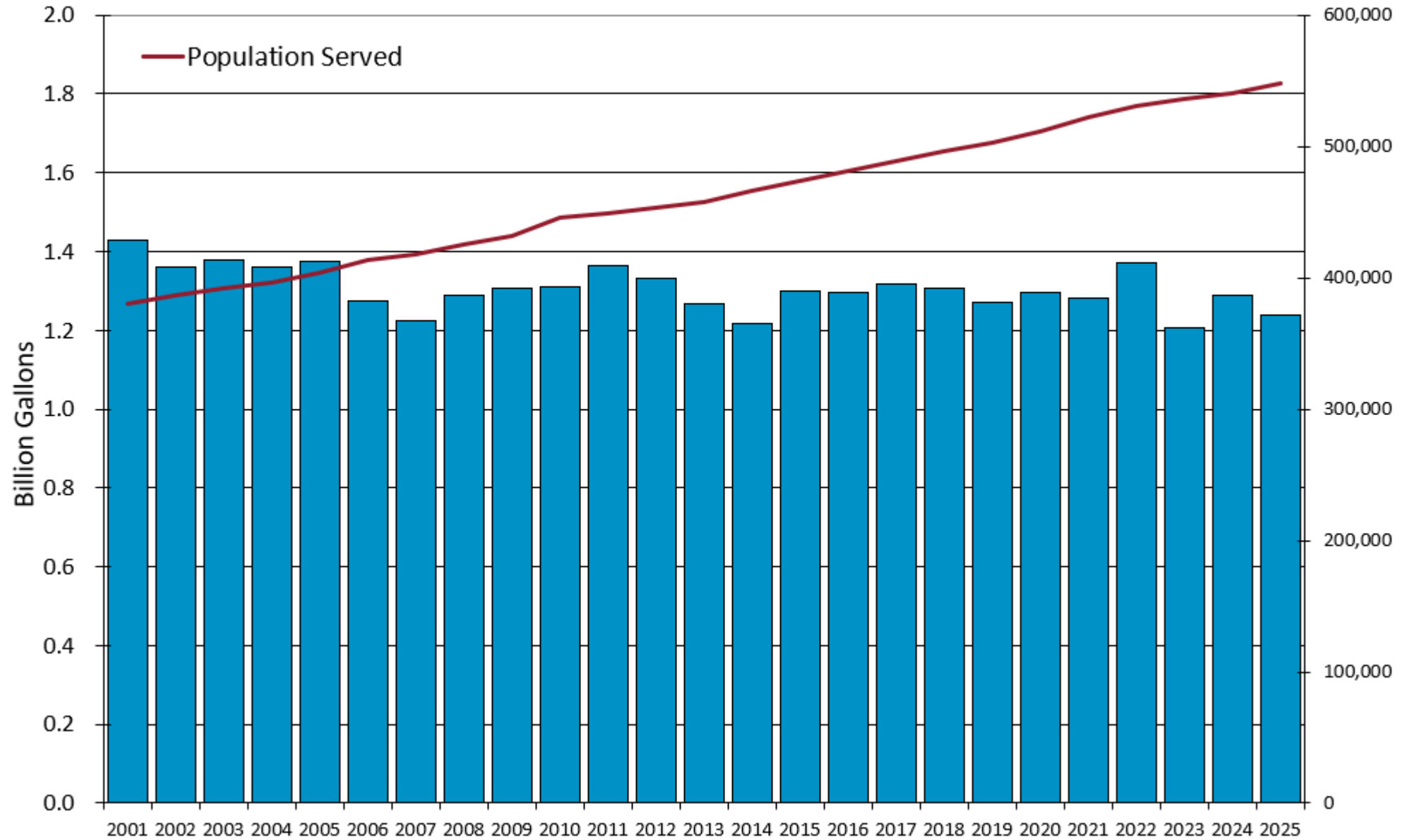
- Averaged 40.0 MGD
- 4.1% less than December 2024

2025 Year to Date through December 31

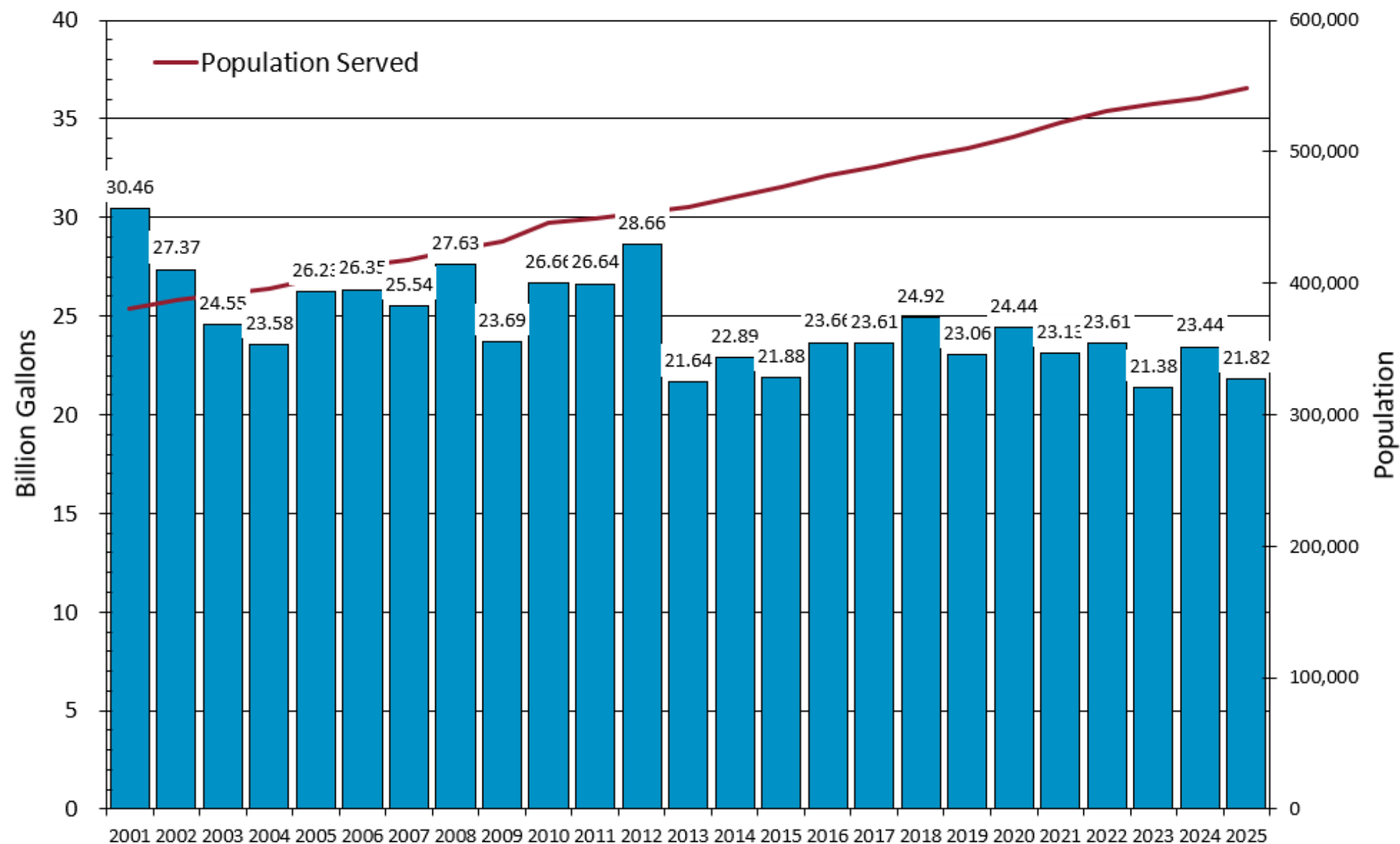
- Averaging 59.6 MGD, 21.8 BG total
 - 7.0% lower compared to the same time in 2024
 - 1.6 Billion Gallons less than 2024



Monthly Water Use for December

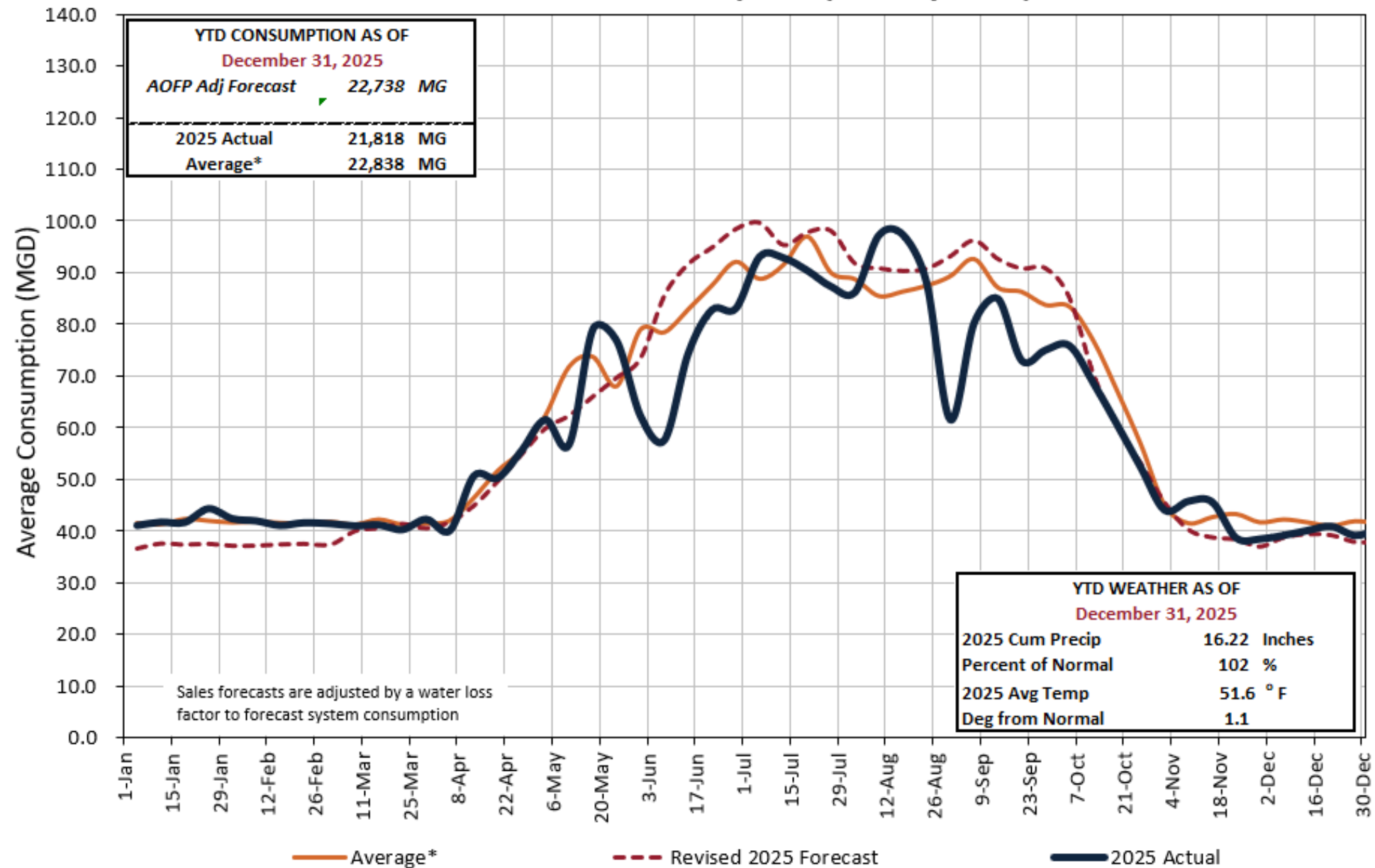


2025 Total Annual Water Use



2025 Actual Consumption (Weekly Data)

*Average is based on last 3 years of unrestricted consumption (2022-2024)



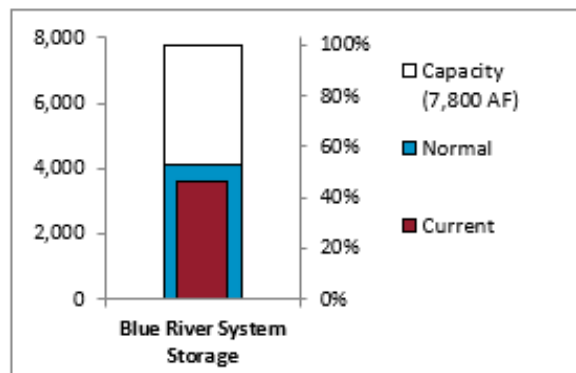
Reservoir Levels

December 31, 2025

- Pikes Peak 48 %
 - 91-20 Avg. 63 %
- Rampart 69 %
 - 91-20 Avg. 72 %
- Local Total 61 %
 - 91-20 Avg. 68 %
- System Total 78 %
 - 91-20 Avg. 73 %



Upper Blue Reservoir



Colorado Springs' System Wide Storage:

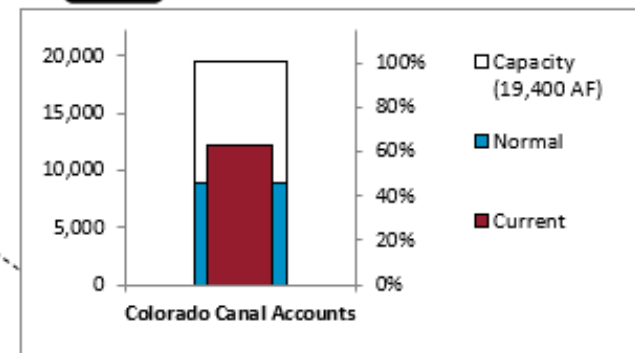
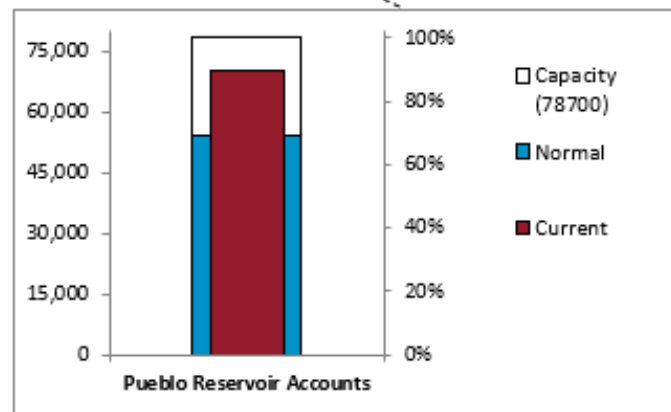
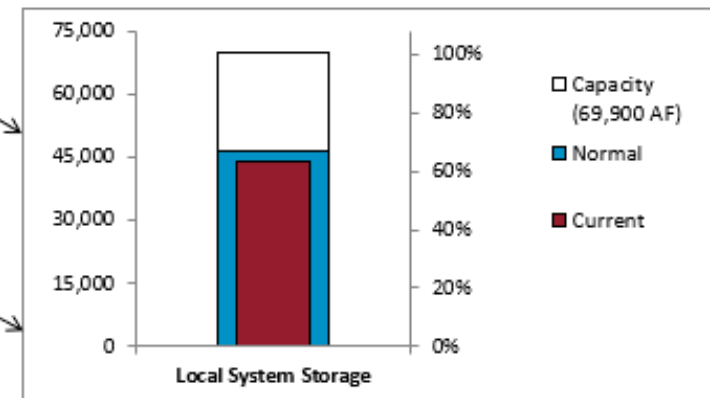
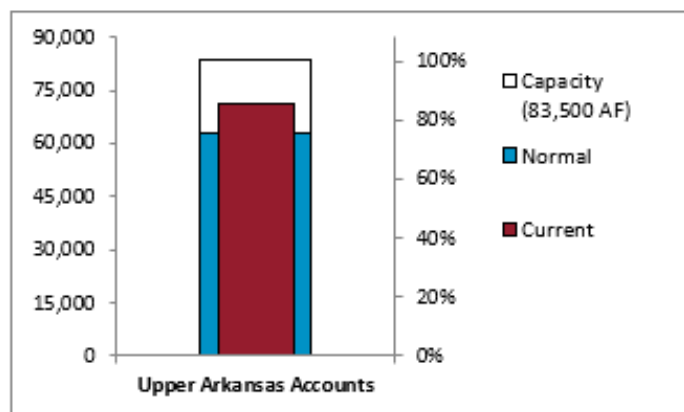
December 31, 2025 **201,800 af**

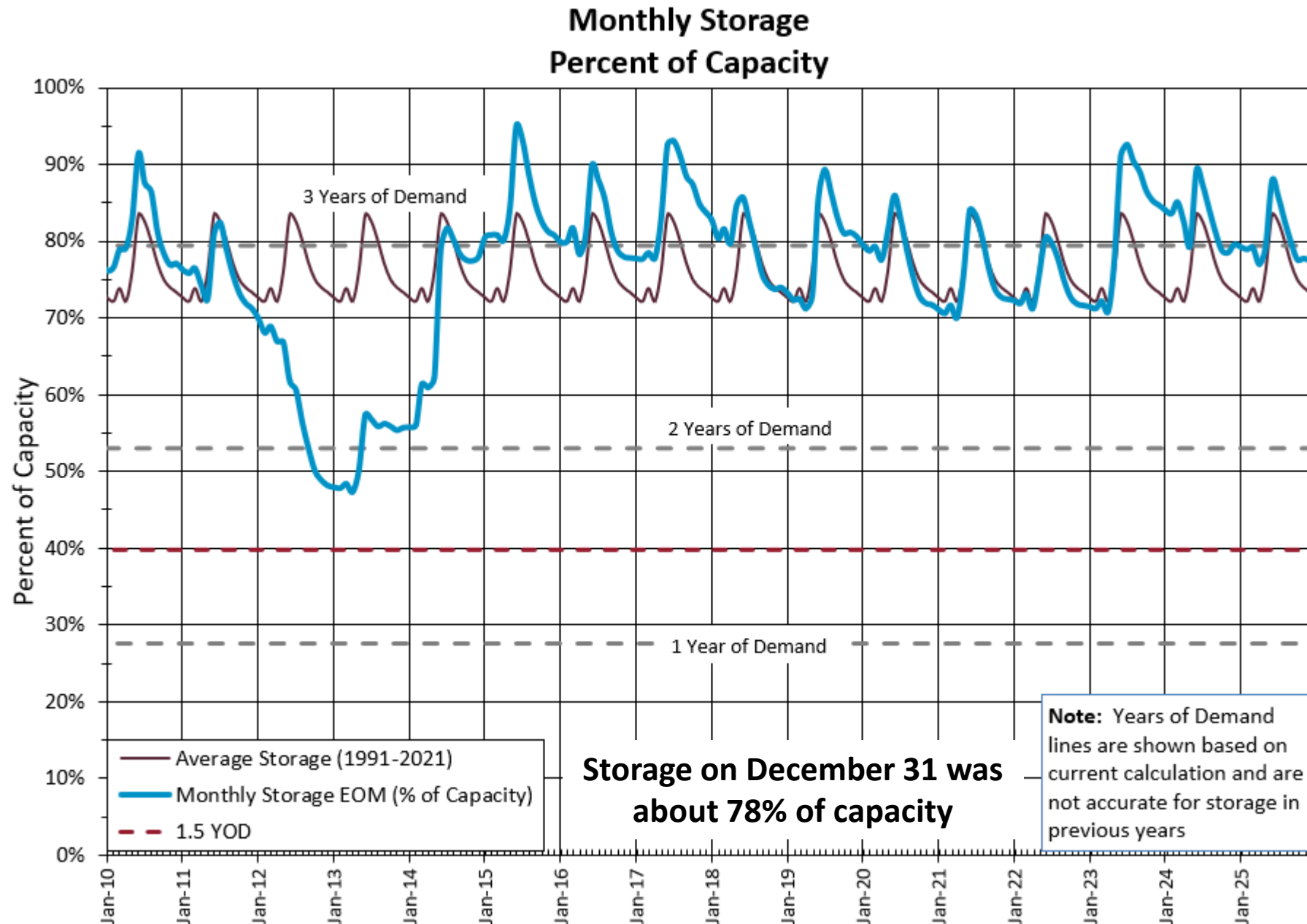
77.5 %

2001-2022 avg **176,400 af**

67.8 %

Average YTD Demand **59.8 MGD**





Water Outlook

Situation Outlook Summary:

- System-wide storage is at 77.5% of capacity, about 4.1% above our 30-year normal
- About 2.9 years of demand in storage, based on the past 3 years of demand
- Have 213 days of demand in local storage

Three-month outlook predictions:

- There is a slightly increased probability for above normal temperatures across Central and Southern Colorado
- The precipitation outlook shows equal chances for normal precipitation across most of the state, with a small portion of southeast Colorado showing a slightly reduced likelihood of normal precipitation.

We continue to monitor precipitation, demand and storage to maximize available water supply.

Operational Notes

Storage Conditions

- Mason Reservoir capacity remains restricted for maintenance.



Colorado Springs Utilities

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Board Memo Agenda Item

Staff Report

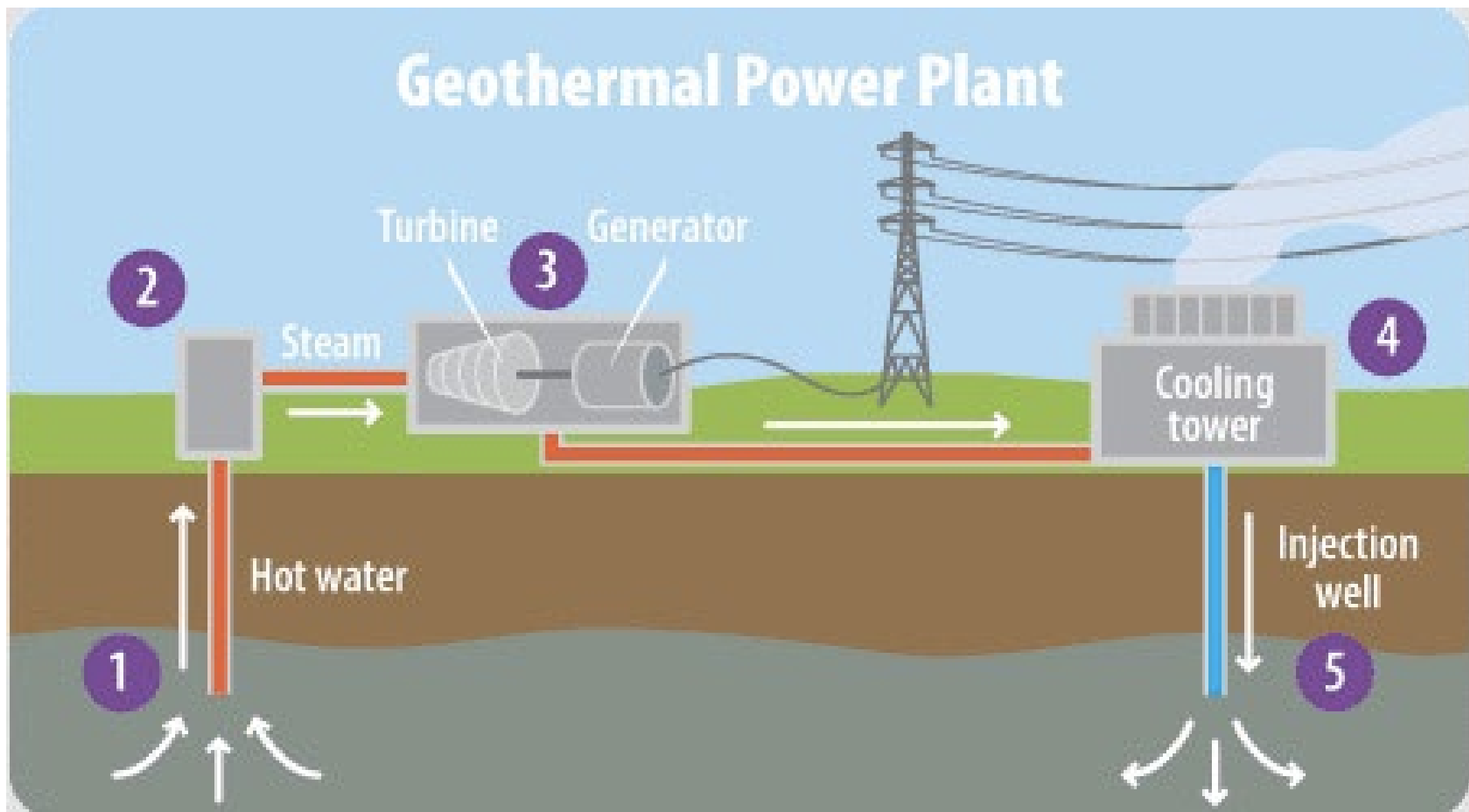
Date: (Date of Utilities Board Meeting)	January 21, 2026		
To:	Utilities Board		
From:	Travas Deal, Chief Executive Officer		
Subject:	Utilities Policy Advisory Committee (UPAC) Geothermal Energy Assignment Recommendation		
NARRATIVE:			
Desired Action: Choose only one	<input type="checkbox"/> Approval <input type="checkbox"/> Discussion <input checked="" type="checkbox"/> Information		
Executive Summary:	<p>The Utilities Policy Advisory Committee (UPAC) is an advisory committee directed by the Utilities Board that reviews, analyzes, and provides recommendations on specific issues or policies.</p> <p>At the June 18, 2025, Utilities Board meeting, the geothermal energy study was formally referred to the Utilities Policy Advisory Committee for review. UPAC Chair Kate Danner provided a progress update at the November 2025 Utilities Board meeting. She will now present UPAC's final recommendation for the Board's consideration and acceptance.</p>		
Benefits:	UPAC's recommendations provide valuable insight for the Utilities Board to consider specific policy or research-based issues.		
Board Policy: <small>If this impacts one of the board policies, indicate that here.</small>	Operational Resources P-5		
Cost / Budget: <small>Include the projected cost or budget here.</small>	N/A		
Affected Parties: <small>This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.</small>	Utilities Board members, Utilities Policy Advisory Committee members, Colorado Springs Utilities staff and customers		
Alternatives:	Do not accept assignment recommendations or ask for further study.		
Submitter:	Bethany Schoemer	Email Address:	bschoemer@csu.org
Division:	Administration and Human Resources	Phone Number:	719-668-3811
Department:	Public Affairs	Date Submitted:	December 31, 2025
SPG Staff Use Only:	Consent Calendar <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Item Number 08
ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING.			



Colorado Springs Utilities
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Utilities Policy Advisory Committee Geothermal Recommendation

January 21, 2026



Is geothermal energy a feasible source of energy in Colorado and for Colorado Springs Utilities? What should Springs Utilities be doing to prepare for geothermal generation in the future?

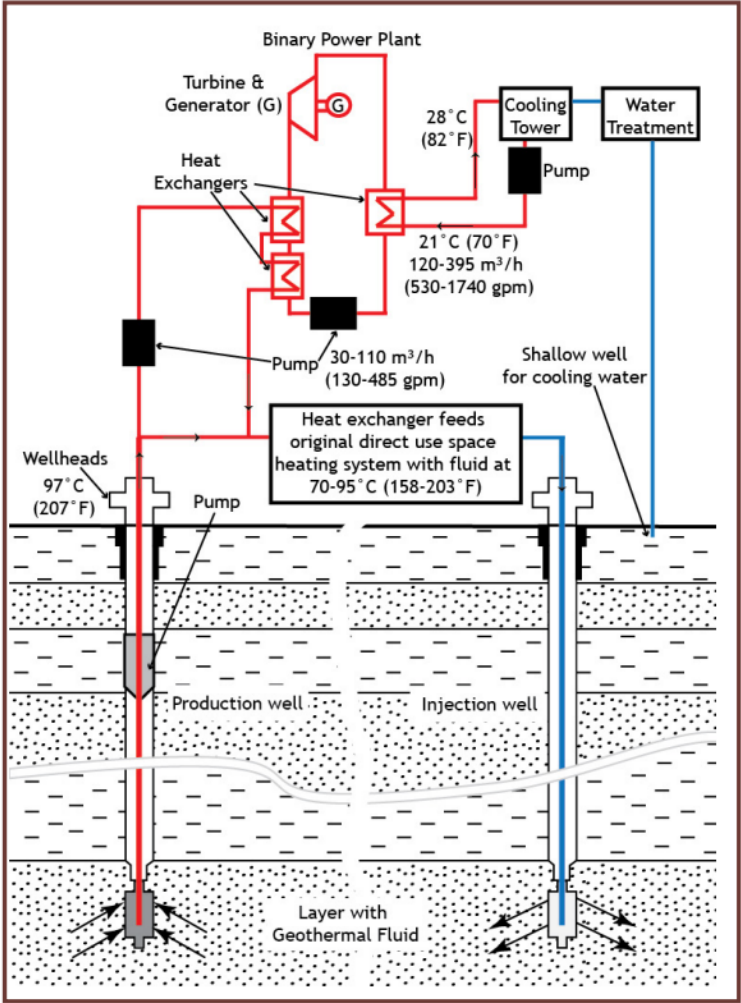
Conventional Geothermal:

- Not advisable for CSU to pursue due to geographical constraints.
- Exception might be critical infrastructure that requires 24/7 power, for example Otero Pump Station.

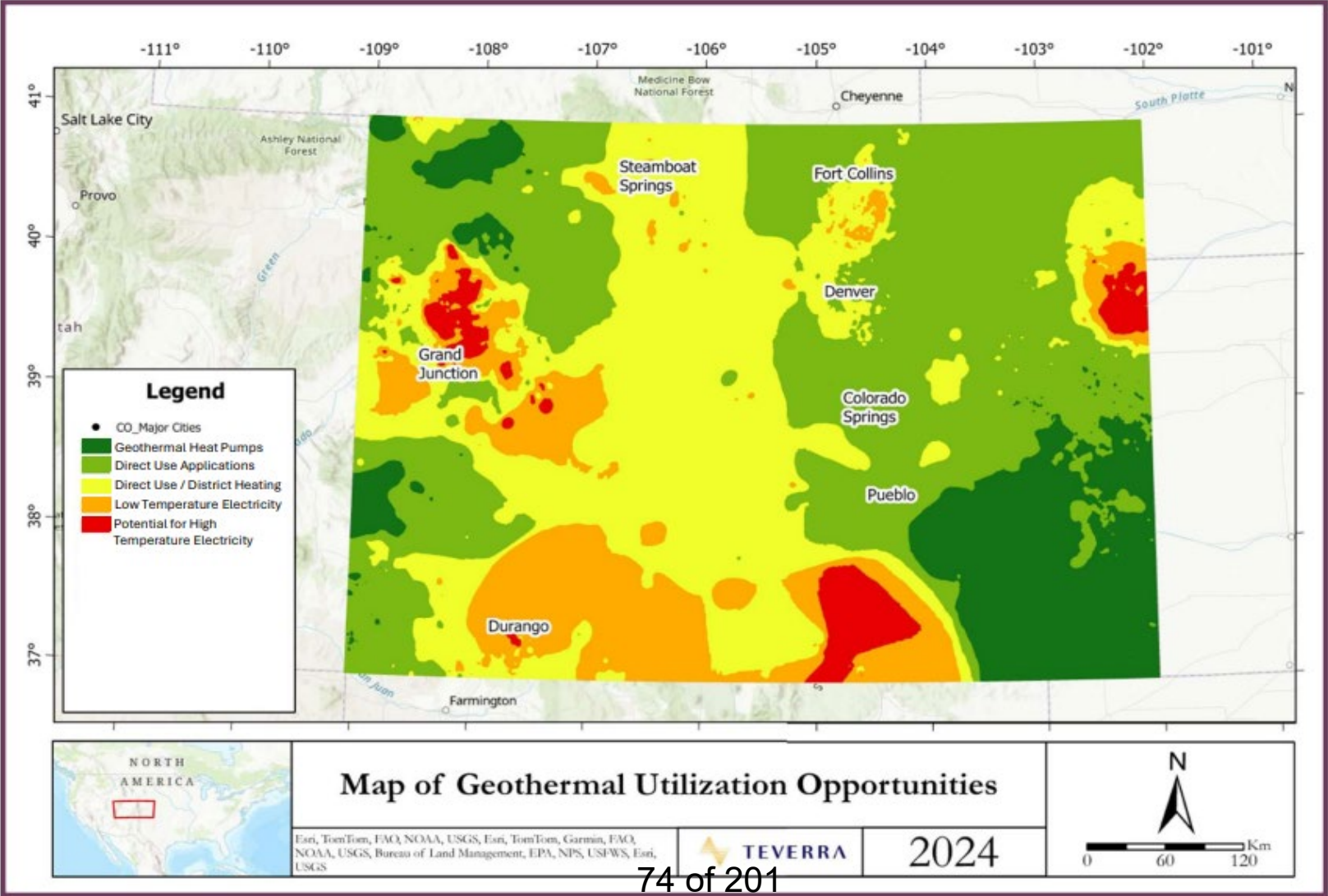
Advanced Geothermal:

- Emerging technology that has future potential to be implemented in a variety of areas.
- Technology is not currently at a state of maturity that would be advisable for Springs Utilities to pursue; however, it should be monitored for future consideration into Springs Utilities' Integrated Resource Planning process.

Pros	Cons
Clean, reliable base-load power	High exploration risk
Minimal land footprint	Deep drilling challenges
Generally positive public perception	Evolving costs



Is geothermal energy a feasible source of energy in Colorado and for Colorado Springs Utilities? What should Springs Utilities be doing to prepare for geothermal generation in the future?



What is the state of the technology? And what are the associated project risks?

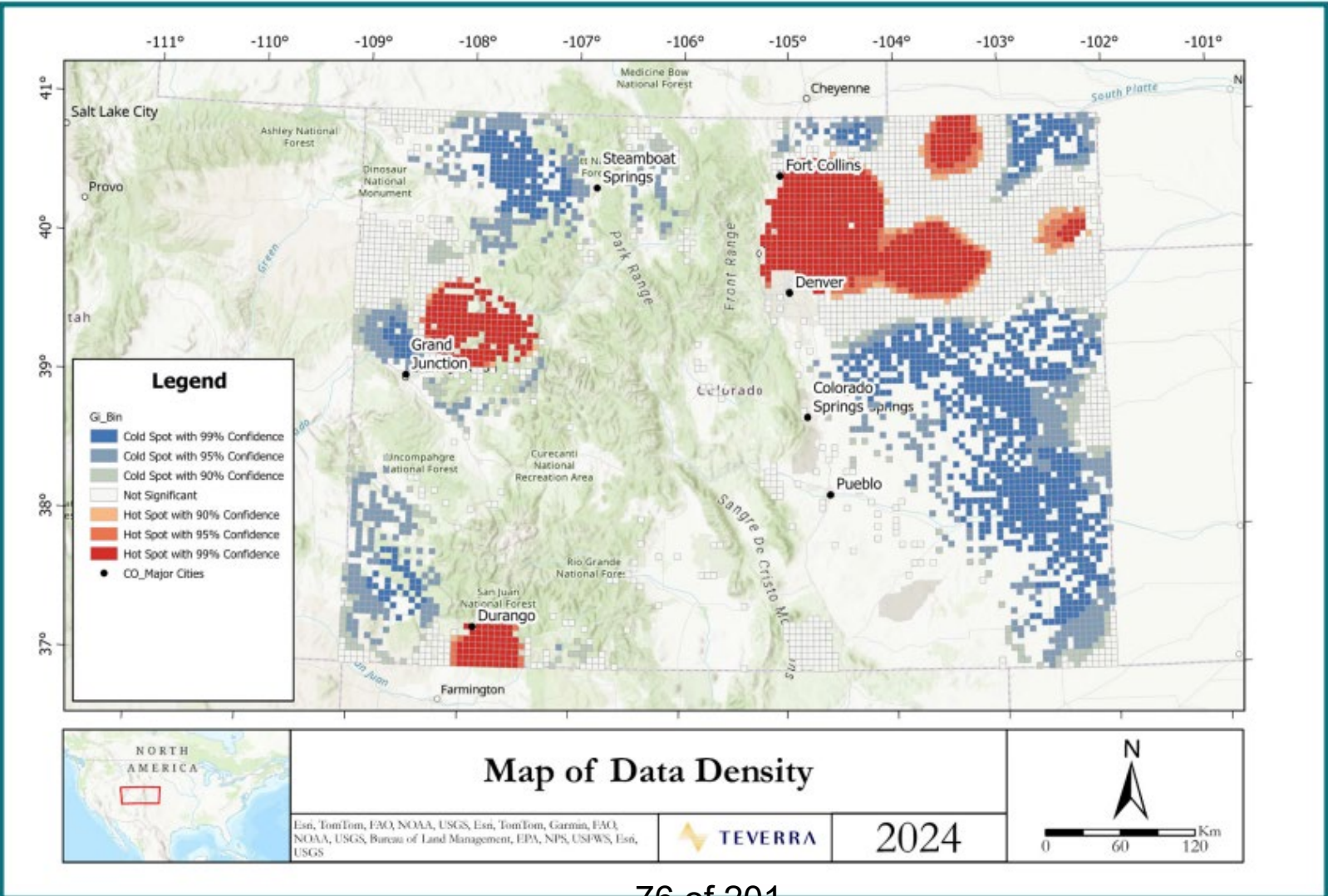
Conventional Geothermal

- Uses naturally occurring hydrothermal reservoirs—hot water or steam trapped in permeable rock.
- Wells drilled into reservoirs to bring steam or hot water to surface for power generation.
- Proven technologies: dry steam, flash steam, and binary cycle plants.
- Global capacity ≈ 16 GW (2025); concentrated in volcanic regions.
- Maturity: commercial since early 20th century; steady cost improvements (\$0.05–\$0.08 /kWh).

Enhanced Geothermal

- Engineered reservoirs created by injecting fluid into hot, dry rock to form artificial fractures.
- Works where natural hydrothermal resources are absent—vastly expanding geographic potential.
- Heat extracted via closed-loop or circulating fluid systems powering binary plants.
- Recent milestones: Fervo Energy's 'Project Red' (NV) delivering 24/7 clean power; Utah FORGE proving connectivity in hot steam.
- Key enablers: oil-and-gas-grade drilling, fiber-optic monitoring, and reservoir stimulation advances.
- Challenges: high upfront drilling cost, induced seismicity, regulatory timelines, scaling to commercial multi-MW plants.

Is geothermal energy a feasible source of energy in Colorado and for Colorado Springs Utilities? What should Springs Utilities be doing to prepare for geothermal generation in the future?



Environmental Questions

What are the environmental pros and cons?

Pros

- Low greenhouse gas emissions
- Small land footprint
- Renewable and reliable baseload power source
- Minimal mining
- Potential for co-use for direct heating applications

Cons

- Similar risk associated with deep drilling activities, for example - seismic activity and surface and groundwater contamination
- Land subsidence
- Habitat and ecosystem disruption during construction
- Localized resource

Are the water constraints in Colorado a prohibitive factor?

- Geothermal uses deep well, non-tributary water source for initial heat source.
- Geothermal reduces water usage through:
 - Air cooling systems, which eliminate most water consumption but slightly reduce efficiency (derating concerns during hot periods). Increase capital costs. Use of non-potable or produced water, including saline or recycled municipal water.
 - Closed-loop enhanced geothermal system designs, where fluids are contained and reinjected continuously.
 - Potential to use non-potable water for cooling.

What is being done domestically and internationally in areas with similar water limitations and climate and altitude?

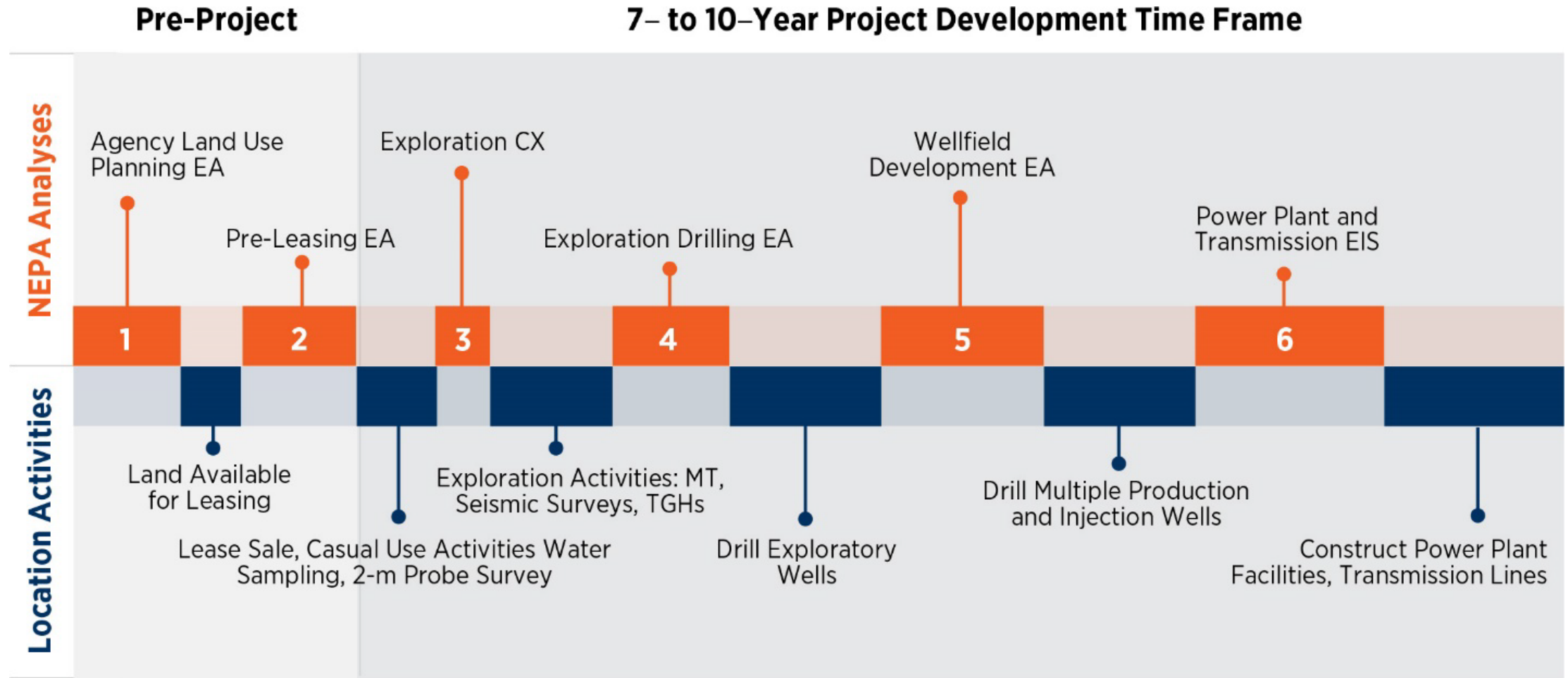
- Current conventional geothermal plants are operational in California.
- Enhanced Geothermal projects being pursued in Utah
 - Water is not considered a limitation or roadblock for project.

Regulatory Questions

What is the regulatory/legal environment in Colorado and nationally?

- Depending on whether the resource is shallow vs. deep or involves non-tributary ground water, the lead regulator may differ:
 - Colorado Division of Water Resources (DWR)
 - Governs geothermal resources (well and water related issues)
 - Colorado Energy and Carbon Management Commission (ECMC)

What is the build out timeframe?



What is the permitting environment? Are there any that have been permitted in CO? Are there public land considerations?

- Similar to the regulatory and legal environment
- Build out timeframe: just like any other traditional generator once permitting is done. No clear answer. Mention transmission.
- If it's federal: NEPA
- Build out: exploration risk factor
- Year 0, year 1, year 2, etc.

Financial Questions

What is the cost range for different options? Should cost be seen as prohibitive?

Levelized Cost of Energy Comparison—Sensitivity to U.S. Federal Tax Subsidies

The Investment Tax Credit (“ITC”), Production Tax Credit (“PTC”) and Energy Community adder, among other provisions in the IRA, are important components of the LCOE for renewable energy technologies



Are there federal grants, private investment opportunities or other funding that Springs Utilities should investigate?

- Yes, however, not significant enough to change the conclusions.

What are the opportunities for partnerships and collaboration?

- Could collaborate with other utility providers with transmission that would be between us and sources of geothermal energy
- Otero pump collaboration with Aurora/Xcel
- Military
- Private investments

What is recommended for the frequency of UPAC re-examining this topic, including for the EIRP?

- Enhanced geothermal technology 3-5 years.
- If something happens closer to home maybe a more frequent look. Conditional trigger.

Based on this assignment's findings, what if any are areas needing further evaluation by UPAC?

- Regional and national transmission availability
- Peak demand management strategies
- Broader resource adequacy and capacity planning
- Understanding how geothermal fits into long-term IRP scenarios



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Appendix

Policy and Regulatory Support for EGS Expansion

Transmission Development and Resource Planning

Essential to integrate up-to-date EGS inputs and assumptions into Colorado resource planning models (ERPs).

The CO PUC should include EGS in their Electric Long Term Average Rate Forecasting Tool and other modeling scenarios.

Interagency Alignment on EGS

Support interagency alignment with a strong emphasis on clean firm resources like EGS.

Statewide Strategic Plan for Geothermal Energy

- Develop a statewide plan for geothermal:
1. Identify high-potential development zones.
 2. Outline permitting and regulatory reform priorities.
 3. Address transmission and interconnection needs.
 4. Propose actions to reduce financing and market entry barriers.

Permitting Timelines

Align permitting practices with other states. Develop guides that set clear timelines and cost expectations to reduce uncertainty.

Prioritize Clean Firm Power

CO PUC and state legislature should consider procurement mandates (similar to CA) to fast-track transmission and the development of clean firm power for resources like EGS.

Board Memo Agenda Item

Staff Report

Date: <small>(Date of Utilities Board Meeting)</small>	January 21, 2026		
To:	Utilities Board		
From:	Travas Deal, Chief Executive Officer		
Subject:	Resolution Approving 2026 Pikes Peak Geospatial Alliance (PPGA) Memorandum of Understanding		
NARRATIVE:			
Desired Action: <small>Choose only one</small>	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Discussion <input type="checkbox"/> Information		
Executive Summary:	<p>Colorado Springs Utilities will brief the Utilities Board regarding a proposed resolution approving a memorandum of understanding (MOU) between Colorado Springs Utilities, the City of Colorado Springs, El Paso County, El Paso-Teller E911 Authority, and Teller County for the acquisition of orthorectified imagery for the 2026 Pikes Peak Geospatial Alliance (PPGA) project.</p> <p>All entities are part of the PPGA, an entity formed by Intergovernmental Agreement in 2004, whose purpose is to acquire geospatial data and digital orthorectified imagery through joint funding arrangements set forth in the MOU on a project by project basis. Since that time, MOUs for aerial photography have been entered into in 2005, 2007, 2009, 2011, 2014, 2016, 2018, 2020, 2022, and 2024.</p> <p>Additionally, Colorado Springs Utilities will brief the Utilities Board on the 2026 imaging project. The resolution approving the MOU must be approved by City Council pursuant to the terms of the original intergovernmental agreement between the parties.</p>		
Benefits:	Benefits to this program include the receipt of orthorectified imagery for the project area and significant cost savings of obtaining said imagery over performing the project as a single customer.		
Board Policy: <small>If this impacts one of the board policies, indicate that here.</small>	N/A		
Cost / Budget: <small>Include the projected cost or budget here.</small>	Total cost of the project is \$183,834 with Colorado Springs Utilities' share being \$37,715. Colorado Springs Utilities has budgeted for this project.		
Affected Parties: <small>This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.</small>	This updated information is utilized to update the database operated by Colorado Springs Utilities and utilized by Springs Utilities and other City departments and operations. These services and data are necessary to ensure that all new development and changes to existing infrastructure are captured accurately and completely. Additionally, this updated information is important for public safety, as it is used by the E911 system operators to send emergency vehicles to a location and may be used when necessary to shut off utilities to a particular area during a fire to assist in mitigating the situation.		
Alternatives:	N/A		
Submitter:	Mike Herrmann	Email Address:	mherrmann@csu.org
Division:	Operations	Phone Number:	719-668-8369
Department:	Asset Management – Geospatial Technology	Date Submitted:	January 5, 2026
SPG Staff Use Only:	Consent Calendar <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Item Number 9

ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING.



2026 Pikes Peak Geospatial Alliance (PPGA) Orthoimagery Project

Michael Herrmann

Manager – Asset Management/Geospatial Technology

Tim Scheiderer

Senior Attorney-City Attorney's Office- Utilities Division

January 21, 2026

Agenda

1. PPGA History
2. 2026 Project Description
3. 2026 Project Cost
4. Next Steps

Colorado Springs Utilities – PPGA History

- Established in 2004 with other area local governments
- Purpose: cost sharing for digital aerial photography and geo-spatial products
- Current members:
 - City of Colorado Springs
 - Colorado Springs Utilities
 - El Paso County
 - El Paso/Teller E911
 - Teller County

Colorado Springs Utilities

98 of 201



Colorado Springs Utilities - 2026 Project Cost

Cost

- **Total Cost of Project – \$183,834.40**

Project Area – 2785 sq. mi, 7213 sq. km (Full tiles)

- **El Paso County – \$150,861.35**

Project Area – 2237 sq. mi, 5794 sq. km (Full tiles)

- **Teller County – \$32,973.05**

Project Area – 548 sq. mi, 1419 sq. km (Full tiles)

Imagery Area	Product	Cost	Sq Miles	Cost/sq mi	Sq Kilo	Cost/sq km
Entire Project	Class I & II	\$183,834.40	2785	\$66.01	7213	\$25.49
El Paso County	Class I	\$150,861.35	2237	\$67.39	5794	\$26.02
Teller County	Class II	\$32,973.05	548	\$60.35	1419	\$23.30

Colorado Springs Utilities – Participant Cost

✓ Breakdown of Costs by Participants

December 5, 2025						
Product Description	Subtotal	Cost Estimates				
		Colorado Springs	CSU	E911	EPC	Teller County
Total Cost Estimate	\$183,834.40					
Sub Areas 1-3 - El Paso County						
Cost Share (%)	100%	25.00%	25.00%	25.00%	25.00%	0%
8 Bit, 4 Band Ortho Imagery - 6" & 12" Resolution	\$150,861.35	\$37,715.34	\$37,715.34	\$37,715.34	\$37,715.34	\$0.00
NIR Included	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$150,861.35	\$37,715.34	\$37,715.34	\$37,715.34	\$37,715.34	\$0.00
Sub Area 4 - Teller County						
Cost Share (%)	100%	0%	0%	50%	0%	50%
8 bit, 4 Band Ortho Imagery - 1 Foot Resolution	\$32,973.05	\$0.00	\$0.00	\$16,486.53	\$0.00	\$16,486.53
NIR Included	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$32,973.05	\$0.00	\$0.00	\$16,486.53	\$0.00	\$16,486.53
Mosaic Deliverables						
JPEG 2000 - PD Areas 1-3 (Colorado Springs Area)*	\$0.00	\$0.00	\$0.00	\$0.00	NA	NA
JPEG 2000 - PD Areas 1-13 (El Paso County Area)*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	NA
JPEG 2000 - PD Areas 14-15 (Teller County Area)*	\$0.00	NA	NA	NA	NA	\$0.00
JPEG 2000 - PD Areas 1-15 (Entire Project Area)*	\$0.00	NA	NA	\$0.00	NA	NA
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$183,834.40	\$37,715.34	\$37,715.34	\$54,201.86	\$37,715.34	\$16,486.53
Variance from estimate	\$0.00					\$0.00

* Mosaics included in the overall price

Next Steps

- Submit agreement to February 10, 2026, City Council meeting for approval on the consent calendar.



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A RESOLUTION APPROVING A MEMORANDUM OF UNDERSTANDING AMONG COLORADO SPRINGS UTILITIES, THE CITY OF COLORADO SPRINGS, EL PASO COUNTY, THE EL PASO-TELLER COUNTY E911 AUTHORITY, AND TELLER COUNTY TO ACQUIRE DIGITAL ORTHORECTIFIED IMAGERY IN 2026

WHEREAS, the City of Colorado Springs ("City"), Colorado Springs Utilities ("Utilities"), El Paso County, Teller County, and the El Paso-Teller County E911 Authority entered into an agreement called the Pikes Peak Geospatial Alliance Intergovernmental Agreement, dated June 24, 2004 ("PPGA IGA") which established the Pikes Peak Geospatial Alliance ("PPGA"); and

WHEREAS, the purpose of the PPGA is to acquire geospatial data and technologies for the benefit of its members; and

WHEREAS, pursuant to the PPGA IGA, members of the PPGA may enter into a memorandum of understanding to cooperatively acquire geospatial data, which such memorandum of understanding shall provide cost sharing arrangements for the geospatial data acquisition projects between the PPGA members and non-member participants to such projects; and

WHEREAS, in accordance with the PPGA IGA, the PPGA has conducted six past projects for acquisition of geospatial data through aerial photography pursuant to memoranda of understanding entered into in the years 2004, 2007, 2009, 2011, 2014, 2016, 2018, 2020, 2022, and 2024; and

WHEREAS, participation in the past PPGA memoranda of understanding for the joint acquisition of geospatial data has been beneficial to the City and Utilities and has resulted in reduced costs for the acquisition of such data; and

WHEREAS, the City, Utilities, El Paso County, the El Paso-Teller County E911 Authority, and Teller County, as members of the PPGA (collectively, the "Parties"), wish to enter into a memorandum of understanding for the acquisition of geospatial data (the "Project"); and

WHEREAS, the City Council of the City of Colorado Springs ("City Council") has determined that it is in the best interests of the City and Utilities to share the costs of geospatial data acquisition in the manner set forth in the memorandum of understanding attached hereto and incorporated herein ("MOU" or "Memorandum of Understanding").

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. The City Council finds that participation in the Project by approval of the Memorandum of Understanding attached hereto and incorporated herein is in the best interests of the citizens of the City of Colorado Springs and ratepayers of Colorado Springs Utilities and further approves the Memorandum of Understanding.

Section 2. The City Council hereby authorizes the Mayor of the City of Colorado Springs or his designee, on behalf of the City, and the Chief Executive Officer of Colorado Springs Utilities or his designee, on behalf of Utilities, to execute the Memorandum of Understanding attached to this Resolution on behalf of the City of Colorado Springs and Colorado Springs Utilities.

Dated at Colorado Springs, Colorado, this _____ day of _____, 2026.

ATTEST:

Lynette Crow-Iverson, Council President

Sarah B. Johnson, City Clerk

MEMORANDUM OF UNDERSTANDING

THIS Memorandum of Understanding (“MOU”) is made as of the ___ day of January, 2026, by and between:

- Colorado Springs Utilities, an enterprise of the City of Colorado Springs, with its principal place of business at 121 S. Tejon Street, Colorado Springs, Colorado 80903 (“Utilities”)
- the City of Colorado Springs, a Colorado home rule city and municipal corporation, with its principal place of business at 30 S. Nevada Avenue, Colorado Springs, Colorado, 80903
- El Paso County, by and through the Board of County Commissioners of El Paso County, Colorado, with its principal place of business at 200 S. Cascade Avenue, Colorado Springs, Colorado, 80903
- the El Paso-Teller County E911 Authority, with its principal place of business at 2350 Airport Road, Colorado Springs, Colorado, 80910
- Teller County, with its principal place of business at PO Box 959, Cripple Creek, Colorado, 80813.

(individually referred to as “Party” or collectively as the “Parties”).

WITNESSETH:

WHEREAS, the City of Colorado Springs, Utilities, El Paso County, Teller County, and El Paso – Teller County E911 Authority entered into an agreement called the Pikes Peak Geospatial Alliance Intergovernmental Agreement dated June 24, 2004 (“PPGA IGA”), attached hereto as Exhibit 1, to establish the Pikes Peak Geospatial Alliance (“PPGA”);

WHEREAS, the Parties desire to be Participants, as defined in the PPGA IGA, to execute a common Memorandum of Understanding to acquire digital orthorectified imagery for an area encompassing El Paso County and Teller County in the manner described in the SOW (defined in Section 3.2, below) (“Orthoimagery Project [OP] 2026”);

WHEREAS, the acquisition cost to individual Parties can be substantially reduced by jointly acquiring this data;

WHEREAS, the cost to each Party was determined by the PPGA IGA steering committee and that the PPGA IGA steering committee's cost formula takes into account factors such as the size of area of interest, overlapping areas of interest, and desired resolution and accuracy;

WHEREAS, each Party has identified funds for the joint acquisition of the digital orthorectified imagery;

WHEREAS, with respect to the OP 2026, the Parties wish to establish the funding and contracting procedure, the specification of requirements and deliverables, and the guidelines for ownership and distribution of data;

WHEREAS, as applicable, the articles and stipulations of the PPGA IGA shall be adhered to by all Parties;

WHEREAS, Utilities entered into a contract for orthorectified imagery with the Sanborn Map Company, Inc. (“Contractor”) which was selected through a competitive RFP process in November 2021;

WHEREAS, each of the Parties that co-funds or solely funds any Primary Product shall receive an original copy of the OP 2026 Base Product deliverables indicated in the 2026 Scope of Work, found within Exhibit 2 – Section 10.1.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the Parties hereby agree as follows:

ARTICLE 1: COVENANTS OF THE PARTIES

The Parties represent, covenant, and warrant as follows:

- 1.1 Each Party is duly authorized to execute and deliver this MOU and further represents, covenants and warrants that all requirements have been met and procedures have been completed in order to ensure the enforceability of this MOU, and each Party has complied with its public procurement requirements, if any, which are necessary to make this MOU enforceable.
- 1.2 Each Party agrees to abide by the articles and stipulations of the PPGA IGA.
- 1.3 Subject to the provisions of this MOU and the PPGA IGA, each Party agrees to recognize and honor in perpetuity the licensing agreements, copyrights, and other proprietary claims for software, databases, collateral information, and products established or produced by any other Party and the vendors furnishing said items to such Party.

ARTICLE 2: PURPOSE

The purpose of this MOU is to provide joint funding for a contract with Contractor. Contractor is to provide Professional Services for OP 2026. The anticipated payment to Contractor for the Base Product deliverables shall not exceed **\$183,834.40**.

This MOU specifies the project requirements and deliverables and articulates the guidelines for ownership and distribution of those deliverables.

ARTICLE 3: ORTHORECTIFIED IMAGERY FUNDING AND PARTICIPATION

- 3.1 The Parties agree that Utilities' has been selected by the PPGA IGA steering committee as the lead agency and as such has contracted on behalf of the Parties with Contractor. Such contract shall be referred to herein as "Contract". The Parties further agree that this orthorectified imagery benefits them all, and that each Party's funding share and in-kind contributions will be provided by each Party to Utilities in the amounts or percentages set forth in Exhibit 3. OP 2026 project costs in excess of the limit provided in Article 2 shall be paid by the Parties hereto in proportion to their financial contributions in Exhibit 3, subject to additional appropriations and approval by each Party in advance. Utilities shall use all these funds to finance the orthorectified imagery in accordance with the terms of the OP 2026. In the event any funds are reimbursed under terms of the Contract, those funds will be distributed to the Parties in proportion to the funding provided by each Party.
- 3.2 Utilities agrees to perform the following duties under this MOU:
 - A. Issue the Scope of Work (SOW) approved by the PPGA IGA steering committee to Contractor for the digital orthorectified imagery contractual services in 2026, attached hereto as Exhibit 2.
 - B. Ensure that Contractor delivers the specific products listed in the Deliverable Products and Acceptance section of the SOW by the approximate dates indicated.
 - C. Fully perform its obligations in accordance with standard business practices and such other professional standards as may be appropriate.
 - D. During the term of the Contract, or until the conclusion of any matters on which Contractor works hereunder, whichever shall occur last, Utilities shall take no position contrary to those advocated by the Parties in the contracted matters, nor represent any client whose interests are in conflict with the positions advanced by the Parties in the contracted matters.
 - E. Maintain a complete file of all records, documents, communications, and other written materials which pertain to the performance of the Contract, including the delivery of services, and shall maintain such records for a period of three years after the date of completion of OP 2026. Each Party shall have the right to audit records at reasonable times and upon reasonable notice.
- 3.3 The Parties to this MOU shall pay Utilities an amount not to exceed that set forth in Article 2 according to the percentages listed on Exhibit 3, attached hereto, upon receipt of invoices from Utilities. Utilities will issue one invoice to each Party that will be issued at a mutually agreed upon time following the start of the OP 2026 project. The final amounts shall be determined when the Contract is confirmed and shall be based on the same funding proportions as those currently listed in Exhibit 3.

- 3.4 The Parties agree that all digital products, as listed in Exhibits 2 and 3, that are delivered by the Contractor shall be subject to the terms of the PPGA IGA and the rights and restrictions defined in Articles 5 and 6 of this MOU.
- 3.5 Subject to the terms of the PPGA IGA, for the purpose of OP 2026, each of the orthorectified imagery deliverables (collectively the “Base Product deliverables” – Sub Areas 1-4), as listed in Exhibit 2, will be made available to the Parties for internal use only after written “preliminary acceptance” of each deliverable. The Parties recognize that until final written acceptance and payment for each imagery deliverable of OP 2026 has been made, the accuracy and quality of the OP 2026 deliverables may be subject to correction, and any Party that uses or relies on any such deliverables prior to each acceptance assumes the risk of use of such OP 2026 deliverables. External data distribution may occur only after acceptance and payment for each respective final OP 2026 deliverable. The allocation of risk provisions in this Section also apply to any Secondary deliverables. Procedures for Quality Assurance are included in the SOW.
- 3.6 Final Report. Utilities shall prepare and submit to the Parties a final accounting of all expenses of the OP 2026 at the termination of the project.

ARTICLE 4: TERMINATION

- 4.1 A Party may terminate its participation in this MOU by providing 30 days’ written notice to the other Parties by certified mail, return receipt requested. If notice is so given, the Party’s participation in this MOU shall terminate on the expiration of the thirty days, and the liability of the Party hereunder for the further performance of the terms of this MOU shall thereupon cease, provided the Party shall not be relieved of the duty to perform their obligations under Article 6, Restrictions on Use of the Data, and provided further, that if this MOU is terminated after a Contract has been negotiated by Utilities, all monies obligated by the terminating Party but not yet paid over to Utilities for the performance of the Contract shall be due to Utilities and shall be paid to Utilities within thirty (30) days of the date of termination.
- 4.2 If, through any cause, the Contractor shall fail to fulfill, in a timely and proper manner, the Contractor’s obligations under the awarded Contract, or if the Contractor shall violate any of the covenants, agreements, or stipulations of the awarded Contract, any Party to this MOU shall thereupon have the right to terminate that Party’s participation in this MOU for cause by giving written notice to the other Parties, and subject to payment of the terminating Party’s funding obligations per the above paragraph. In the event of Contract termination, remaining project funds will be reimbursed to the Parties in proportion to the funding provided.
- 4.3 In the event of nonperformance by Contractor, Utilities may pursue any available remedy at law or in equity against Contractor on behalf of the Parties or individually as provided for under the Contract either on its own or as directed by the PPGA steering committee.

ARTICLE 5: DATA OWNERSHIP

- 5.1 The OP 2026 Base Product deliverables will be jointly owned by the Parties who co-funded those products. PPGA project participants shall only receive products they fund. Each Party's decision regarding whether to participate in and fund each Secondary product shall be confirmed in writing. In the event that a Party chooses not to fund a Secondary product (referenced within Exhibit 3), the proportionate payment requirements for that non-participating Party shall be zero for such Secondary product, and the proportionate payment requirements for the remaining participating Parties shall be adjusted accordingly.
- 5.2 Any products delivered in hard-copy format, such as camera calibration reports and other supporting documents, shall be owned by the Parties as specified in Exhibits 1 and 3.
- 5.3 All additional, optional products that are included as deliverables and are not otherwise addressed herein shall be discussed with the PPGA steering committee. After each Party, including Non-Member Participants, has had a reasonable opportunity to provide input to the PPGA steering committee, cost sharing, usage, and ownership of additional products shall be determined by the PPGA steering committee and in accord with the PPGA IGA.

ARTICLE 6: RESTRICTIONS ON USE OF THE DATA

- 6.1 Each Party shall be bound by the data distribution guidelines specified in Article VI of the PPGA IGA.
- 6.2 Each Party shall have the right to use the digital data to prepare presentations such as maps, exhibits, memoranda, reports, etc., on paper, mylar, or other printed media. These hard-copy materials may be distributed to the public as governed by the internal policies held by each Party.
- 6.3 Each Party shall have the right to use the digital data to prepare presentations such as maps, exhibits, memoranda, reports, etc., in electronic document form for distribution to the public via electronic media or via the Internet. These electronic documents may be distributed to the public as governed by the internal policies held by each Party as defined in the PPGA IGA.
- 6.4 Each Party shall have the right to use the digital data for internet map applications. Internet map applications that deliver orthorectified imagery data as map images to the end user may be developed at the discretion of the Parties, subject to the display area restrictions described in Section 6.5. The PPGA steering committee shall be advised of the application and data security architecture of any internet map applications that propose to deliver aerial photography feature data to the end user. The Parties agree to mitigate any data security concern raised by a PPGA steering committee member before deploying orthorectified imagery applications that deliver feature data.
- 6.5 The Parties agree that the sublicensing of the digital data for a fee to the general public or to other agencies, organizations, or commercial businesses can only be undertaken by

PPGA members and only in accordance with Article 6 of the PPGA IGA. Digital products and their unit prices are defined as follows:

- 4000 by 4000-foot tile shall be \$50 for 1 foot resolution imagery
- 4000 by 4000-foot tile shall be \$100 for 6-inch resolution imagery

These price figures are based upon current business strategies and policies. The distribution and fee schedules for Secondary products will be addressed by an amendment to this MOU if necessary. Release of the digital data to external customers (or to a non-participating PPGA member) requires the execution of a License Agreement by the respective issuing agency in a form substantially similar to Exhibit B of the PPGA IGA (Exhibit 1) – “Customer Geospatial Data License Agreement.” Any Party may, in its sole discretion, designate certain portions of the digital orthorectified imagery, not to exceed 1% of project area, as “Confidential” due to security concerns. Security concerns in excess of 1% must be unanimously approved by the PPGA. The Parties shall be prohibited from sub-licensing and releasing confidential digital data.

- 6.6 The Parties who co-funded the Base Product agree that the jointly owned Base Product deliverable will be made publicly available free of charge following a period of two (2) years after final acceptance of the entire OP 2026 project or when the PPGA executes final acceptance of a subsequent Orthorectified Imagery Project of the same scope, whichever comes first.

ARTICLE 7: CONFIDENTIALITY

- 7.1 Any confidential and/or proprietary information that any Party discloses to any third party with respect to this MOU shall be designated as confidential and proprietary by the disclosing Party at the time of disclosure. Each Party shall require the recipient to hold such information confidential to the extent provided by law and shall require the recipient not to engage in any use or disclosure of such information unless such use or disclosure is expressly provided for in this MOU. Some of the Parties to this MOU are public entities subject to the provisions of the Colorado Open Records Act (“CORA”). In the event a Party receives a request for such confidential and/or proprietary information from a third party, notice thereof shall promptly be given to the other Parties. Each Party shall take all reasonable steps to prevent any unauthorized possession, use, transfer, or disclosure of such confidential information. Should a Party learn of any such unauthorized possession, use, transfer, or disclosure, it shall promptly notify the other Parties.
- 7.2 The disclosure provisions of Section 7.1 above shall not apply to information that a) a Party had in its possession prior to disclosure by another Party; b) becomes public knowledge through no fault of the recipient; c) a Party lawfully acquires from a third party not under an obligation of confidentiality to the Parties to this MOU; or d) is required to be disclosed by law or court order.

ARTICLE 8: ADDITIONAL PROVISIONS

- 8.1 This MOU is subject to and shall be interpreted under the laws of the State of Colorado, and the Charter, City Code, Ordinances, Rules and Regulations of the City of Colorado Springs, Colorado, a Colorado Home Rule City. Court Jurisdiction and venue shall exclusively be in the Colorado District Court for El Paso County, Colorado.
- 8.2 Expenditures and Fees of Each Party Deemed Expenditures of that Party: The Parties to this MOU agree that the purpose of this MOU is to jointly accomplish pursuant to C.R.S. Section 29-1-203 activities which could be performed separately by each Party. Accordingly, it is agreed and understood for purposes of Article X, Section 20 of the Colorado Constitution, and the Colorado Springs City Charter, that any fees contributed or paid, or otherwise provided by any Party to another Party are and remain an expenditure of the contributing, paying, or otherwise providing Party, and are not revenue or expenditures of the receiving Party.
- 8.3 In accord with the Colorado Constitution, Colorado Law, and the Colorado Springs City Charter, performance of a Party's obligations under this MOU is expressly subject to appropriation of funds by the governing body of that Party and the availability of those funds for expenditure under this MOU.
- 8.4 Counterparts; Facsimile: This MOU may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall be considered one and the same instrument. This MOU may be executed and delivered by facsimile transmission.

**THE PARTIES HERETO HAVE EXECUTED THIS MEMORANDUM OF
UNDERSTANDING.**

FOR THE **CITY OF COLORADO SPRINGS**, A HOME RULE CITY AND COLORADO
MUNICIPAL CORPORTATION:

By: _____ on this _____ day of _____, 2026.
Title: Mayor

Attest: _____
City Clerk

Approved As to Form:

By: _____
Attorney
City of Colorado Springs

AND FOR **COLORADO SPRINGS UTILITIES**, AN ENTERPRISE OF THE CITY OF COLORADO SPRINGS:

By: _____ on this _____ day of _____, 2026.
Title: Operations Officer

Approved As to Form:

By: _____
City Attorney's Office

AND FOR **EL PASO COUNTY, COLORADO:**

By: _____ on this _____ day of _____, 2026.
Title: Board of County Commissioners Chair

Attest:

By: _____
County Clerk and Recorder

Approved As to Form:

By: _____
County Attorney's Office

AND FOR **EI PASO – TELLER COUNTY E911:**

By: _____ on this _____ day of _____, 2026.

Title: _____

Attest: _____

AND FOR **TELLER COUNTY, COLORADO:**

By: _____ on this _____ day of _____, 2026.

Title: _____

Attest:

By: _____
County Clerk and Recorder

Approved As to Form:

By: _____
County Attorney's Office

Exhibit 1

**Pikes Peak Geospatial Alliance
Intergovernmental Agreement**

This Pikes Peak Geospatial Alliance Intergovernmental Agreement, dated this ____ day of _____, 2004, is made by and between the following governmental entities:

- the City of Colorado Springs, a Colorado municipal corporation and home rule city
- the Colorado Springs Utilities, an enterprise of the City of Colorado Springs
- El Paso County, Colorado
- Teller County, Colorado
- El Paso – Teller County E911 Authority

The Parties to this Intergovernmental Agreement hereby agree as follows:

Article I. Authority

This intergovernmental agreement is made under authority of Colorado Constitution, Article XX, Section 6; Colorado Constitution Article XIV, Section 18; and Section 29-1-203 C.R.S.

Article II. Purpose

This intergovernmental agreement establishes the Pikes Peak Geospatial Alliance (PPGA) and defines its membership, organization and activities. The primary purpose of the PPGA is to acquire geospatial data and technologies for the benefit of its members. This agreement does not supercede existing agreements between the member agencies unless stated otherwise herein or in follow-up memorandums of understanding (MOU).

Article III. Membership

Section 3.01 Charter Members

PPGA charter agencies include the City of Colorado Springs, Colorado Springs Utilities, El Paso County, Teller County and El Paso – Teller County E911 Authority. Each agency's governing body must formally adopt this intergovernmental agreement for their membership to become official.

Section 3.02 Additional Membership

Additional governmental agencies may be added to the PPGA through the unanimous consent of the charter members. Each charter member will execute an IGA addendum followed by the candidate agency executing the original IGA and all addendums before the candidate agency's membership is considered to be complete.

Article IV. Steering Committee

The PPGA steering committee is hereby established to administer the terms and conditions of this agreement and conduct the routine business of the Alliance. The steering committee will generally meet on a monthly basis to maintain communication between member agencies.

Section 4.01 Membership

Each member agency shall designate one representative to serve on the PPGA steering committee. The representative or their proxy will communicate their agency's position on PPGA business items through participation in PPGA meetings.

The representatives for the Steering Committee are as follows:

- (a) Colorado Springs Representative: Geographic Information Officer
- (b) Colorado Springs Utilities Representative: Resource Technology Services Manager
- (c) El Paso County Representative: Information Technologies GIS Manager
- (d) Teller County Representative: LIS/GIS Coordinator
- (e) El Paso – Teller E911 Representative: E9-1-1 System Manager

Section 4.02 Responsibilities

- (a) Administer IGA terms and conditions
- (b) Identify and prioritize PPGA projects
- (c) Discuss PPGA projects with members, other governments and local entities as appropriate to determine level of financial interest
- (d) Develop cost sharing formulas and proposed agreements
- (e) Participate in the development of request for information/request for proposal (RFI/RFP) language
- (f) Participate in vendor selection and contract maintenance
- (g) Participate in quality assurance/quality control (QA/QC) processes
- (h) Administer data distribution processes as defined in Article VI, Geospatial Data Distribution, and in the project-specific MOUs
- (i) Communicate the Geographic Information Systems (GIS) needs and

capabilities of member agencies to state and federal interests (grants, user groups, etc.)

- (j) Other implied responsibilities not explicitly defined

Section 4.03 Governance

- (a) Chairperson

The steering committee chairperson is hereby established to act as a point of contact for the PPGA. Additional responsibilities include the organization of PPGA meetings and coordination of external data distribution requests. The chairperson role will rotate on an annual basis to each of the member agency representatives.

- (b) Decision-Making

Steering committee decision-making will be based on unanimous consent.

- (c) By-laws

The steering committee shall establish by-laws as necessary to carry out the responsibilities defined in Section 4.02.

Article V. Geospatial Data Acquisition

A principal role of the PPGA is to acquire mutually beneficial geospatial data.

Section 5.01 Purpose

Cooperative geospatial data acquisition reduces costs by eliminating redundancies and capturing economy of scale discounts while providing additional data sets for decision makers. Cooperation on joint agency projects may be streamlined due to a single data acquisition project.

Cooperative geospatial data acquisition may be used for concurrent geospatial analysis, joint agency projects or to support the independent operations of member agencies.

Section 5.02 Participation

Participating agencies (Participants) are defined as PPGA members and non-member entities that agree to the terms of an individual project by executing a common MOU and following through with any financial commitments identified therein.

- (a) **PPGA Member Agencies**

Member agencies are eligible to participate in any project undertaken by the PPGA. PPGA member agencies that originally decline participation and wish to acquire the project data after MOUs have been executed will be charged the non-participant acquisition rate.

(b) Non-Member Agencies

Public or private sector agencies may participate on individual PPGA projects by unanimous approval of the PPGA steering committee. Non-member agencies must agree to the terms and conditions of the project through the execution of the project MOU by their governing body or authorized agency representative. Execution of the project MOU indicates an agency's commitment to abide by the project funding formula and distribution restrictions.

Section 5.03 Project Selection

The PPGA steering committee will meet as necessary to discuss the data needs of both individual agencies and any ongoing or upcoming agency cooperative efforts. A prioritized list of projects will be developed based on interest, feasibility and funding. External agencies that might benefit from candidate projects will be contacted to determine their level of interest and availability of funds.

Each PPGA member agency will be given the opportunity to participate in all projects organized pursuant to this intergovernmental agreement. Member agencies have the right to decline participation in any individual PPGA project. Agencies that decline to participate in individual projects surrender all rights to project deliverables.

Each project will result in a geospatial data set jointly owned by the participating PPGA member agencies. Usage of the jointly owned data shall be subject to all terms and conditions in this agreement as well as any additional conditions contained in the accompanying project MOU.

Section 5.04 Funding

(a) Co-Funding Model

Geospatial data acquisition will utilize a co-funding model that allows multiple agencies to fund and obtain the benefit and use of an individual project procured by a single member agency. The PPGA steering committee will develop a funding formula for each project that defines the contribution percentages of participating agencies.

(b) Lead Agency

The PPGA steering committee will select a lead agency to act as the procuring and contracting authority on each project. The lead agency will provide documentation on their procurement and contracts procedures to the participating agencies for review. Agencies unable or unwilling to comply with the lead agency's procurement procedures will withdraw from participation.

(c) Memorandum of Understanding

An interagency MOU will be drafted and executed by each participating agency prior to starting each project. The MOU will formalize the participant funding formula, procurement and data distribution guidelines that will govern the project. Agencies unable or unwilling to sign the MOU will withdraw from participation in the project identified by said MOU.

(d) Expenditures

All participants acknowledge that the purpose of this Agreement is to jointly accomplish activities that could be performed separately by each Party. It is agreed and understood for purposes of the Colorado Constitution, Article X Section 20 that any funds contributed for data acquisition or otherwise contributed under this Agreement by any Party to this Agreement, is and remains an expenditure of that Party only.

Section 5.05 Proposal Solicitation

A scope of work and schedule of deliverables will be developed and approved by the PPGA steering committee and submitted to the lead agency for inclusion into requests for proposals. The procurement and contracting policies of the lead agency govern the formal acquisition process. All projects must be advertised for competitive bid by the lead agency.

Section 5.06 Proposal Evaluation

The procuring and contracting agency shall include all participating members of the PPGA steering committee to serve on their project evaluation and selection process. Non-technical members of the evaluation and selection committee will be determined by the lead agency based on their internal guidelines. Participating members of the PPGA steering committee may also select, through unanimous consent, additional non-voting members to provide technical expertise to the evaluation and selection committee. Each PPGA steering committee member must accept the lead agency evaluation and selection participation requirements, including but not limited to confidentiality agreements and/or other disclosures. Vendor selection proceedings and contract administration will be governed by the internal policies of the lead agency.

Section 5.07 Contract Administration

Members of the project evaluation and selection committee will assist the lead agency with contract administration including, but not limited to, pilot area selection, interim deliverable acceptances, quality assurance, quality control and final product acceptance. Additional contract support may be requested by the lead agency.

Section 5.08 Deliverables

Participating PPGA member agencies shall receive an original set of all project deliverables. Non-member participants are entitled to receive an original of the

project deliverable that corresponds to the area of interest used to define their funding contribution.

Article VI. Geospatial Data Distribution

Distribution of geospatial data acquired by the Participants under this agreement will be conducted on an individual project basis. For each project, Participants must agree to the following data distribution guidelines. All data distribution transactions will require the product recipient to execute a license agreement with the issuing agency. Agencies will use due diligence in distributing data.

The following general guidelines apply to all geospatial data sets acquired under this agreement. Additional distribution restrictions may be implemented on an individual project basis through inclusion in the project MOU.

Section 6.01 Internal Data Distribution

Internal data distribution is defined as the release of project deliverables by a Participant to internal departments, offices, units and enterprises, and is permitted by this Agreement.

Law, fire, and EMS agencies in El Paso and Teller Counties and Public Service Answering Points (PSAP) shall, for the purposes of this IGA, also be considered as internal departments to the El Paso – Teller E-911 Authority.

Project deliverables may also be released to a Participant's consultant. A consultant is defined as an entity under contract and financial commitment to a Participant. Exhibit A will be used for internal consultant licensing.

Section 6.02 External Data Distribution

External data distribution is defined as the release of project deliverables to a non-participating entity and shall require payments as provided in this Section 6.02. Exhibit B will be used for external customer licensing.

Non-member Participants are prohibited from releasing any project deliverables to external entities except as noted in Section 6.01.

Distribution of project deliverables to external customers or for Colorado Open Records Act requests is subject to Colorado Revised Statutes. Additional distribution constraints may be applied based on agency, local, regional or national security policies, as defined by project MOUs.

Each PPGA project will be assigned a unit price factor as determined in the project specific MOU, that will be used to categorize individual data transactions into those over and under \$1000.

(a) Transactions under \$1000

Single or collective transactions to individuals or agencies totaling less than \$1000 as calculated using the data's unit price factor will be governed by the internal data distribution policies of the agency receiving the request. Once the cumulative requests total \$1000 or more, the process detailed in section (b) below apply.

(b) Transactions equal to or over \$1000

Single or collective transactions to individuals or agencies totaling \$1000 or more as calculated using the data's unit price factor shall be forwarded to the PPGA steering committee chairperson. Data distribution will be administered by the chairperson with proceeds of said transaction returned to participant Members in proportion to their project contribution rate. The individual or agency receiving the data shall separately and directly compensate each participant Member agency accordingly.

Data delivered under this process will only be licensed by complete tile(s).

Article VII. Infrastructure Acquisition

A potential role of the PPGA is to acquire mutually beneficial infrastructure assets including geospatial technologies. While the exact nature of these technologies is not totally known, the intent is to provide a mechanism to amend this Agreement to exploit future technology opportunities.

Article VIII. General Terms and Conditions

Section 8.01 Term

This Agreement shall commence upon final execution and end twenty-five (25) years thereafter unless sooner terminated or extended hereunder. Regardless of the date of execution or termination, this Agreement shall be in full force and effect from the date of a Party's receipt, in digital form, of any jointly acquired GIS Data, and for so long as any portion of said geospatial data, in any form whatsoever, remains in the possession of the other Party or any of its employees, agents, contractors or subcontractors. This Agreement shall remain in effect unless a Party terminates this Agreement by giving the other Parties six (6) months' written notice. The provisions set forth in Articles VI and VII herein shall survive the termination of this Agreement.

Section 8.02 Assignment

No Member shall assign or otherwise transfer this Agreement or any right or obligation hereunder without the prior written consent of the other Members.

Section 8.03 Law

This Agreement is subject to and shall be interpreted under the laws of the State of Colorado, and the Charter, City Code, Ordinances, Rules and Regulations of

the City of Colorado Springs, Colorado, a Colorado Home Rule City. Court Jurisdiction and venue shall exclusively be in the Colorado District Court for El Paso County, Colorado.

Section 8.04 Expenditures

Expenditures and Fees of Each Party Deemed Expenditures of that Party: The Parties to this Agreement agree that the purpose of this Agreement is to jointly accomplish pursuant to C.R.S. Section 29-1-203 activities which could be performed separately by each Party. Accordingly, it is agreed and understood for purposes of the Colorado Constitution, Article X Section 20, and the Colorado Springs City Charter, that any fees contributed or paid, or otherwise provided by any Party to this Agreement to another Party to this Agreement are and remain an expenditure of the contributing, paying, or otherwise providing Party, and are not revenue or expenditures of the receiving Party.

Section 8.05 Appropriation of Funds

In accord with the Colorado Constitution, Colorado Law, and the Colorado Springs City Charter, performance of a Member's obligations under this Agreement are expressly subject to appropriation of funds by the governing body of that Member and the availability of those funds for expenditure under this Agreement.

Section 8.06 Integration

This is a completely integrated Agreement and contains the entire agreement between the Members. Any prior written or oral agreements or representations regarding this Agreement shall be of no effect and shall not be binding on the Members.

Section 8.07 Headings

The headings of the several articles and sections of this Agreement are inserted only as a matter of convenience and for reference and do not define or limit the scope or intent of any provisions of this Agreement and shall not be construed to affect in any manner the terms and provisions hereof or the interpretation or construction thereof.

Section 8.08 Local Concern

The Members agree and acknowledge that the activities undertaken pursuant to this Agreement are matters of local concern only, and that the Members have mutually joined together for the performance of the matters of local concern, and that nothing in this Agreement shall be construed as making any of the concerns covered herein matters of mixed or statewide concern.

Section 8.09 No Third Party Beneficiary

It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Members hereto, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person or entity on this Agreement. It is the express intention of the Members hereto that any person or entity, other than the Members of the Agreement, receiving services or benefits under this Agreement shall be deemed to be incidental beneficiaries only.

Section 8.10 Compensation

No Party to this Agreement shall be required to pay any compensation to the other Party or the other Party's personnel for any services rendered hereunder. Nothing in this agreement shall be construed to place the personnel of any Party under the control or employment of another Party. Each Party remains responsible for all pay, entitlement, employment decisions, and worker's compensation liabilities, for its own personnel. Nothing in this agreement is intended to create or grant to any third party or person any right or claim for damages or the right to bring or maintain any action at law, nor does any Party waive its immunities at law, including immunity granted under the Colorado Governmental Immunity Act.

Section 8.11 Modification

This Agreement may only be amended in writing with the approval of the governing bodies of the Members under this Agreement.

Section 8.12 Dispute Resolution

- (a) The parties intend that all disputes, as defined below, shall be resolved in accordance with these dispute resolution procedures. The parties shall continue to perform their respective obligations under the terms of this Agreement until the stages of dispute resolution have been completed.
- (b) Disputes include any controversy or claim, whether based in contract, tort or otherwise, arising out of, relating to, or in connection with this Agreement or the scope, breach, termination or validity thereof ("Dispute").
- (c) In the event of a Dispute, a party will deliver written notice of the Dispute to the other parties of its intent to invoke resolution of the Dispute (the "Dispute Notice"). A party may assert the existence of a Dispute against the other party or parties until delivery of such Notice. Within thirty (30) days after the date of delivery of the Notice of Dispute the receiving party shall submit to the other a written response ("Dispute Notice Response"). The Dispute Notice Response shall include (i) a statement of the party's position and a summary of the evidence and arguments supporting the

party's position, and (ii) the name and title of the person who will represent that party.

- (d) If a Dispute Notice is given, the parties shall promptly and diligently attempt to negotiate a settlement of the Dispute through direct negotiations between representatives of the parties who are authorized to enter into settlements on behalf of the parties. The representatives shall meet at a mutually acceptable time and place within twenty (20) days after the date of delivery of the Dispute Notice Response and thereafter, as often as they reasonably deem necessary to exchange relevant information and to attempt to resolve the Dispute. If an authorized representative intends to be accompanied at a meeting by an attorney, the other authorized representative shall be given at least three (3) working days notice of such intention and may also be accompanied by an attorney. All negotiations pursuant to this Section are confidential and shall be treated as compromise and settlement negotiations for the purposes of the Federal Rules of Evidence and State Rules of Evidence. No subpoenas, summonses, citations, or other processes shall be served at or near the location of any negotiation upon any person who may be entering, leaving, attending, or in transit to any negotiation session.
- (e) If the Dispute has not been resolved within sixty (60) days following the first negotiations, either party may initiate litigation in Colorado, in the courts described below, upon thirty (30) days written notice to the other party. For the purpose of litigating any Dispute, the party's consent to the jurisdiction of the District Court of El Paso County, Colorado.
- (f) All deadlines specified in this Section may be extended by mutual agreement.
- (g) Each party is required to continue to perform its obligations under this Agreement, pending final resolution of any Dispute.
- (h) The procedures specified in this Section shall be followed for the resolution of Disputes between the parties arising out of, or relating to this Agreement; prior to the filing on any litigation between the parties, except for cases where undue prejudice would be caused by delay; a party may seek a preliminary injunction or other preliminary judicial relief; if in the judgment of that party, such action is necessary to avoid irreparable damage or to preserve the status quo. Despite the initiation of any such judicial proceedings, the parties will continue to participate in good faith in the procedures specified in this Section. As between the parties, all applicable statutes of limitation shall be tolled while the procedures specified in this Section are pending and the parties will take all actions, if any, required to effectuate such tolling. If these procedures are not successful in resolving the dispute, the procedures set forth in Section 8.12e shall apply.

- (i) The parties commitment to resolve Disputes, pursuant to this Section, survives the expiration or termination of this Agreement.

Section 8.13 Termination

A withdrawing Member must provide at least six months written notice of intent to terminate participation. The terminating Member shall continue to be financially responsible for and pay its share of any financial obligations entered into, pursuant to an MOU signed by the terminating agency, during the period when the terminating agency was a member of the PPGA.

As long as a terminating Member continues to possess data acquired under the auspices of the this IGA and associated project MOUs, that Member shall continue to be bound by the data distribution policies set forth in this IGA and project MOUs.

Exhibit A: Internal Consultant Geospatial Data License Agreement

Exhibit B: Customer Geospatial Data License Agreement

**THE PARTIES HERETO HAVE EXECUTED THIS INTERGOVERNMENTAL
AGREEMENT.**

FOR THE CITY OF COLORADO SPRINGS:

By _____ this _____ day of _____, 2004.

Title: _____

ATTEST: _____

FOR COLORADO SPRINGS UTILITIES:

By _____ this _____ day of _____, 2004.

Title: _____

ATTEST: _____

FOR EL PASO COUNTY:

By [Signature] this 8th day of July, 2004.

Title: BOCC Chairman

ATTEST: [Signature]
Deputy County Clerk

FOR TELLER COUNTY:

By _____ this _____ day of _____, 2004.

Title: _____

ATTEST: _____

PPGA JGA

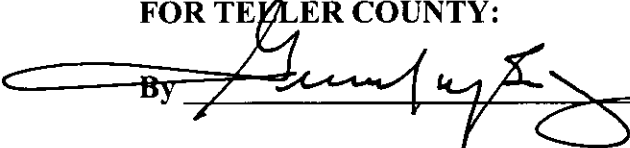
FOR EL PASO-TELLER COUNTY E911:

By _____ **this** _____ **day of** _____, **2004.**

Title: _____

ATTEST: _____

FOR TELLER COUNTY:

By  this 27 day of July, 2004.

Title: _____

ATTEST: _____

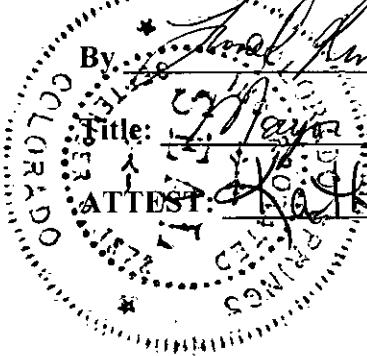
FOR THE CITY OF COLORADO SPRINGS:

By: *Paul Allen*

this 23d day of July, 2004.

Title: *Mayor*

ATTEST: *Kathryn M. Young*



FOR COLORADO SPRINGS UTILITIES:

By Phillip H. Tollison this 26th day of July, 2004.

Title: CEO

ATTEST: 

My Commission Expires
3/5/2007



FOR EL PASO-TELLER COUNTY E911:

By James R. Day this 28th day of July, 2004.

Title: _____

ATTEST: [Signature]

EXHIBIT A

Pikes Peak Geospatial Alliance Internal Consultant Geospatial Data License Agreement

This Consultant Geospatial Data License Agreement is made and entered into as of the < Day > day of < Month, Year > by and among (check one):

- ☐ El Paso County, Colorado
- ☐ The City of Colorado Springs, a home rule municipality
- ☐ The Colorado Springs Utilities, an enterprise of the City of Colorado Springs
- ☐ Teller County, Colorado
- ☐ El Paso – Teller County E911 Authority

(hereafter "Licensor") and

< Company > (hereafter "the Consultant"), with its principal place of business at < Address >.

The parties understand that they are independent entities, and that this Agreement does not create a joint venture, partnership, or other similar relationship between them. Further, no agent, employee, or servant of the Consultant shall be deemed to be an employee of Licensor.

The undersigned warrants to Licensor that he/she has full power and authority to enter into, and where applicable, to act as the agent of the Consultant and be bound to perform its obligations under this Agreement.

1. LICENSOR'S AGREEMENT TO PROVIDE PRODUCTS:

Licensor agrees to provide the following geospatial data:

in an area described as follows:

approximate area in square mile(s):

to conform to the requirements of Licensor Purchase Order/Contract Number: _____ (hereafter "the Purchase Order(s)").

a. Licensor agrees to deliver Products to the Consultant within thirty (30) days of Consultant's execution of the original of this Agreement and its return to Licensor, provided that Licensor has the products available for delivery to the Consultant. Licensor and the Consultant understand that this Agreement facilitates a one-time delivery of Licensor's Product. This Agreement is not intended to impose upon Licensor any duty to provide the Consultant with Products on any ongoing basis. Further, Licensor has no duty or responsibility for updating the Products contained therein. Licensor may provide semi-annual updates of the Products to the Consultant as consideration for any updated data and information the Consultant may acquire and provide to Licensor as such data becomes available in the future.

b. Licensor makes no warranties or guarantees, either expressed or implied, as to the completeness, accuracy, or correctness of such Products, nor accept any liability, arising from any incorrect, incomplete or misleading information contained therein. There are no warranties, either expressed or implied, of merchantability or fitness of such Products for a particular purpose.

2. CONSULTANT'S AGREEMENT TO PROVIDE DATA:

a. As consideration under this Agreement, and in exchange for the use of the data provided to the Consultant, the Consultant shall provide Licensor with the following:

b. Unless otherwise provided for in the Purchase Order(s), the Consultant agrees to deliver the data identified above in the State Plane Coordinate System, Colorado Central Zone, Datum NAD83.

c. The Consultant agrees that all physical material, photographs, reports, drawings, studies, information, specifications, estimates, maps, computer tapes, digital data, computations, intellectual property and other data (hereinafter referred to collectively as "Material" or "Products") prepared by or for the Consultant or prepared by or for any affiliate consultant or subcontractor under the terms of the project agreement are the property of the Licensor and the Licensor owns the copyright to the same. The Consultant understands that the Licensor may, at a later date, have the copyrighted Material registered with the U.S. Copyright office.

3. TIME OF CONSULTANT'S PERFORMANCE AND USE OF LICENSOR PRODUCTS:

The Consultant is granted the right to use the Products Licensor provides to it for the period of the Purchase Order(s), but in no instance beyond < Date >, at which time the Consultant shall cease all use of the Products, and shall delete the Licensor Products data from their computer systems. This grant of time shall be renewable by mutual consent of the parties.

4. RESTRICTIONS ON CONSULTANT'S USE OF THE PRODUCTS:

The undersigned authorized agent of the Consultant acknowledges that Licensor has imposed upon the Consultant certain limitations and restrictions on the use of the Products and the information contained therein as follows:

a. Licensor grants the Consultant the right to use Licensor's Products solely for the Consultant's internal use and as specified in paragraph 2 above. Licensor prohibits the release of its Products by the Consultant to any third party contractor without the written permission of Licensor. The Consultant agrees to use the Products for the following sole purpose:

Any other use of the Products shall be deemed a breach of this Agreement. The Consultant agrees to allow Licensor to inspect the Consultant's records regarding any possible misuse of the Products or their unauthorized release to third parties.

b. This Agreement does not constitute a sale of any title or interest in the Products. Licensor reserves all ownership rights to its Products and such other rights not expressly granted to the Consultant by this Agreement.

c. The Products are protected by the copyright laws of the United States and are being furnished with all rights reserved. The Consultant shall not copy or transmit in any form or by any means whatsoever Licensor's Products, including but not limited to, electronic, mechanical, photocopying, recording, scanning, or by any information or retrieval system for any non-approved purpose without the expressed written permission of Licensor. The Consultant shall not license, sublicense, assign, release, publish, transfer, sell or otherwise make available the Products or portion thereof to any third party without the expressed written permission of Licensor. This restriction on assignments and transfers shall apply to assignments or transfers by operation of law, as well as by contract, merger, or consolidation. Any attempted assignment or transfer in derogation of this prohibition is void.

d. The Products have been developed solely for Licensor's internal use. The Consultant understands and acknowledges that Licensor's geospatial database and data in the Products are subject to constant change and that its accuracy and completeness cannot be guaranteed. **UNDER NO CIRCUMSTANCE SHALL LICENSOR MAPPING BE USED FOR FINAL DESIGN PURPOSES.**

e. The Consultant agrees to recognize and honor in perpetuity the copyrights, and other proprietary claims for survey control information, databases, collateral information, and products established or produced by Licensor or the vendors furnishing said items to Licensor.

f. The Consultant will do or cause to be done all things necessary to meet the restrictions imposed on the use of the Products and to meet its obligations under this Agreement.

g. Assignment: Contractor shall not assign or otherwise transfer this agreement or any right or obligations therein.

5. BREACH OF AGREEMENT, DAMAGES, CLAIMS:

a. In the event the Consultant breaches any of the terms, conditions, covenants, or agreements contained in this Agreement, the license granted herein shall immediately cease, and Licensor shall thereupon have the right to any and all legal or equitable remedies, including but not limited to injunctive relief and damages.

b. Upon any termination or expiration of this Agreement, all licenses granted hereunder shall immediately terminate, and the Consultant shall immediately discontinue all use of the Products and delete the Products from their files and storage media. Upon Licensor's request, the Consultant shall promptly confirm in writing that they have complied with the foregoing.

c. Licensor is not responsible for incidental, consequential, or special damages arising out of the use of the Products provided to the Consultant. The Consultant agrees that the Products shall be used and relied upon only at the risk of the Consultant. The Consultant agrees to indemnify and hold harmless Licensor, its officials, officers, employees and servants from any liability, claims, loss, damages, injury, costs and attorney fees arising out of procuring, compiling, collecting, interpreting, producing, using or communicating the Products or information contained therein.

6. MISCELLANEOUS:

a. This Agreement contains no financial commitments on the part of Licensor, and any financial commitments on the part of Licensor that become a part of this Agreement are subject to the appropriation by the governing body of the Licensor.

b. This Agreement is subject to and shall be interpreted under the laws of the State of Colorado, and the Charter, City Code, Ordinances, Rules and Regulations of the City of Colorado Springs, Colorado, a Colorado Home Rule City. Court Jurisdiction and venue shall exclusively be in the Colorado District Court for El Paso County, Colorado.

c. If any provisions of this Agreement are determined to be invalid or unenforceable, the remaining provisions of this Agreement shall continue to be valid and enforceable.

d. This Agreement together with the terms of the Purchase Order(s)/Contract embodies the entire agreement between the Consultant and Licensor. The parties shall not be bound by or liable for any statement, representation, promise, inducement, or understanding of any kind or motive not set forth herein. No additional agreements or modifications of any of the terms or conditions of this Agreement shall be valid unless reduced to writing and signed by the parties.

e. Place of Performance: The place of performance for this Agreement is deemed to be:

< licensor jurisdiction >

IN WITNESS WHEREOF, the parties hereto have executed this Agreement
this < Day > day of < Month, Year >.

CONSULTANT

By

Title

For Licensor: _____

If applicable:
Approved as to Form: _____

EXHIBIT B

Pikes Peak Geospatial Alliance Customer Geospatial Data License Agreement

The undersigned on behalf of

(hereafter referred to as "the Customer") in accepting geospatial Products from (check one):

- ☐ El Paso County, Colorado
- ☐ The City of Colorado Springs, a home rule municipality
- ☐ The Colorado Springs Utilities, an enterprise of the City of Colorado Springs
- ☐ Teller County, Colorado
- ☐ El Paso – Teller County E911 Authority

(hereafter "Licensor") hereby acknowledges the limitations of the Products and the information contained therein and restrictions on its use:

1. Licensor grants the Customer a non-exclusive, non-transferable license to use the Products for internal use by the Customer and its clients and contractors. The Products are being provided to the Customer for the sole purpose of:

2. The types of Products being provided are:

3. The period of time for which the Customer is granted the right to use the Products is:
< **Years** > years beginning < **Date** >. All Licensor geospatial product usage and storage must be discontinued by the customer by < **Date** >.

4. Delivery of the Products to the Customer shall be made by Licensor only after the Customer has fully executed this unmodified agreement and returned it to Licensor.

5. This Agreement does not constitute a sale of any title or interest in the Products. Licensor reserves all rights not expressly granted to the Customer by this Agreement.

6. The Customer understands this is a one-time delivery and that Licensor has no responsibility for updating the Products or information contained therein.

7. Upon any termination or expiration of this Agreement, all licenses granted hereunder shall immediately terminate, and the Customer shall immediately discontinue all use of the Products and delete the Products from their files and storage media. Upon Licensor's request, the Customer shall promptly confirm in writing that they have complied with the foregoing.

8. The Products are protected by the copyright laws of the United States and are being furnished with all rights reserved. No part of the information may be copied, reproduced or transmitted in any form or by any means whatsoever, including but not limited to, electronic, mechanical, photocopying, recording, scanning, or by any information or retrieval system for any non-approved purpose without the expressed written permission of Licensor. The Customer shall not license, sublicense, assign, release, publish, transfer, sell or otherwise make available the Products or portion thereof to a third party without the expressed written permission of Licensor.

9. The Products have been developed solely for internal use only. The Customer understands and acknowledges that Licensor geospatial data in the Products are subject to constant change and that its accuracy and completeness cannot be guaranteed. **UNDER NO CIRCUMSTANCE SHALL THESE PRODUCTS BE USED FOR FINAL DESIGN PURPOSES.** Licensor makes no warranties or guarantees, either expressed or implied, as to the completeness, accuracy, or correctness of such Products, nor accept any liability, arising from any incorrect, incomplete or misleading information contained therein. There are no warranties, either expressed or implied, of merchantability or fitness of such Products for a particular purpose.

10. Non-Federal/State customers: Licensor is not responsible for incidental, consequential, or special damages arising out of the use of the Products provided the Customer. The Customer agrees that the Products shall be used and relied upon only at the risk of the Customer. The Customer agrees to indemnify and hold harmless Licensor, its officials, officers, employees and servants from any liability, claims, loss, damages, injury, costs and attorney fees arising out of procuring, compiling, collecting, interpreting, producing, using or communicating the Products or information contained therein.

10a. Federal/State customers: Licensor is not responsible for incidental, consequential, or special damages arising out of the use of the Products provided the Customer. The Customer agrees that the Products shall be used and relied upon only at the risk of the Customer.

11. In the event the Customer breaches any of the terms, conditions, covenants, or agreements contained in this Agreement, not only shall the license granted herein immediately cease, but Licensor shall thereupon have the right to any and all legal or equitable remedies, including but not limited to injunctive relief and damages.

12. The Customer agrees to recognize and honor in perpetuity the copyrights, and other proprietary claims for survey control information, databases, collateral information, and products established or produced by Licensor or the vendors furnishing said items to Licensor.

13. This Agreement embodies the entire agreement between the Customer and Licensor. The parties shall not be bound by or liable for any statement, representation, promise, inducement, or understanding of any kind or motive not set forth herein. No additional agreements or modifications of any of the terms or conditions of this Agreement shall be valid unless reduced to writing and signed by the parties.

14. Neither this Agreement nor the rights granted by it shall be assigned or transferred by the Customer under any circumstance whatsoever. This restriction on assignments and transfers shall apply to assignments or transfers by operation of law, as well as by contract, merger, or consolidation. Any attempted assignment or transfer in derogation of this prohibition is void.

15. The Customer will do or cause to be done all things necessary to preserve its rights and meet its obligations under this Agreement.

16. This Agreement contains no financial commitments on the part of Licensor, and any financial commitments on the part of Licensor that become a part of this Agreement are subject to the appropriation by the governing body of the Licensor.

PPDA Form B

17. This Agreement is subject to and shall be interpreted under the laws of the State of Colorado, and the Charter, City Code, Ordinances, Rules and Regulations of the City of Colorado Springs, Colorado, a Colorado Home Rule City. Court Jurisdiction and venue shall exclusively be in the Colorado District Court for El Paso County, Colorado.

18. If any provision of this Agreement is determined to be invalid or unenforceable, the remaining provisions of this Agreement shall continue to be valid and enforceable.

19. The undersigned warrants to Licensor that he/she has full power and authority to enter into, and where applicable, to act as the agent of the Customer and be bound to perform its obligations under this Agreement.

20. Place of Performance: The place of performance for this Agreement is deemed to be:

< licensor jurisdiction >

21. Other restrictions imposed on the use of such products are:

Customer Signature line:

Signature

Date

Printed or Typed Name

Title

Company or Organization Name

PPG Exhibit B

Approved:


Signature

Date

Printed or Typed Name

Title

FOR EL PASO COUNTY:

By  this 8th day of July 2004.

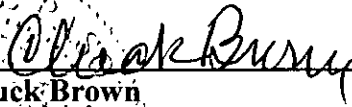
Chuck Brown

Title: Board of County Commissioners Chairman

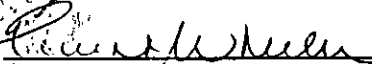
ATTEST: 

Deputy County Clerk

FOR EL PASO COUNTY:

By  this 8th day of July 2004.
Chuck Brown

Title: Board of County Commissioners Chairman

ATTEST: 
Deputy County Clerk

Scope of Work

for

**2026 Pikes Peak Geospatial Alliance
Orthoimagery Project**

November 24, 2025

Revision History

Revision	Date	Description
1.0	10/01/2025	<i>Previous RFP scopes, managed by CSU, were revised to account for changing specifications and new requirements.</i>
1.1	10/20/2025	<i>CSU edits</i>
1.2	10/23/2025	<i>PPGA member edits</i>
1.3	11/24/2025	<i>Final</i>

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1.0 Introduction

The goal of the 2026 PPGA project is for the Pikes Peak Geospatial Alliance (PPGA), through Colorado Springs Utilities (UTILITIES), to receive high quality digital orthoimagery in a timely fashion for both El Paso and Teller counties. The Sanborn Company (CONTRACTOR) shall take a conservative approach to the project to ensure that the accuracy and aesthetics of the final product are free from defects and meet or exceed PPGA expectations.

To account for the geographic scope and weather-related factors of the project, such as winter snow accumulation, aerial data collection is expected to occur under a mix of both “leaf-off” and “leaf-on” conditions. The specific timing will vary by project sub-area, with flights anticipated between March 15 and July 31. Proper CONTRACTOR preparation and resource and asset management can result in acquiring and producing the product without major issues. CONTRACTOR shall approach this project in such a way as to be in the position to meet final delivery specifications without undue delays.

2.0 Background

The Orthoimagery Project (OP) 2026 addresses on-going needs for current digital aerial imagery by multiple governmental agencies in a two-county area (El Paso and Teller Counties) of the Pikes Peak region. The following subsections describe the area of interest of each of the participants and the resulting project sub-areas. Four Band, Color/Infra-Red, digital orthorectified aerial imagery must be delivered for the entire project area. All four sub-areas may require some level of Digital Elevation Model (DEM) updating or development. As detailed in Section 3, it may also be necessary to establish additional survey control points in the sub-areas. Map accuracy requirements shall be specified in terms of standards set by the American Society of Photogrammetry and Remote Sensing (ASPRS).

UTILITIES is administering this project on behalf of the PPGA. The PPGA, for this project is comprised of the following participants:

- El Paso County
- Teller County
- El Paso - Teller E-911 (E911)
- Colorado Springs Utilities (UTILITIES)
- City of Colorado Springs

3.0 Scope of Services

3.1. Purpose

UTILITIES shall oversee this project and will designate an individual to act as the official Project Manager. The Project Manager shall, with the consent of the participating members of the PPGA Steering Committee, perform the following duties and functions relative to this project:

1. Interpret and define project specifications regarding the Contractor’s work activities
2. Direct and coordinate the (PPGA) responsibilities
3. Review Contractor’s performance
4. Manage deliverables from Contractor to other PPGA participants

5. Approve payments to Contractor in accordance with defined payment and deliverable acceptance terms
6. Perform other activities as may from time to time be necessary in the performance of the terms of the contract
7. Issue final acceptance of all deliverable products and services
8. Issue any change orders or modifications to the scope of the contract.

3.2. CONTRACTOR Responsibilities:

1. At the time of Task Order execution, and subject to UTILITIES approval, CONTRACTOR shall assign a Project Manager (PM) with at least **five years** of project management experience to the project. CONTRACTOR shall obtain written approval from UTILITIES PM prior to any change to the assigned CONTRACTOR's PM.
2. Develop a complete and concise project schedule in conjunction with the UTILITIES PM and PPGA participants.
3. CONTRACTOR's PM shall strictly adhere to developed project plans, schedules and communication agreements.
4. At the time of fully executed Task Order, and subject to UTILITIES approval, CONTRACTOR shall retain all required subcontractors needed to complete the project as per the project schedule.
5. Develop and document procedures to meet specifications as contracted.
6. Produce required new digital orthophotography in accordance with the specifications outlined in Section 4.
7. Implement stringent QA/QC procedures and maintain specified quality standards
8. Provide all deliverable products as agreed upon in the project schedule
9. Provide project management and support services, such as required reporting, demonstrations, data handling, progress reports, and other activities as required. The delivery of progress reports will be bi-weekly through the initial stages of the project and then weekly once data collection begins.

3.3. Contract Administration

CONTRACTOR shall be responsible for the professional quality, technical accuracy, timely completion, and the coordination of all digital files, specifications, reports, and other products and services required to be delivered by it under this Task Order. UTILITIES PM, in conjunction with the PPGA participants, shall have full and complete authority to reject any work deemed unacceptable pursuant to this Task Order. CONTRACTOR shall, without additional compensation, correct or revise any errors or deficiencies in such products and services if products do not conform to the specifications outlined in Section 4. In cases of rejection of CONTRACTOR's work, UTILITIES may suspend work activities and payments until the work tasks (products and services hereafter defined) in question are corrected and deemed acceptable by UTILITIES PM.

4.0 Tasks and Deliverables

4.1 Project Area and Sub-Areas

Historically, the total project has been divided geographically into four (4) sub-areas, with varying delivery dates as specified in the approved schedule. The map in Appendix B-1

illustrates the boundaries as well as a tiling scheme in which the tiles are dimensioned at 4,000' x 4,000'.

Note that all areas are represented in terms of tiles. Tiles within each of the four sub-areas are further grouped into project deliverable areas. The project deliverable areas equate to the desired delivery sequence. Deliverables for the OP 2026 project shall include fifteen (15) area deliverables (Refer to Figure 1 - 2026 Area Deliverables).

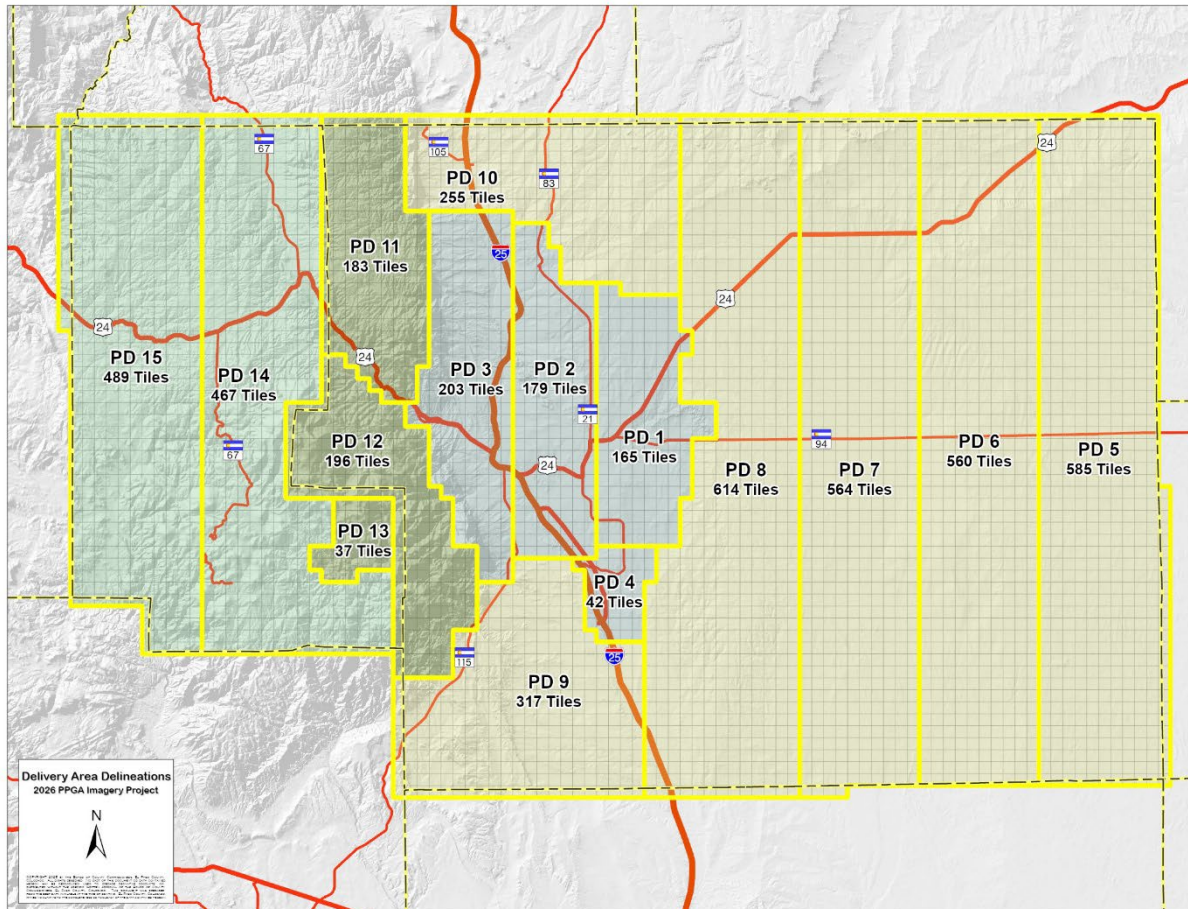


Figure 1 – 2026 Area Deliverables

Digital data representing the area and sub-area boundaries (refer to Figure 2 – 2026 Sub-Areas), tile layout, and deliverable areas shall be made available to CONTRACTOR by UTILITIES. ***The total project area is approximately 2787 square miles.***

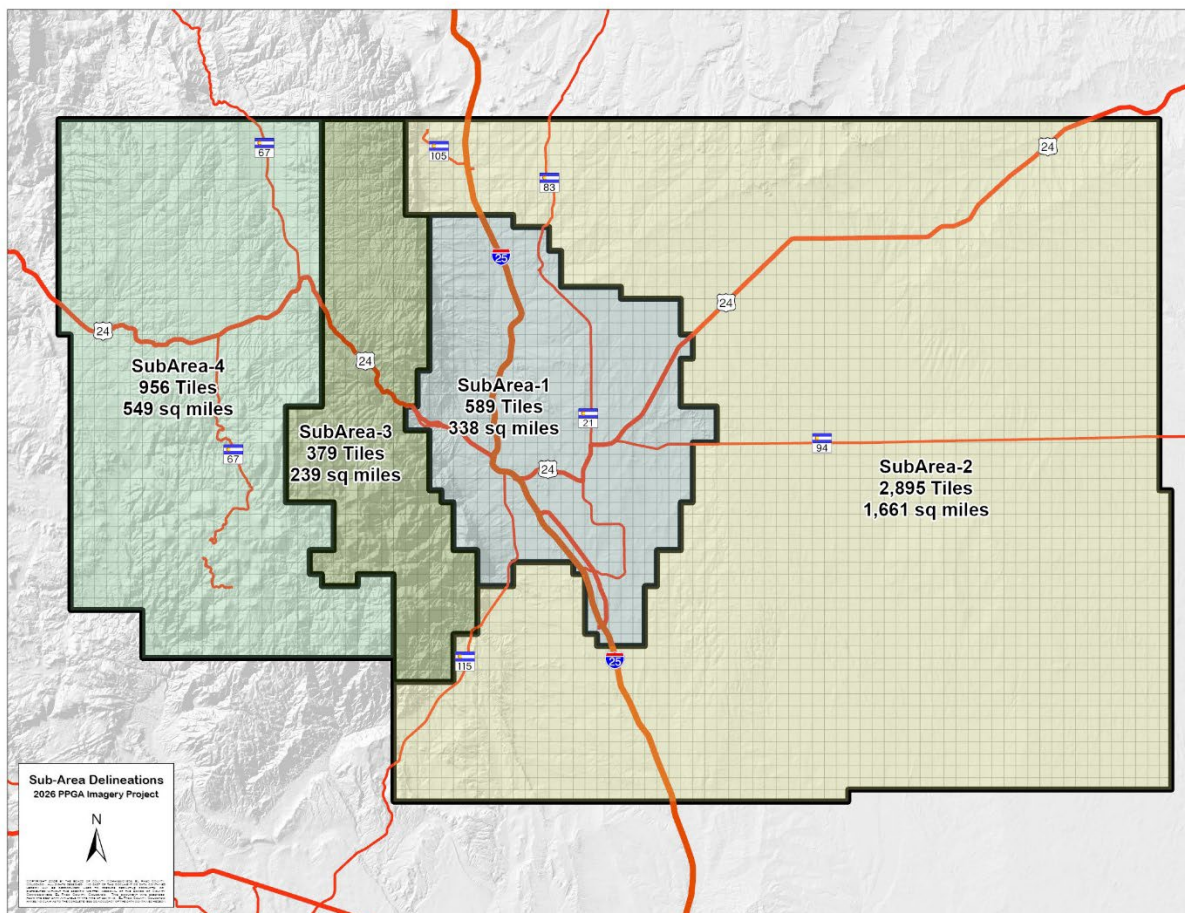


Figure 2 – 2026 Sub Areas

4.1.1 Sub-Area 1

Sub-Area 1 consists mostly of the Colorado Springs metropolitan area, including the US Air Force Academy and the City of Fountain (refer to Appendix B-1). The City of Colorado Springs and Colorado Springs Utilities have a primary interest in this sub-area with overlapping interests by E911 and El Paso County.

Sub-Area 1 must be flown in the spring of 2026 during leaf-off conditions. Depending on conditions, Sub-Area 1 flights must be conducted starting on or around March 15, 2026, and concluding on or around April 30, 2026. ***Sub-area 1 is 338 square miles, comprised of 589 tiles.***

4.1.2 Sub-Area 2

Sub-Area 2 shall encompass Ft. Carson and the majority of El Paso County east of the mountains; less Sub-Area 1 (refer to the Figures provided in this SOW). El Paso County and E911 have the primary interest in Sub-Area 2 with the City of Colorado Springs, and Colorado Springs Utilities having an interest in portions of the area as well.

Sub-Area 2 must be flown during the spring of 2026. Depending on weather conditions, Sub-Area 2 flights must be conducted starting on or around April 15, 2026, and concluding on or around May 31, 2026. ***Sub-area 2 is 1,661 square miles, comprised of 2,895 tiles.***

4.1.3 Sub-Areas 3 and 4

Sub-Area 3 and 4 are comprised of the mountainous areas of the western portion of El Paso County and all of Teller County. **Due to snow considerations, Sub-Area 3 and 4 must be flown during the summer of 2026. Depending on conditions, Sub-Area 3 and 4 flights must be conducted starting on or around June 1, 2026, and concluding no later than July 31, 2026. Sub-area 3 is 239 square miles and comprised of 416 tiles while Sub-Area 4 is 549 square miles and comprised of 956 tiles.**

4.2 Sub-Area Specifications

Project Specification Overview				
Sub-Area	SA-1	SA-2	SA-3	SA-4
Total Area / Tiles	338 sq mi / 589 tiles	1661 sq mi / 2895 tiles	239 sq mi / 416 tiles	548 sq mi / 956 tiles
Ground Sampling Distance	0.5'	1.0'	1.0'	1.0'
Ortho Resolution	Six Inch (6")	One Foot (1')	One Foot (1')	One Foot (1')
Orthoimagery Accuracy	ASPRS Class 1 for 1:1200 Map Scale (One Foot RMSE)	ASPRS Class 1 for 1:2400 Map Scale (Two Foot RMSE)	ASPRS Class 1 for 1:2400 Map Scale (Two Foot RMSE)	ASPRS Class 2 for 1:2400 Map Scale (Four Foot RMSE)
DEM Source	2018 LiDAR Data – Updated as needed to meet accuracy	2018 LiDAR Data – Updated as needed to meet accuracy	2018 LiDAR Data – Updated as needed to meet accuracy	Latest Available USGS NED data of 1/3 arc seconds (10 meters)
Coordinate System / Datum / Units	Colorado State Plane Central Zone, NAD 83 (HARN)	Colorado State Plane Central Zone, NAD 83 (HARN)	Colorado State Plane Central Zone, NAD 83 (HARN)	Colorado State Plane Central Zone, NAD 83 (HARN)
Control Source	CSU FIMS NAVD88 (DEM Update)	NGS, Colorado State Plane Central Zone, NAD 83 (HARN) NAVD 88 (DEM UPDATE)	NGS, Colorado State Plane Central Zone, NAD 83 (HARN) NAVD 88 (DEM Update)	NGS, Colorado State Plane Central Zone, NAD 83 (HARN) NAVD 88 (DEM Update)
Tiled Delivery Format	TIFF/TFW	TIFF/TFW	TIFF/TFW	TIFF/TFW
Mosaic Delivery Format	JP2	JP2	JP2	JP2
Imagery Type	RGBNIR	RGBNIR	RGBNIR	RGBNIR
Tile Scheme	PPGA 4000 x 4000	PPGA 4000 x 4000	PPGA 4000 x 4000	PPGA 4000 x 4000
Target Flight Window	Mar 15 – Apr 30	Apr 15 – May 31	Jun 1 – Jul 31	Jun 1 – Jul 31

4.3 Sub-Area 1

4.3.1 Image Resolution

Image pixel resolution for Sub-Area 1 shall be six (6) inch.

4.3.2 Ground Sampling Distance

CONTRACTOR is not to exceed flying heights for the 6" pixel acquisition. CONTRACTOR shall not deviate from these requirements unless prior approval is obtained by UTILITIES PM. Statistical sampling Root Mean Square Error (RMSE) must show that these Ground Sampling Distance (GSD) values are achieved. **Offsets from the required GSD should not exceed ten percent (10%).**

Sub-area 1: Resolution = 0.5' GSD MAXIMUM

4.3.3 Horizontal Accuracy

All final image products must meet the horizontal accuracy specifications listed below:

- ASPRS Class 1 accuracy standard for 1:1200 mapping. This specifies a point coordinate accuracy requirement in which the horizontal RMSE for a minimum of 20 well-defined points is less than 1.0 '.

4.3.4 Digital Elevation Model (DEM)

The existing 2018 DEM ground surface, originally derived from 2018 LiDAR data, shall be used as the rectification source for the 2026 flight. CONTRACTOR shall update any tile or tiles of DEM data for the surface to be adequate for accurate orthoimagery rectification.

Should the DEM for an orthophoto imagery tile need to be updated, the PPGA requires that the DEM be re-delivered in tile format (4000' x 4000') containing all DEM data used for that tile. This updated data shall be delivered in a LAS format.

4.3.5 Coordinate System

The coordinate system for this project shall be Colorado State Plane Coordinate System, Central Zone, Datum of NAD83 (HARN), units of US Survey Feet. Although limited to the DEM delivery, the Vertical Datum shall be NAVD88.

4.3.6 Flight Dates

Imagery shall be flown when deciduous foliage is generally under "leaf-off" condition. Thus, the target flight window shall be from March 15, 2026, and concluding on or around April 30, 2026. The appropriate flight dates are listed below and may be adjusted due to ground or weather conditions upon prior approval of UTILITIES PM.

Area	Start Date	Finish Date
Area SA-1	March 15, 2026	April 30, 2026

4.4 Sub-Area 2

4.4.1 Image Resolution

Image pixel resolution for Sub-Area 2 shall be 1.0'.

4.4.2 Ground Sampling Distance (GSD)

CONTRACTOR is not to exceed flying heights for the 1' pixel acquisition. CONTRACTOR shall not deviate from these requirements unless requested by CONTRACTOR and approved by UTILITIES PM. Statistical sampling (RMSE) must show that these GSD values are being achieved. **Offsets from the required ground sampling distances should not exceed ten percent (10%).**

Sub-area 2: Resolution = 1.0' GSD MAXIMUM

4.4.3 Horizontal Accuracy

All final image products must meet the horizontal accuracy specifications listed below:

- ASPRS Class 1 accuracy standard for 1:2400 mapping. This specifies a point coordinate accuracy requirement in which the horizontal RMSE for a minimum of twenty (20) well defined points is less than 2.0 '.

4.4.4 Digital Elevation Model (DEM)

The existing 2018 DEM ground surface, originally derived from 2018 LiDAR data, shall be used as the rectification source for the 2026 flight. CONTRACTOR shall update any tile or tiles of DEM data for the surface to be adequate for accurate orthoimagery rectification.

Should the DEM for an orthophoto imagery tile need to be updated, the PPGA requires that the DEM be re-delivered in tile format (4000' x 4000') containing all DEM data used for that tile. This updated data shall be delivered in a LAS format.

4.4.5 Coordinate System

The coordinate system for this project shall be Colorado State Plane Coordinate System, Central Zone, Datum of NAD83 (1996), units of US Survey Feet. Although limited to the DEM delivery, the Vertical Datum shall be NAVD88.

4.4.6 Flight Dates

Imagery shall be flown when deciduous foliage is generally under "leaf-off" condition. Thus, the target flight window shall be from April 15, 2026, to May 31, 2026. The appropriate flight dates are listed below and may be adjusted due to ground or weather conditions upon prior approval of UTILITIES.

Area	Start Date	Finish Date
Area SA-2	April 15, 2026	May 31, 2026

4.5 Sub-Area 3

4.5.1. Image Resolution

Image pixel resolution for Sub-Area 3 shall be 1.0'.

4.5.2. Ground Sampling Distance

CONTRACTOR is not to exceed flying heights for the 1' pixel acquisition. CONTRACTOR shall not deviate from these requirements unless approved by UTILITIES. Statistical sampling (RMSE) must show that these GSD values are being achieved. **Offsets from the required ground sampling distances should not exceed ten percent (10%).**

Sub-area 3: Resolution = 1.0' GSD MAXIMUM

4.5.3. Horizontal Accuracy

All final image products must meet the horizontal accuracy specifications listed below:

- ASPRS Class 1 accuracy standard for 1:2400 mapping. This specifies a point coordinate accuracy requirement in which the horizontal RMSE for a minimum of 20 well defined points is less than 2.0 '.

4.5.4. Digital Elevation Model

The existing 2018 DEM ground surface, originally derived from 2018 LiDAR data, shall be used as the rectification source for the 2026 flight. CONTRACTOR shall update any tile or tiles of DEM data for the surface to be adequate for accurate orthoimagery rectification.

Should the DEM for an orthophoto imagery tile need to be updated, the PPGA requires that the DEM be re-delivered in tile format (4000' x 4000') containing all DEM data used for that tile. This updated data shall be delivered in a LAS format.

4.5.5. Coordinate System

The coordinate system for this project shall be Colorado State Plane Coordinate System, Central Zone, Datum of NAD83 (1996), units of US Survey Feet. Although limited to the DEM delivery, the Vertical Datum shall be NAVD88.

4.5.6. Flight Dates

Imagery shall be flown when deciduous foliage is under "leaf-on" condition yet early enough to minimize shadows and reduce the chance of snow (the PPGA preference is to capture data during "leaf-off" conditions). Thus, the target flight window shall be from June 1, 2026, to July 31, 2026. The appropriate flight dates are listed below and may be adjusted due to ground or weather conditions upon prior approval of UTILITIES.

Area	Start Date	Finish Date
Area SA-3	June 1, 2026	July 31, 2026

4.6 Sub-Area 4

4.6.1 Image Resolution

Image pixel resolution for Sub-Area 4 shall be 1'.

4.6.2 Ground Sampling Distance

CONTRACTOR is not to exceed flying heights for the 1' pixel acquisition. CONTRACTOR shall not deviate from these requirements unless approved by UTILITIES PM. Statistical sampling (RMSE) must show that these GSD values are being achieved. **Offsets from the required ground sampling distances should not exceed ten percent (10%).**

Sub-area 4: Resolution = 1.0' GSD MAXIMUM

4.6.3 Horizontal Accuracy

All final image products must meet the horizontal accuracy specifications listed below:

- ASPRS Class 2 accuracy standard for 1:2400 mapping. This specifies a point coordinate accuracy requirement in which the horizontal RMSE for a minimum of 20 well defined points is less than 4.0 '.

4.6.4 Digital Elevation Model (DEM)

Existing DEM data available from the USGS shall be used as the DEM data source. National Elevation Dataset (NED) available data of 1/3 arc-second, or approximately 10 meters, can be downloaded for free from the USGS using the National Map viewer. CONTRACTOR is responsible for downloading this publicly available data to cover Sub-Area 4. Note that available data may be in multiple files and based on different collection years. CONTRACTOR is expected to update or supplement this DEM data, if necessary, to ensure that final orthophotos for the area meet specified horizontal accuracy tolerances.

4.6.5 Coordinate System

The coordinate system for this project shall be Colorado State Plane Coordinate System, Central Zone, Datum of NAD83 (1996), units of US Survey Feet.

4.6.6 Flight Dates

Imagery shall be flown in late spring to early summer, under "leaf-off" conditions (if conditions make that possible) and early enough to minimize shadows and reduce the chance of snow. The appropriate flight dates are listed below and may be adjusted due to ground or weather conditions upon prior approval of UTILITIES PM.

Area	Start Date	Finish Date
Area SA-4	June 1, 2026	July 31, 2026

4.7 Digital Stereo Pair Requirements

Digital stereo pairs are a required deliverable for the area outlined below and covers approximately 463 square miles. Stereo pair delineations are defined in Figure 3 below. All digital stereo pairs for delivery shall be provided such that the images are compatible with Esri ArcGIS Pro version v3.4 or higher.

As part of this delivery, the following information related to the stereo models shall also be included with the delivery to UTILITIES PM:

- Photo Position – photo center X,Y,Z, with Z being the above ground average
- Omega, Phi, Kappa values
- Camera Calibration
- Photo Direction
- 6 Interior orientation coefficients
- 6 exterior orientation parameters

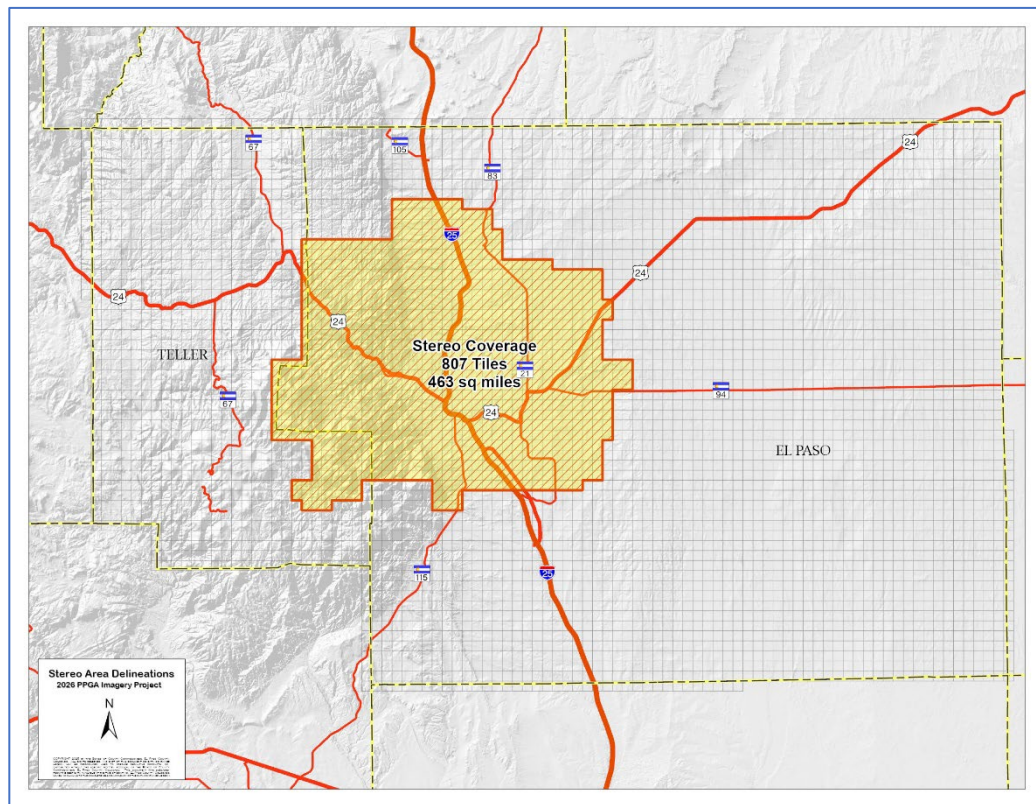


Figure 3 - Deliverable Stereo Coverage Extents

5.0 Overall Aerial Photography Requirements

5.1. Digital Aerial Camera

The aerial camera used shall be a precision large-format digital aerial camera equipped with low distortion, high-resolution optics, and high pixel count charge-coupled device (CCD) sensors. It must be capable of:

- Ground resolution equal to or better than 6"
- Generating four-band imagery from separate red, green, blue, and near-infrared bands
- Supporting high geometric accuracy through forward motion compensation and image stabilization
- Producing images that are compatible with existing softcopy photogrammetric environments (Image station)

A digital camera calibration report shall be submitted. If not, any available results of camera tests completed by the USGS or other organizations independent of CONTRACTOR shall be submitted. In addition, the following are to be submitted: 1) the results of testing done by the camera manufacturer and/or CONTRACTOR, and 2) detailed camera specifications. CONTRACTOR shall own the digital aerial camera and ensure there are spare cameras of the same make and model available should issues occur with camera performance.

5.2. Multi-spectral Image Acquisition

For all project areas, the color (RGB) and near-infrared (NIR) bands are to be acquired simultaneously such that a four-band image (RGBNIR) can be created for delivery. Any attempt to use image compression during image acquisition must be approved by the UTILITIES PM prior to the start of the project.

5.3. Flight Conditions

To ensure product uniformity, it is imperative that CONTRACTOR addresses adherence to the specific flight conditions. Flight time schedules, quality assurance of color balancing processes, continuity between flights, and continuity from one sub area to the next, are all conditions that must be addressed in CONTRACTORS' deliverables.

The sun angle for all flights shall not be less than thirty (30) degrees and orthophoto imagery shall be acquired generally between 10:00 am and 2:00 pm local time. In no case shall orthophoto imagery be undertaken when the ground is obscured by snow; in the presence of obscuring fog or dust; when streams are not within their normal banks; or when cloud shadows appear on more than two percent (2%) of the area in any one image. Photographs shall not contain objectionable shadows (e.g., obscuring roads and other important features) caused by relief or low solar altitude. CONTRACTOR shall use photographic targets for use in establishing horizontal control during aerial triangulation, targets should be of an appropriate size to be easily recognizable within the aerial imagery.

Sub-Area 3 and 4 Enhancements

- Sanborn will implement a minimum sun angle of 40° during all flights in Sub-Areas 3 and 4.
- We will maintain a minimum overlap of 40% between adjacent flight lines in these areas to mitigate tree lean and improve stereoscopic coverage.

- Flights will be scheduled within the approved seasonal window (June 1 – July 31) to minimize snow presence while capturing leaf-on conditions.

Note: *UTILITIES and the PPGA strongly prefers flights to be under sunny conditions and encourages CONTRACTOR to not fly during overcast conditions. CONTRACTOR should contact UTILITIES PM before flying under overcast skies.*

5.4. Flight Plans

All flight lines shall be submitted digitally in a standard Esri shape file format and in the coordinate system specified for the given project area. Flight line features shall be attributed with appropriate identification information. Flight lines may be broken up into flight segments to accommodate terrain changes, atmospheric problems, or military flight approval. Ground sampling distances shall be maintained throughout the flight line, which would be flown at the same altitude. Each segment of a flight line shall be flown continuously, without interruption. The principal points of the first two (2) and the last two (2) exposures of each flight line shall fall outside the boundaries of the area to be covered by the flight, and all side boundaries shall be covered by a minimum of 25% of the photo stereo image format. The principal points of the first two (2) and the last two (2) exposures of each flight segment shall overlap. These flight plans shall be submitted for approval by the UTILITIES PM prior to the aerial photography imagery phase. Upon completion of the photographic missions, all revised, final flight lines shall be submitted with photo centers.

Note: There are several military reservations within the project area. Authorization for overflights of these areas, and for flights within Traffic Control Zones associated with both military and civil air operations, may have to be secured and shall be the responsibility of CONTRACTOR to do so. The UTILITIES PM, if requested, can set up a meeting with Colorado Springs municipal airport and Ft. Carson officials (Ft. Carson absolutely requires overflight authorization) to assist with flight coordination and other communication requirements. All final arrangements shall be the responsibility of CONTRACTOR and must be reported to UTILITIES PM. Any issues securing clearance in these areas must be reported to the UTILITIES PM within twenty-four (24) hours.

5.5. Re-flights

Unacceptable orthophoto imagery shall be corrected, at no additional cost to UTILITIES. The re-flight coverage shall overlap the accepted orthophoto imagery by at least two (2) stereo models. Re-flights fall under the same quality control standards and guidelines as all other imagery in this project. Upon completion of the re-flight(s), CONTRACTOR shall submit a detailed quality control report to the UTILITIES PM for approval based upon stated specifications.

5.6. Aircraft

Any aircraft to be used on the project shall be equipped with all essential navigational and photographic instruments, including Airborne Global Positioning Satellite (ABGPS) enhanced navigational systems. All aircraft must be operated by a well-trained and experienced crew. Performance of the aircraft shall be adequate to complete the proposed project in accordance with the technical specifications. All operations shall be in conformity with the applicable official regulations and ordinances. Appropriate Federal Aviation Administration documentation indicating that the aircraft used is within current requirements and operating specifications shall

be submitted by CONTRACTOR prior to the first flight in which the aircraft is used on the project. CONTRACTOR shall provide evidence that all aircraft used for this project are properly insured.

The aircraft shall have a proven service ceiling with an operating load of not less than five percent (5%) above the highest altitude requirements to secure the specified orthophoto imagery. It is not mandatory, but it is preferred that CONTRACTOR owns the aircraft used for the OP 2026 project and that CONTRACTOR has access to a backup aircraft.

5.7. Spacing of Images

Overlapping images in each flight line and between flight lines shall provide full stereoscopic coverage of the area to be mapped in accordance with the end lap and side lap specifications.

5.8. End lap

Images used as stereoscopic pairs shall have overlap of between fifty-five percent (55%) and sixty-five percent (65%) in the respective frames. Consecutive images in each flight line shall have an end lap of approximately sixty percent (60%) to ensure full stereoscopic coverage, except where increased overlap is specified for Sub-Areas 3 and 4.

5.9. Side lap

Side lap between adjacent parallel flight lines shall be adequate to satisfy the requirement for stereoscopic coverage, and shall be approximately thirty percent (30%), plus or minus five percent (5%), except where increased overlap is specified for Sub-Areas 3 and 4.

5.10. Crab

Any flight or portion thereof in which crab is more than three degrees (3°) shall be cause for rejection of orthophoto imagery. CONTRACTOR shall describe how the proper crab shall be maintained and documented throughout the flight.

5.11. Tilt

Tilt of the camera from vertical at the instant of exposure shall not exceed three degrees (3°), nor shall it exceed five degrees (5°) between successive exposure stations. Average tilt over the entire project shall not exceed one degree (1°). CONTRACTOR shall describe how the proper tilt shall be maintained and documented throughout the flight.

5.12. Flight Height

Proper flight heights must be maintained to meet the ground sampling distance requirements as outlined in Section 4 of this document. The departure above or below the flying height required to maintain the specified photo scale must not exceed five percent (5%). CONTRACTOR shall be responsible for maintaining proper flying height throughout the project.

5.13. Flight Data Tagging

CONTRACTOR shall provide a digital photo flight line index containing the geographic centers of each flight line in an Esri shape file format. The index shall be in the coordinate system specified for this project and must include the following information.

- Flight line number
- Exposure number/ID
- Time of day of exposure (in the format: hr:min:sec)
- Date of flight line flight (in the format: mm/dd/yyyy)
- Elevation in feet above sea level
- Scale of orthophoto imagery
- Ground Sampling Distance

5.14. Disposition of the Original Imagery

The original orthophoto imagery and products provided shall be the property of the PPGA. Delivery of the original imagery to UTILITIES in TIFF format is required. UTILITIES prefers deliveries using portable hard drives with USB connectors. Any other type of delivery method must be approved by UTILITIES PM prior to delivery. CONTRACTOR shall not make, sell, or loan copies of this data except as approved in writing by UTILITIES.

5.15. Photo Point Index

CONTRACTOR shall provide a digital photo point index containing the geographic centers of each original image in an Esri shape file format. The index shall be in the coordinate system specified for this project and must include the following information:

- Flight line number
- Exposure number/ID
- Date of exposure (in the format: mm/dd/yyyy)
- Time of day of exposure (in the format: hr:min:sec)
- Elevation in feet above sea level
- X Location of Point
- Y Location of Point
- Scale of orthophoto imagery
- Ground Sampling Distance

6.0 Survey Control and Analytical Triangulation Requirements

6.1 Ground Control Points

CONTRACTOR shall need to select and use enough ground control points as necessary to facilitate both Airborne GPS data capture and sufficient ground referencing. CONTRACTOR should identify the desired location of the ground control points as part of their operational flight map.

These points shall be delivered to the UTILITIES PM in a standard Esri shape file format, in the coordinate system specified for this project, and must include the following information:

- Point Name
- X Location of Point
- Y Location of Point
- Z Location of Point

6.2 Survey Control

Survey control points currently exist across a portion of the project area, generally within the Colorado Springs city limits. The Colorado Springs Utilities Land Base Services group shall be available to CONTRACTOR as available to help identify survey control points within the Colorado Springs city limits as needed for this project. CONTRACTOR is responsible for control in all other areas. Sub area delineations can be found in Appendix B-1. Note that delivery area order must be maintained. Delivery area order shall not be changed without approval of the UTILITIES PM.

6.2.1 Sub-Area 1

Portions of Sub-Area 1 have been photographed and mapped under several previous projects and, therefore, most of the area has sufficient control to ensure proper adjustment of new imagery. The PPGA shall work with CONTRACTOR to provide existing control point information within this area.

If new control is required within sub-area 1, if available, the PPGA may be able to provide survey services within the city limits and will provide reports of any survey efforts indicating the accuracy attained in capturing new control points. All surveying shall be conducted under the direct supervision of a licensed Colorado Professional Land Surveyor. The accuracy of any new control surveys shall meet or exceed the accuracy requirements for this project.

CONTRACTOR shall be responsible for collecting new control outside of the city limits. CONTRACTOR must fully justify any requirement for additional control to the UTILITIES PM. Upon completion of new survey control, a digital survey report shall be produced by CONTRACTOR and delivered to the UTILITIES PM for approval. The accuracy of any new control surveys shall meet or exceed the accuracy requirements for this project.

6.2.2 Sub-Area 2

Portions of Sub-Area 2 have been photographed and mapped under many previous projects and, therefore, most of the area has sufficient control to ensure proper adjustment of new imagery. UTILITIES shall work with CONTRACTOR to provide existing control point information and for any additional control that may be needed to cover any new areas within Sub-Area 2. It is doubtful that any new control is needed within this area. However, should new control be required in this area, CONTRACTOR shall provide all survey services. CONTRACTOR must fully

justify any requirement for additional control to the PPGA. Upon completion of new survey control, a digital survey report shall be produced by CONTRACTOR and delivered to the UTILITIES PM for approval. All surveying shall be conducted under the direct supervision of a licensed Colorado Professional Land Surveyor. The accuracy of any new control surveys shall meet or exceed the accuracy requirements for this project.

6.2.3 Sub-Area 3

Sub-Area 3 is the smallest of the sub-areas but is also the most remote. Sub-Area 3 has been photographed and mapped under many previous projects and, therefore, most of the area has sufficient control to ensure proper adjustment of new imagery.

Should new control be required in this area, CONTRACTOR shall provide all survey services. CONTRACTOR must fully justify any requirement for additional control to UTILITIES PM. Upon completion of new survey control, a digital survey report shall be produced by CONTRACTOR and delivered to UTILITIES PM for approval. All surveying shall be conducted under the direct supervision of a licensed Colorado Professional Land Surveyor. The accuracy of any new control surveys shall meet or exceed the accuracy requirements for this project.

6.2.4 Sub-Area 4

Sub-Area 4 consists of the entirety of Teller County that is not already part of another sub-area.

Should new control be required in this area, CONTRACTOR shall provide all survey services. Upon completion of new survey control, a digital survey report shall be produced by CONTRACTOR and delivered to UTILITIES PM for approval. All surveying shall be conducted under the direct supervision of a licensed Colorado Professional Land Surveyor. The accuracy of any new control surveys shall meet or exceed the accuracy requirements for this project.

6.3 Control Point Data

Data depicting the control points utilized for this project shall be delivered to UTILITIES PM in a standard Esri shape file format and shall be in the coordinate system specified for this project. Note that all points must also include elevation (Z) coordinate information as an attribute.

6.4 Aerial Triangulation Standards

Fully analytic aerial triangulation shall be used during this project to obtain high accuracy solutions for all project areas. Second generation orientation techniques are not to be used on this project. CONTRACTOR shall confirm with UTILITIES PM that all equipment, software, and procedures used during the Aerial Triangulation process are acceptable to meet this requirement.

The aerial triangulation solution shall adequately control all aerial imagery to facilitate accurate ortho-rectification of the imagery. At a minimum, the positional accuracy of pass and tie points established through the aerial triangulation process shall meet or exceed each of the following conditions:

- RMSE of the final block adjustment at all control and check points shall not exceed 1/7500 of the flight height.

- The maximum allowable error of any point shall not exceed $\pm 1/5000$ of the flight height.

CONTRACTOR should employ checkpoints to validate the accuracy of the aerial triangulated solution. CONTRACTOR should report the results of the check to UTILITIES PM before proceeding with any ortho-rectification. Should these results fail to meet project accuracy standards, UTILITIES PM reserves the right to halt project progress until corrective actions have been put in place to correct the situation.

6.5 Aerial Triangulation Check Points

Check points are horizontal/vertical control points that have been established by ground control procedures throughout the photo block for accuracy checking purposes. At the discretion of CONTRACTOR, checkpoints may be used to improve the aerial triangulation results. CONTRACTOR shall notify UTILITIES of the locations of any check points used within the final solution. The positional values of these points may subsequently be used in the aerial triangulation adjustment once the checks have been evaluated and approved. Independent of these check points, UTILITIES shall use its own set of checkpoints to independently validate from the CONTRACTOR's deliverable product.

6.6 Aerial Triangulation Report

Upon completion of all aerial triangulation work or for any required sub-block adjustments, CONTRACTOR shall deliver two separate reports to the UTILITIES PM for the PPGA to review. The first report shall be an overview report of flight, control, and exposure information, and shall include, but shall not be limited to, the following items:

- Control and flight line indexes
- Exposure stations
- Control points (properly labeled)

The second report shall be an Aerial Triangulation (AT) report outlining the results of the AT process.

This report shall include, but shall not be limited to, the following items:

- All geometric closure errors for survey control points
- Computed coordinates of all control, pass, and check point locations
- Identification of all points to include:
 - Points that were included in the AT solution.
 - Points that were discarded from the AT solution.
 - Explanation of why points were discarded.
 - Weighting factors applied to all points used in the AT solution.

Reports shall also include, at a minimum, a brief narrative that describes the overall AT process including equipment used, procedures, software, RMSE summaries, bundle adjustment solution results, and geometric closure errors. Also included, significant issues (misfits) encountered at control points and the steps taken to analyze the problem and solutions to rectify the discrepancies.

7.0 Digital Imagery Requirements

7.1. Delivery Areas

Orthophotos shall be delivered for each Sub-Area of this project as described in Section 3 of this Statement of Work. Delivery areas are delineated in Figures 1 and 2 within this SOW. The Delivery Area order shall not be changed without the consent of UTILITIES PM.

7.2 Raw Imagery Review

UTILITIES expects the collection of Raw imagery to meet all specifications in this scope regarding clouds, shadows, snow, etc. However, as a simple check of the raw imagery, CONTRACTOR will provide samples of raw imagery for each delivery area for UTILITIES PM to review. CONTRACTOR AND UTILITIES PMs will work out the details of data delivery prior to data collection.

7.3 Orthophotos

CONTRACTOR will process raw imagery at the highest bit depth possible to achieve optimum effectiveness. Orthophotos shall be delivered in the following formats listed below.

- 8-bit, 4 Band (Red, Green, Blue, Near-Infrared)
- GeoTiff, TFW

7.4 Image Quality

Orthophotos shall not contain defects such as missing pixels, pixel color anomalies, excessive color bleed, etc. CONTRACTOR is expected to correct any distortions caused by elevated or depressed structures such as bridges, railroad beds, overpasses, or steep terrain. Any images that are delivered to UTILITIES with these types of anomalies shall be rejected. In addition, visible image seams or sutures within a digital orthophoto shall also be rejected, including any with edge or feather effects. Furthermore, orthoimagery with evidence of imagery manipulation, such as copy/paste of pixels, shall be rejected by UTILITIES PM.

7.5 Image Mosaic Tiles

Creating image mosaic tiles is an essential part of producing a digital orthoimagery. The methods used to mosaic imagery are critical to the final product produced. Where digital mosaic orthoimages are created, it is essential that proper color, contrast, and brightness be maintained across such areas so that visual effects are essentially eliminated. All radiometric correction processes must result in minimal radiometric seams within or between flight lines. Images must also be well edge matched such that tonal values are consistent across edges. Finally, CONTRACTOR should use advanced color balancing techniques to create an output dataset that has a seamless context across the entire project.

7.6 Data Structure

Digital orthoimagery data shall be delivered in a TIFF format with associated world (.TFW) files. Files shall be named and sized (4000' x 4000') according to the tile layout provided by UTILITIES. Data should be transferred to UTILITIES using portable disk technology. CONTRACTOR shall perform anti-virus software checking of all portable disks prior to any delivery to UTILITIES PM.

7.7 Quality Acceptance / Acceptance Standards

CONTRACTOR shall provide orientation to its employees assigned to this project so that all employees clearly understand the requirements and deliverable specifications of the project. CONTRACTOR shall also perform quality assurance checks of the data prior to delivery of the data to UTILITIES and shall provide evidence of such quality assurance checks by delivering feedback regarding each delivery. In addition to that undertaken by CONTRACTOR, UTILITIES shall perform its own quality acceptance check. Acceptability of deliverables shall occur when all digital files and digital orthophotos delivered meet all project requirements regarding file structure and conformity as per UTILITIES review. ***UTILITIES shall provide feedback on all orthoimagery deliverables within a mutually agreed upon timeframe, prior to data review activities beginning, using Contractor's online Viewer tool. Typically, the review period is completed within 21 days of receipt of the data from Contractor. Contractor shall provide data as a hosted Image Service.***

7.8 Project-Wide Mosaic

Upon completion and acceptance of orthoimagery tiles and completion of sub-areas, CONTRACTOR is to produce project-wide mosaic datasets for the areas and formats listed below.

- One JP2 file covering SA1 (City of Colorado Springs area)
- One JP2 file covering SA1-SA3 (El Paso County Area)
- One JP2 file covering SA Area 4 and extended areas comprising all of Teller County boundary (Teller County)
- One JP2 file covering SA Areas 1-4 (Entire Project Area)

Compression parameters shall be discussed between CONTRACTOR and PPGA and agreed upon and approved by the UTILITIES PM prior to delivery.

7.9 Labor Resources

UTILITIES will allow the major production work of Orthophoto production to be performed by CONTRACTOR subcontractors. However, UTILITIES ***requires*** that all final quality control steps be completed by CONTRACTOR within the United States by CONTRACTOR employees located at that site. Should CONTRACTOR need additional production resources from outside vendors or other CONTRACTOR offices to adhere to the project schedule, the UTILITIES PM must be notified and approve of such changes prior to the use of such resources and/or implementation of products.

8.0 Warranty

The PPGA requires that CONTRACTOR warrant the deliverable products and repair, replace, or correct any deliverable product for a ***two-year period*** following final acceptance of the data by the UTILITIES PM for any deliverable product that is defective, deviates from industry standards, or fails to meet all prescribed specifications set forth in this scope of work.

The UTILITIES PM retains the sole right to determine CONTRACTOR'S adherence to all specifications. If in the sole discretion of the PPGA, it determines that CONTRACTOR has seriously breached specifications, the UTILITIES PM may require CONTRACTOR to suspend production of additional work services until such time as CONTRACTOR can demonstrate that the problem has been

remedied to the satisfaction of the PPGA. UTILITIES PM may adjust the deliverable schedule/milestones of the project if necessary.

9.0 Deliverable Products and Acceptance Criteria

9.1. Deliverables

Deliverable products include information being exchanged from CONTRACTOR to the UTILITIES. The following matrix shows deliverable data from CONTRACTOR to UTILITIES and the PPGA as described in the scope of work.

Item	Section
Project Schedule	3.2, 10.0
Digital Elevation Model	4.6.4, 4.7.4
Camera Calibration Report	5.1
Flight Plan / Flight Index	5.4, 5.13
Ft. Carson Approval	5.4
Aircraft FAA Documentation	5.6
Photo Point Index	5.15
Ground Control Points	6.1
Survey Control Reports	6.2
Control Point Data File	6.3
Aerial Triangulation Report / Check Points	6.4, 6.5, 6.6
Raw Imagery Review	7.2
Digital Orthoimagery Delivery	7.3
Data Review / Feedback	7.7
Project Area Mosaic Files	7.5, 7.8
Digital Stereo Pairs	4.7
Data Acceptance	9.2
Warranty	12.0

9.2. Project Deliverable Acceptance

All products must meet the specifications agreed to as outlined in this Task Order. All deliverable products shall be reviewed and approved by UTILITIES PM.

An acceptance program shall be executed based on a thorough review of the prototype delivery and the proper completion of the above deliverables. The prototype calls for the early delivery of four (4) separate locations (representing each Sub-Area) that contain four (4) contiguous tiles each.

UTILITIES PM shall use all specification and requirement criteria outlined in this document and accompanying appendices to determine acceptance and rejection of all identified deliverables.

After acceptance checking, products shall be either:

1. **ACCEPTED** - Products that meet specifications and contain no errors, or so few errors as to be acceptable to UTILITIES PM, shall be formally indicated as ACCEPTED. UTILITIES PM shall notify CONTRACTOR of the products accepted. Payment for work completed shall not be made until the products are accepted by UTILITIES PM.

2. **REJECTED** - This means that the number and character of the errors detected by UTILITIES PM are such that the products are returned to CONTRACTOR. UTILITIES PM shall formally notify the CONTRACTOR of the REJECTED status of the products. CONTRACTOR must edit and correct the products for resubmittal to UTILITIES PM for its quality control edit. If, at the sole discretion of UTILITIES PM, there are an undue number of rejected products, the UTILITIES PM may require CONTRACTOR to suspend production until the problems contributing to the rejections are identified and corrected.

Execution of the correction procedure shall not affect the overall production schedule unless mutually agreed upon between the UTILITIES and CONTRACTOR PMs.

10.0 Schedule

The following table outlines the major schedule milestones for the 2026 orthoimagery project. UTILITIES understands that poor weather and undesirable ground conditions could lead to delays in aerial acquisition. However, poor planning, resource issues, or other items caused by poor performance by CONTRACTOR are not appropriate reasons for schedule changes. Initial schedule dates cannot be changed without prior written approval of UTILITIES PM. Note that it is the intention of UTILITIES to complete major production by December 31, 2026, with project completion by February 28, 2027.

Currently, this schedule is a simplified preliminary schedule and will be mutually reviewed and revised during the project kickoff phase such that dates for the initial delivery, PPGA quality review, corrections, and final acceptance can be defined.

CONTRACTOR and UTILITIES agree to start the project as soon as possible while ensuring that all flight parameters for “leaf-off” conditions, sun angle, and snow/cloud coverage can be met, with the project starting no sooner than March 15, 2026. Note that notice to proceed cannot be provided until all PPGA parties have approved the Memorandum of Understanding (MOU). The dates below may change but should be considered preliminary milestones.

Notice to proceed	March 1, 2026
Begin Aerial flights	March 15, 2026
Conclude Aerial flights	July 31, 2026
Conclude Initial Ortho Production	December 1, 2026
Acceptance of all Ortho tiles	January 15, 2027
Conclude Mosaic Production	February 15, 2027
Final Acceptance of all data, Project Complete	March 15, 2027

11.0 Performance Requirements

The UTILITIES and CONTRACTOR recognize that time is of the essence concerning this agreement and that the UTILITIES shall suffer financial loss if the services provided by CONTRACTOR are not completed within the times specified in the schedules outlined in this scope, including any extensions thereof. UTILITIES and CONTRACTOR also recognize the delays, expenses, and difficulties involved in proving the actual loss suffered by the UTILITIES if the services of this scope of work are not completed on time.

The PPGA reserves the right to terminate the contract with CONTRACTOR if the following project milestones or specifications do not occur according to schedule, or are not met, respectively:

- Target flight windows are missed by CONTRACTOR (as noted above for each section, flight dates)
- Non-compliance of mapping specifications by CONTRACTOR
- Non-usage of specified DTM/DEM by CONTRACTOR
- Orthoimagery has been excessively manipulated by CONTRACTOR through copy/paste methods

12.0 Project Completion

Upon delivery and final acceptance of all deliverables by UTILITIES PM, the project shall be deemed complete.

At that time, the UTILITIES PM shall provide CONTRACTOR with a formal letter indicating final acceptance of the data and overall completion of the project. At that point, the data shall be considered under warranty as specified in section 9 of this document.

December 5, 2025

Product Description	Subtotal	Cost Estimates				
		Colorado Springs	CSU	E911	EPC	Teller County
Total Cost Estimate	\$183,834.40					
Sub Areas 1-3 - El Paso County						
Cost Share (%)	100%	25.00%	25.00%	25.00%	25.00%	0%
8 Bit, 4 Band Ortho Imagery - 6" & 12" Resolution	\$150,861.35	\$37,715.34	\$37,715.34	\$37,715.34	\$37,715.34	\$0.00
NIR Included	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$150,861.35	\$37,715.34	\$37,715.34	\$37,715.34	\$37,715.34	\$0.00
Sub Area 4 - Teller County						
Cost Share (%)	100%	0%	0%	50%	0%	50%
8 bit, 4 Band Ortho Imagery - 1 Foot Resolution	\$32,973.05	\$0.00	\$0.00	\$16,486.53	\$0.00	\$16,486.53
NIR Included	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$32,973.05	\$0.00	\$0.00	\$16,486.53	\$0.00	\$16,486.53
Mosaic Deliverables						
JPEG 2000 - PD Areas 1-3 (Colorado Springs Area)*	\$0.00	\$0.00	\$0.00	\$0.00	NA	NA
JPEG 2000 - PD Areas 1-13 (El Paso County Area)*	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	NA
JPEG 2000 - PD Areas 14-15 (Teller County Area)*	\$0.00	NA	NA	NA	NA	\$0.00
JPEG 2000 - PD Areas 1-15 (Entire Project Area)*	\$0.00	NA	NA	\$0.00	NA	NA
	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
	\$183,834.40	\$37,715.34	\$37,715.34	\$54,201.86	\$37,715.34	\$16,486.53
Variance from estimate	\$0.00					\$0.00

* Mosaics included in the overall price

Board Memo Agenda Item

Staff Report

Date: (Date of Utilities Board Meeting)	January 21, 2026		
To:	Utilities Board		
From:	Travas Deal, Chief Executive Officer		
Subject:	Authorizing Recreational Use of Rosemont Reservoir and Watershed Areas		
NARRATIVE:			
Desired Action: Choose only one	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Discussion <input type="checkbox"/> Information		
Executive Summary:	Utilities would like to expand the authorized public recreational uses of Rosemont Reservoir and surrounding watershed areas to include camping, contained campfires, picnicking, use of non-motorized watercraft, and other similar and/or related public recreational uses, subject to proper management and implementation of best management practices. Utilities intends to contract with the State of Colorado, acting by and through the Department of Natural Resources for the use and benefit of the Division of Parks and Wildlife and the Parks and Wildlife Commission, to manage the Property in accordance with best management practices.		
Benefits:	Enhance the protection of Utilities' water infrastructure and watershed by implementing additional best management practices for the proper health, safety, fire protection, and conservations standards of Rosemont Reservoir and surrounding watershed areas.		
Board Policy: If this impacts one of the board policies, indicate that here.	N/A		
Cost / Budget: Include the projected cost or budget here.	N/A		
Affected Parties: This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.	Colorado Springs Utilities, City of Colorado Springs Real Estate Services Office, Colorado Parks and Wildlife, Community		
Alternatives:	Continue to manage Rosemont Reservoir and surrounding areas as we have in the past.		
Submitter:	Jessica Davis	Email Address:	jedavis@csu.org
Division:	EWO	Phone Number:	719-668-7581
Department:	Facility and Land Resources	Date Submitted:	
SPG Staff Use Only:	Consent Calendar <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Item Number 10
ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING.			



Request to Authorize Recreational Uses of Rosemont Reservoir

Jessica Davis
Land Resource Manager
January 21, 2026

Background

- Broadmoor Hotel Water and Power Company developed the site in the 1920's
- Utilities acquired the property in 1973 for use as part of the water system
- Since 2007 CPW has leased the site to manage as a state wildlife area
 - Fishing
 - Hiking
 - Trash clean-up
 - Parking lot; bathroom



Expanded Recreation at Rosemont Reservoir

- Proposed Expanded Recreation
 - Camping
 - Campfires at designated sites
 - Hand-launched non-motorized watercraft (kayaks, paddleboards)
- Protect Utilities Infrastructure
 - Limit public access to dam and other infrastructure (e.g., flumes, buildings)
 - Protect watershed values including water quality and wildfire risk through full-time onsite management
- City Code § 12.4.804
 - City Council may allow watershed areas and reservoirs of the City to be used for public recreational purposes



Next Steps

- Recommend Approval of Resolution by City Council
- Timing:
 - February 10th – Formal City Council Meeting



Colorado Springs Utilities[®]

It's how we're all connected

RESOLUTION NO. _____ - 26

A RESOLUTION AUTHORIZING THE RECREATIONAL USE OF
ROSEMONT RESERVOIR AND SURROUNDING PROPERTY

WHEREAS, the City of Colorado Springs ("City") on behalf of its enterprise Colorado Springs Utilities ("Utilities") owns the real property commonly known as the Rosemont Reservoir State Wildlife Area, which is more particularly described and depicted on Exhibit A, attached hereto, (the "Property"); and

WHEREAS, the City is the owner of adjudicated rights for the storage of water for domestic consumption in the reservoir located upon the Property ("Rosemont Reservoir" or the "Reservoir"); and

WHEREAS, the Property is part of Utilities' watershed areas; and

WHEREAS, Utilities has entered into a lease agreement, as amended from time to time, with the State of Colorado, acting by and through the Department of Natural Resources, for the use and benefit of the Division of Parks and Wildlife and the Parks and Wildlife Commission to manage the Property and Reservoir for the purposes of managing the Reservoir's fishery, allowing public fishing and wildlife viewing, and wildlife habitat management and improvement; and

WHEREAS, City Code § 12.4.805 provides that the "City may provide by agreement for the use of City reservoirs by the Colorado Division of Wildlife for the division's spawn taking and fish propagation management practices. Persons entering upon watershed areas of the City or taking fish from reservoirs of the City pursuant to any agreement shall not be subject to the prohibitions against the activities set out in this part"; and

WHEREAS, City Code § 12.4.804 provides that "City Council may allow watershed areas and reservoirs of the City to be used for public recreational purposes provided that the use is legally allowable and consistent with the maintenance of proper health, safety, fire protection and conservation standards"; and

WHEREAS, Utilities would like to expand the authorized public recreational uses of the Property and Rosemont Reservoir to include recreational uses such as camping, contained campfires, picnicking, use of non-motorized watercraft, and other similar or related public recreational uses, subject to proper management and implementation of best management practices by Utilities, consistent with the maintenance of proper health, safety, fire protection and conservation standards with respect to the recreational uses of the Property and Reservoir.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:

Section 1. That City Council hereby finds that allowing public recreational uses of the Property and Rosemont Reservoir, subject to proper management and implementation of best management practices by Utilities, is consistent with the maintenance of proper health, safety,

fire protection and conservation standards.

Section 2. That City Council hereby authorizes the use of the Property and Rosemont Reservoir for public recreational purposes, such as camping, contained campfires, picnicking, non-motorized watercraft, and other similar or related public recreational uses, provided that Utilities is responsible for the proper management and implementation of best management practices, consistent with City Code, to ensure the proper health, safety, fire protection and conservation standards are applied and upheld with respect to the recreational uses of the Property and Rosemont Reservoir.

Section 3. That Utilities may enter into one or more agreements with other entities to manage the recreational uses of the Property or Rosemont Reservoir, provided that Utilities continues to ensure that the recreational uses of the Property and Rosemont Reservoir remain consistent with the maintenance of proper health, safety, fire protection and conservation standards.

Section 4. This Resolution shall be in full force and effect immediately upon its adoption.

Dated at Colorado Springs, Colorado, this _____ day of _____, 2026.

ATTEST:

Lynette Crow-Iverson, Council President

Sarah B. Johnson, City Clerk

Exhibit A



ADVANCED GEOMATICS
1521 Hancock Expy.
Colorado Springs, CO
80947

EXHIBIT A

NOTE :

THIS SKETCH DOES NOT REPRESENT A MONUMENTED LAND SURVEY AND IS ONLY INTENDED TO DEPICT THE ATTACHED LEGAL DESCRIPTION.

Drawn by: J. SAKARIASON

Date: 01/08/2026

Checked by: P. CLIFTON

Board Memo Agenda Item

Staff Report

Date: (Date of Utilities Board Meeting)	January 21, 2026		
To:	Utilities Board		
From:	Travas Deal, Chief Executive Officer		
Subject:	2026-2030 Strategic Plan		
NARRATIVE:			
Desired Action: Choose only one	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Discussion <input type="checkbox"/> Information		
Executive Summary:	<p>The Utilities Board is responsible for setting the strategic direction of the organization. The Utilities Board and Chief Executive Officer work jointly to establish approved measures, targets and focus areas to monitor organizational performance through the strategic plan.</p> <p>The strategic plan components include the Utilities Board focus areas, mission, vision, values, strategic objectives and actionable high-level strategies.</p> <p>The proposed 2026-2030 strategic plan was reviewed at the November 17, 2025, Working Committee meeting.</p>		
Benefits:	The strategic plan ensures responsible oversight of the enterprise to residents.		
Board Policy: <small>If this impacts one of the board policies, indicate that here.</small>	Utilities Board/Chief Executive Officer Partnership Expectations (E-1.2)		
Cost / Budget: <small>Include the projected cost or budget here.</small>	N/A		
Affected Parties: <small>This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.</small>	Utilities Board members, Colorado Springs CEO and Colorado Springs Utilities Executive Leadership Team.		
Alternatives:	Modify the details of the enterprise strategic plan focus areas or do not accept the changes proposed.		
Submitter:	Bethany Schoemer	Email Address:	Bschoemer@csu.org
Division:	Administrative and Human Resources	Phone Number:	719-668-8327
Department:	Public Affairs	Date Submitted:	December 30, 2025
SPG Staff Use Only:	Consent Calendar <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Item Number 11		

ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING.



Colorado Springs Utilities Strategic Plan

2026-2030

Utilities Board Focus Areas: Reliability, Rates and Relationships

OUR MISSION	Provide safe, reliable and competitively-priced utilities to our customers.				
OUR VISION	Ready for today, prepared for a sustainable future.				
OUR VALUES	Safety, People, Trust, Responsibility, Collaboration, Continuous Improvement.				
STRATEGIC OBJECTIVES	Operational Excellence	Focus on the customer	Financial accountability	Support our community	Enable employee empowerment
2025 STRATEGIC INITIATIVES	Optimize business processes Develop enterprise prioritization	Enhance outage management communication	Align long-term financial plans	Implement Energy Wise	Promote safety maturity excellence

Utilities Board Focus Areas:
Reliability, Rates, Relationships



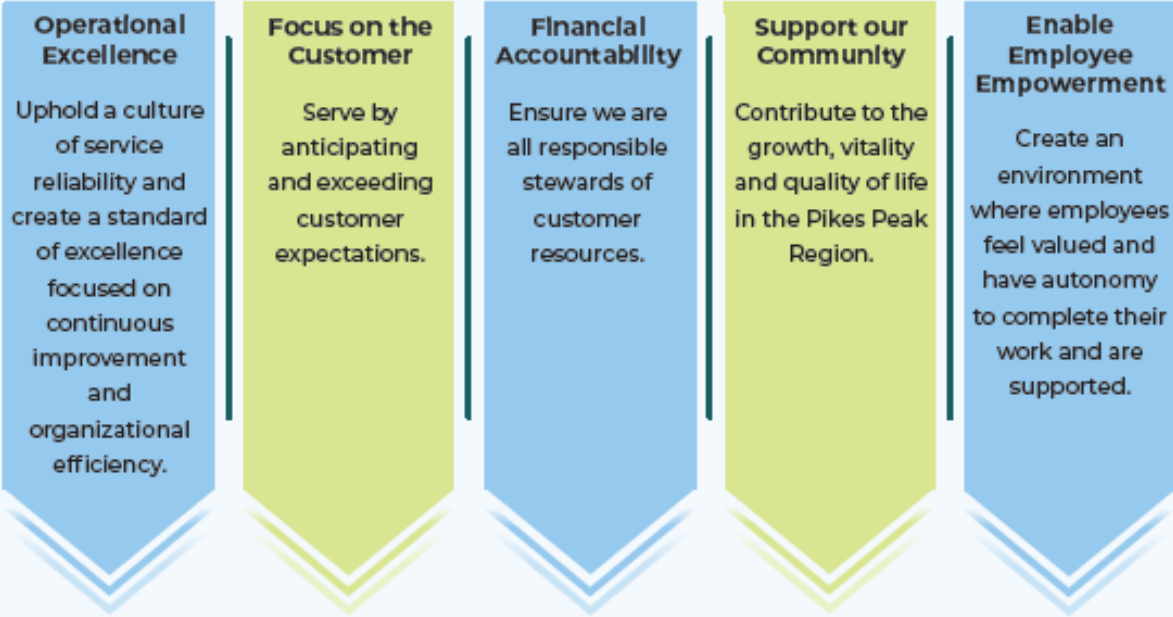
Our Mission
Provide safe, reliable, and competitively priced utilities to our customers.

Our Vision
Ready for today, prepared for a sustainable future.



Our Values
Safety • People • Trust • Responsibility
• Collaboration • Continuous Improvement

Strategic Objectives



Strategies



Enterprise Priorities



Operational Excellence

Uphold a culture of service reliability and create a standard of excellence focused on continuous improvement and organizational efficiency.

Enterprise Strategies



1.1 Adopt innovative technologies



1.2 Optimize operations



Enterprise Priorities

1.1.1 Maximize: multi-year enterprise transformation designed to modernize how we manage assets, systems and operations.

1.1.2 Digital transformation with automation and artificial intelligence: harness the power of technology to improve the way we serve our customers through a variety of technology projects.

1.2.1 Continue implementation of business management systems to ensure uninterrupted planning and delivery of utilities services by ensuring all processes and policies are properly documented.

1.2.2 Continue integrated asset management implementation to optimize performance, reduce costs, and enhance service reliability.



Focus on the Customer

Serve by anticipating and exceeding customer expectations.

Enterprise Strategies



2.1 Anticipate and meet customer preferences



2.2 Enhance internal and external customer relationships



Enterprise Priorities

2.1.1 Enhance outage management communication to ensure a more seamless interaction with customers during outages.

2.1.2 Enhance customer survey reporting for actional feedback and leverage trend reporting to pinpoint areas for improvement.

2.2.1 Increase and improve communication and outreach to external customers providing information in advance of changes to rates, projects, and standards.



Financial Accountability

Ensure we are all responsible stewards of customer resources.

Enterprise Strategies



3.1 Mitigate financial risk



3.1.1 Collections modernization: make key improvements to expand customer options, tangibly reduce work, and increase payment efficiency.

3.1.2 Refine 10-year financial plans.



3.2 Responsibly use resources at a division, department and section level



3.2.1 Zero based budgeting: focus on eliminating legacy costs and ensure every employee is intentional with each line item to significantly reduce waste and improve financial margins.

3.2.2 Promote responsible stewardship of operation and maintenance and labor budgets by optimizing resource allocation across section levels to ensure fiscal discipline and operational efficiency.



Support our Community

Contribute to the growth, vitality and quality of life in the Pikes Peak region.

Enterprise Strategies



4.1 Serve as a cooperative partner



4.2 Maintain and update long-term integrated resource plans

Enterprise Priorities

4.1.1 Implement Wildfire Mitigation Plan to protect infrastructure and provide community safety.

4.1.2 Ensure successful integration with the Regional Transmission Organization to provide more efficient and cost-effective services to our customers.

4.1.3 Continue YOUTilities in the community volunteer program, encouraging team and personal volunteer hours for everyone in the enterprise.

4.1.4 Continue enhancing readiness for large load prospects through large load studies, large load rate updates, and streamlined application queue processes.

4.2.1 Complete integrated resource plan true ups to ensure we are capturing industry, technology and demand changes.



Enable Employee Empowerment

Create an environment where employees feel valued, have autonomy to complete their work and are supported.

Enterprise Strategies



5.1 Encourage professional development and training opportunities



5.2 Recognize, appreciate and value employees

Enterprise Priorities

5.1.1 Prioritize resources to strengthen our people through professional development and training opportunities.

5.1.2 Strengthen workforce capabilities through workforce and integrated human resource plans.

5.2.1 Continue to develop and advance safety maturity by fostering a proactive safety culture encouraging reporting of incidents, near-misses, safety suggestions and sharing lessons learned to reduce incidents and injuries.

5.2.2 Recognize and support employees by promoting Total Worker Health's 5 Essentials of Well-Being to retain team members and improve employee well-being, increasing overall employee engagement.

5.2.3 Understand and align employee recognition preferences to foster long-term engagement, strengthen a positive workplace culture, and support overall organizational success.

Next Steps



JANUARY 21, 2026:
UTILITIES BOARD APPROVAL



JANUARY/FEBRUARY 2026:
ENTERPRISE-WIDE SHARING



Colorado Springs Utilities[®]

It's how we're all connected

2026 - 2030

Strategic Plan



Colorado Springs Utilities[®]

It's how we're all connected

Effective 01.21.2026

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01

Letter from the CEO



I'm proud to introduce our Strategic Plan—a four-year roadmap that reflects not only our organizational priorities, but also my vision for how we continue to serve Colorado Springs with excellence, integrity and purpose.

The plan is intentionally focused on the enterprise level to provide clear direction while empowering divisions to lead the way in execution. Each division will develop the priorities, measures, programs and continuous improvement efforts necessary to bring our strategies to life. Employee engagement is essential to the success of our Strategic Plan. Every role connects to our strategic objectives, ensuring that individual contributions collectively drive meaningful solutions.

Our strategic focus remains centered on three pillars: Reliability, Rates and Relationships. Whether delivering services, ensuring sustainability, or fostering partnerships, we are always accountable to our customers.

Building on the momentum of the last few years, we have kept the five organization-wide strategic objectives. These objectives challenge us to innovate, adapt and lead the organization on behalf of our customers. They are the backbone of our strategic plan: they ensure that all the divisions and employees are working toward the same priorities.

- **Operational Excellence:** Drive efficiency through innovation and continuous improvement.
- **Focus on the Customer:** Anticipate needs and exceed expectations.
- **Financial Accountability:** Steward resources with care and transparency.
- **Support Our Community:** Strengthen the region we call home.
- **Enable Employee Empowerment:** Create a workplace where people thrive.

Each strategic objective is supported by two coordinated strategies that offer actionable guidance. These strategies will help inform operational decisions and ensure alignment with our enterprise-wide goals. Our strategic plan is a living framework that will evolve as we learn, grow and respond to the needs of our customers and community. This plan will help leaders prioritize investments, time, and talent toward priorities that support long-term goals. Thank you for your dedication, your service, and your belief in what we do. The future is ours to shape.

In service,
Travas Deal

Strategic Foundation

The strategic plan focuses the organization on delivering the mission and vision and achieving a competitive position in each of the Utilities Board’s strategic focus areas of reliability, rates and relationships.

02

Our Mission

Provide safe, reliable, and competitively priced utilities to our customers.

Our Vision

Ready for today, prepared for a sustainable future.

Our Values

Every employee is accountable for upholding the values of the organization.

PEOPLE - We promote and foster a welcoming environment in which everyone is treated with dignity and respect.

TRUST - We demonstrate the highest standards of integrity, competence, transparency and professionalism.

RESPONSIBILITY - We are committed to fiscal and environmental stewardship of all resources.

COLLABORATION - We develop cooperative goals, share information and foster relationships.

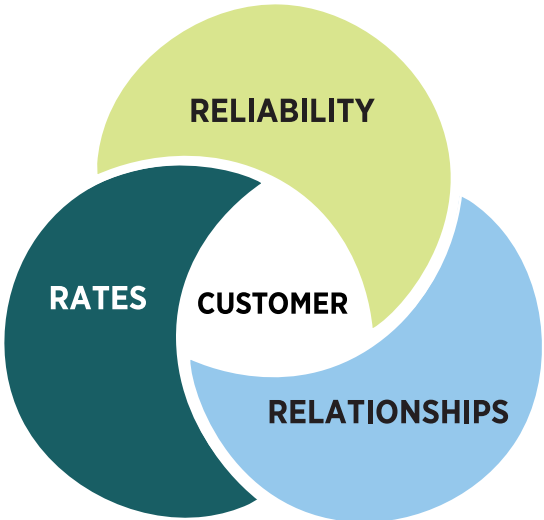
CONTINUOUS IMPROVEMENT - We innovate, optimize and adapt to serve customers today and in the future.

SAFETY - We are passionately committed to no one getting hurt.

03

Strategic Focus

The Utilities Board is primarily and ultimately accountable for ensuring the benefits of local ownership and control to the residents of Colorado Springs. The Utilities Board also has a responsibility to its current and future customers by balancing: reliability, rates and relationships.



Reliability

- On-demand energy and water service
- System resiliency
- Trusted community service provider



Rates

- Financial sustainability
- Resources used responsibly
- Customer value



Relationships

- Safe, satisfied and loyal customers
- Engaged, innovative and customer-focused employees
- Valued stakeholders
- Vibrant regional economy

04

Strategy Map

The strategy map provides a visual overview of the components of our strategic plan. It is a snapshot to help communicate how we will continue to provide service and value to achieve our enterprise goals.



Utilities Board Focus Areas:
Reliability, Rates, Relationships



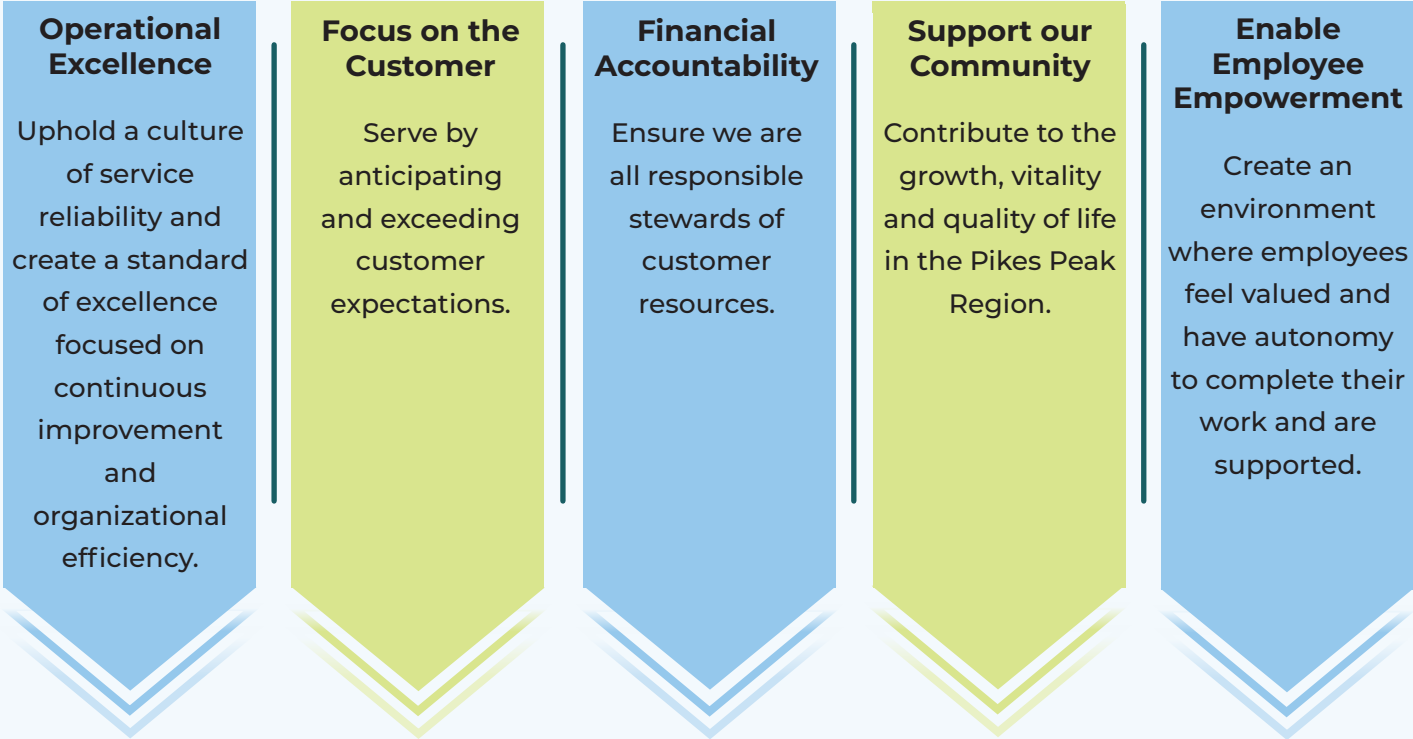
Our Mission
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Strategic Objectives



Strategies



Strategic Objectives & Supporting Strategies

05

Strategic objectives are continuous improvement activities designed to address business and performance gaps and leverage organizational strengths. They are our high-level, 3-5 year goals that will help us achieve our mission and vision. These objectives are designed to guide the organization's efforts and resources toward desired outcomes. Strategic objectives make strategy actionable by involving all employees in operationalizing the organization's goals; aligning day-to-day work, projects, programs and initiatives.

01 Operational Excellence

Uphold a culture of service reliability and create a standard of excellence focused on continuous improvement and organizational efficiency.

Why it matters

The objective is the core of our business and mission.

Strategies

- Adopt innovative technologies
- Optimize operations

02 Focus on the Customer

Serve by anticipating and exceeding customer expectations.

Why it matters

Our customers are at the center of every decision we make. We need to go beyond the basics and ensure they have a positive experience while doing business with us.

Strategies

- Anticipate and meet customer preferences
- Enhance internal and external customer relationships

03 Financial Accountability

Ensure we are all responsible stewards of customer resources.

Why it matters

We all play a role in the financial health of the organization and to best serve our customers we need to be vigilant when making financial decisions.

Strategies

- Mitigate financial risk
- Responsibly use resources at a division, department and section level

04 Support the Community

Contribute to the growth, vitality and quality of life in the Pikes Peak Region.

Why it matters

As a locally owned utility, we are an integral part of the business and residential communities, and it is our responsibility to be a collaborative partner.

Strategies

- Serve as a cooperative partner
- Maintain and update long-term integrated resource plans

05 Enable Employee Empowerment

Create an environment where employees feel valued, have autonomy to complete their work, and are supported.

Why it matters

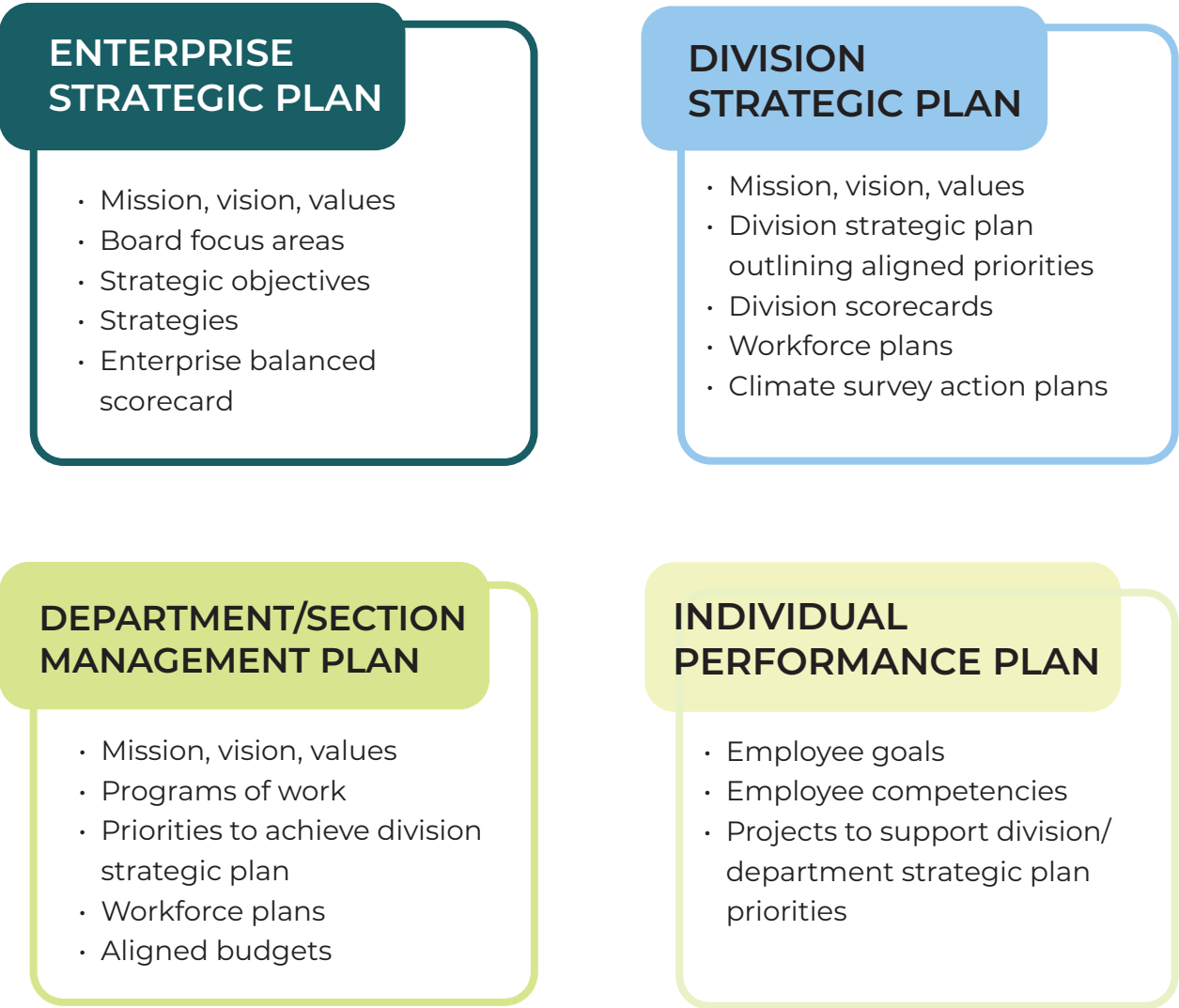
Our employees are the most important and essential asset of our organization.

Strategies

- Encourage professional development and training opportunities
- Recognize, appreciate, and value employees

06

Strategic Plan Implementation



Glossary

Balanced scorecard

An integrated strategic planning and performance management system that communicates with clarity an organization’s vision, mission and strategy to employees and other stakeholders; aligns day-to-day work to vision and strategy; provides a framework for prioritizing programs and projects; and uses strategic performance measures and targets to measure progress.

Measures

Measures are the quantifiable indicators used to assess progress toward achieving strategic objectives. They serve as the bridge between high-level goals and day-to-day performance, helping organizations determine whether their strategies are effective and where adjustments may be needed.

Mission

The organization’s purpose, including who is served and what products, programs and services are provided to customers and stakeholders.

Organizational alignment

The existence of a consistently clear understanding of the organization’s mission, vision and strategy throughout an entire organization. An aligned organization is one where everyone understands how what they do contributes to the aspirations of the organization and it is clear how business units, support units, and employees interact to create value for the organization’s customers and connect to the organization’s vision.

Performance measure

Performance measures provide objective evidence of progress toward a strategic goal and are an analytical basis for decision making.

Priority	Strategic programs of work or initiatives that are deliberately ranked in importance to guide decision-making, resource allocation, and execution. Priorities establish what must be addressed first to effectively advance the organization's strategic objectives and ensure alignment across divisions, departments and teams.	Strategic focus area	Focus areas that build on the customer value proposition to define the organization's high-level business strategy, break down the vision and mission into action, and focus energy on desired strategic results. Our focus areas are reliability, rates and relationships.
Resources	Resources are the assets, capabilities, and inputs an organization uses to achieve its strategic objectives. These include human, financial, physical, intellectual and intangible (i.e., brand reputation, stakeholder relationships and organizational values) resources.	Strategies	Actionable approaches that translate strategic objectives into coordinated efforts across divisions and departments. Strategies provide clear direction on what needs to be done and how it should be executed ensuring alignment, consistency, and accountability throughout the organization. By guiding operational decisions and resource deployment, strategies enable each division to contribute meaningfully to enterprise-wide goals.
Strategic initiative	New or continuing projects and actions designed to improve performance of one or more strategic objectives. Strategic initiatives typically span 1-2 years.	Strategy map	A graphic that shows a snapshot of the organization's strategy and all of the elements of the strategic plan.
Strategic objectives	The specific continuous improvement activities designed to fill gaps. They are 3-5 year goals that help us achieve our mission and vision. Strategic objectives make strategy actionable by involving all employees in operationalizing the organization's goals.	Target	A target is a specific, measurable performance level that an organization aims to achieve within a defined timeframe. Targets are used to translate strategic objectives and measures into actionable goals, providing a benchmark against which progress and success can be evaluated.
Strategic plan	The document used to communicate with an organization the organizational goals, the actions needed to achieve those goals and all of the other critical elements developed during the planning exercise.	Values	The organization's beliefs and principles that articulate the culture of the organization. These are the standards that describe how employees and the organization are expected to behave internally and externally. They serve as the basis for decision making and influence actions in everyday situations.
Strategic planning	An organizational management activity that is used to set priorities, focus energy and resources, strengthen operations, ensure that employees and other stakeholders are working toward common goals, establish agreement around intended outcomes/results, and assess and adjust the organization's direction in response to a changing environment.	Vision	A vivid, emotionally inspiring, time-specific picture of a future to which the organization aspires.



Colorado Springs Utilities
It's how we're all connected