Colorado Springs Utilities
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COLORADO SPRINGS UTILITIES BOARD
MS Teams and Blue River Board Room
Plaza of the Rockies
121 S. Tejon Street
South Tower, 5th Floor

AGENDA
Wednesday, October 21, 2026
1:15 p.m. or immediately following the conclusion of the Special City Council Meeting to 5:00 p.m.
Join the meeting now
Dial-in by phone
+1 719-733-3651,,594260514#
All Utilities Board meetings can also be streamed on SpringsTV.
If you require an ADA-accessible version of this packet of information, please send an email to ub@csu.org or call 719-448-4800.

1:15 p.m.	**1.**	**Call to Order**	Chair Donelson
1:20 p.m.	**2.**	**Invocation and Pledge of Allegiance**	Chair Donelson
1:25 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 customer wishing to address the Utilities Board. (Any items called up for separate consideration shall be acted upon following Compliance Reports.) • **Approval of September 14, 2026, Working Committee meeting minutes** • **Approval of September 16, 2026, Utilities Board meeting minutes** • **A Resolution Re-Appointing Tristan Gearhart, Abigail Ortega, and Joseph Rasmussen to the Foutain Valley Water Authority Board of Directors** • **A Resolution Appointing Bruce Zook to the Fountain Valley Authority Board of Directors** • **A Resolution Re-Appointing Bryan Babcock and Joseph Rasmussen to the Homestake Steering Committee** • **A Resolution Re-Appointing Bryan Babcock and Joseph Rasmussen to the Board of Directors of the Aurora-Colorado Springs Joint Water Authority Board**	Chair Donelson
1:30 p.m.	**4.**	**Recognition** • Resolution Recognizing Andy Funchess for His Service to the Customers of Colorado Springs Utilities	Somer Mese, Chief Operations Officer
1:45 p.m.	**5.**	**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.	Chair Donelson

- 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.

1:55 p.m.	**6. Compliance Reports:** • **I-7 Water Supply Management (Annual)** • **I-10 Treatment of Staff (Annual)** • **I-11 Compensation and Benefits G-9 (Annual)** • **E-2.8 Emergency CEO Succession (Annual)** • **CEO/Board Partnership Responsibilities – CEO Responsibilities** 1. Electric Cost Adjustment/Gas Cost Adjustment 2. Water Outlook	Travas Deal, Chief Executive Officer
2:00 p.m.	**7. Items Called Off Consent Agenda**	Chair Donelson
2:05 p.m.	**8. 0 N Academy Boulevard TSN: 6402307027 – Partial Property Acquisition for the Rock Island Substation Relocation** Vote to recommend approval of a resolution authorizing the acquisition of certain real property with a purchase price in excess of $100,000, in accordance with the City Real Estate Manual sections 4.1 and 9.6.	Jessica Davis, Manager of Facilities and Land Resources
2:15 p.m.	**9. Intergovernmental Agreement to Partner with USCYBERCOM** Vote to recommend a resolution approving an intergovernmental agreement between Colorado Springs Utilities' and USCYBERCOM in accordance with C.R.S. Section 29-1-203.	Jessica Rheinschmidt, General Manager of Cyber and Physical Security
2:30 p.m.	**10. Intergovernmental Agreement between El Paso County and the City of Colorado Springs, on Behalf of its Enterprise Colorado Springs Utilities, for the Sharing of Fiber Optic Cable in Colorado Department of Transportation Conduit on State Highway 24 Rights-of-Way** Vote to recommend a resolution approving an intergovernmental agreement between Colorado Springs Utilities and El Paso County, Colorado, in accordance with C.R.S. Section 29-1-203.	Jason Miller, Fiber Optics and Telecomm Manager
2:45 p.m.	**11. Long-Term Regional Wastewater Service Agreement with Falcon Area Water and Wastewater Authority** Vote to recommend to City Council the approval of a Regional Wastewater Service Agreement with the Falcon Area Water and Wastewater Authority pursuant to City Code Sections 12.1.116 and 12.5.304.	Bryan English, Development Project Manager IV Jesse Hillman, Development Projects Manager
3:00 p.m.	**12. Clean Energy Plan** Vote on the approval of the resolution approving Colorado Springs Utilities' Revised and Restated Clean Energy Plan.	David Longrie, Manager of Energy Resource Planning and Innovation

		Troy Bass, Supervisor of Energy Resource Planning
3:20 p.m.	**13. Ordinance Amending City Code Regarding Exclusivity of Service and Sizing of Solar Generating Equipment** Vote to recommend approval of an ordinance amending City Code Section 12.1.111 to increase the maximum capacity of solar generating equipment.	Scott Shirola, Pricing and Rates Manager
3:25 p.m.	**14. Annual Transmission Revenue Requirement (ATRR) to the Federal Energy Regulatory Commission (FERC)** Vote to recommend to City Council the approval of the ATRR to FERC.	Scott Shirola, Pricing and Rates Manager
3:40 p.m.	**15. Government Streetlighting Revenue Requirement** Vote to approve recommendations setting the Street Lighting Service Revenue Requirement for calendar year 2027 under City Code section 12.9.105.	Scott Shirola, Pricing and Rates Manager
3:55 p.m.	**16. 2027 Budget** Vote to move this item forward to City Council.	John Hunter, Financial Planning and Risk Manager
4:40 p.m.	**17. Utilities Policy Advisory Committee (UPAC) Assignment** Vote to approve the next UPAC assignment.	Chair Donelson
4:50 p.m.	**18. Board Member Updates**	Chair Donelson
4:55 p.m.	**19. Summary of Board Actions**	Anna Bingman, Utilities Board Administrator
5:00 p.m.	**20. Adjournment**	Chair Donelson

Minutes
September 14, 2026
Rosemont Conference Room or Microsoft Teams

Call to Order
Pursuant to the Colorado Open Meetings Law and the City Charter, since three or more members of the Utilities Board may be attending this public meeting, it is noticed and open to the public. Pursuant to the Utilities Board Bylaws, this Committee of the Utilities Board will not accept public comments at this meeting.

Board Chair Dave Donelson called the meeting to order at 9:08 a.m.

Present – Board Chair Dave Donelson, Board Member Ken Casey, Board Member Lynette Crow-Iverson (Online), Board Member Nancy Henjum, Board Member David Leinweber, Board Member Roland Rainey, and Board Vice Chair Brandy Williams (Online)

Absent – Board Member Kimberly Gold and Board Member Brian Risley

Safety Moment: Home Safety and Emergency Preparedness
Ms. Renee Adams, Chief Human Resources Officer, presented the Board with the Safety Moment on Home Safety and Emergency Preparedness. This presentation included an example of home hazards and how to spot them, home fire safety, and challenges to take home to engage in preparedness and proper home safety.

Compliance Reports
I-2 Financial Conditions and Activities (to include Contracts Over $500K) G-7 (Quarterly April Through June)
Mr. John Hunter, Manager of Financial Planning and Risk, presented the I-2 Financial Conditions and Activities (to include Contracts over $500K) presentation for April through June. This presentation included the first three directives under the I-2 in detail, and brief updates to the other six directives within the I-2.

Chair Donelson asked for a reminder on what the Penrose Water Supply Project entailed. Mr. Hunter responded that the Penrose Reservoir had been drained, and two water tanks are proposed to be installed within the footprint of the reservoir.

I-7 Water Supply Management (Annual)
Ms. Jenny Bishop, Resource Planner IV, and Mr. Michael Gustafson, Senior Attorney for the Utilities Division of the City Attorney's Office, presented the Board with the annual I-7 Water Supply Management report. This presentation included Water Rights protection and development, maintaining a reliable water supply, and regional, state and national engagement.

Board Member Leinweber asked if Woodland Park or Monument had similar restrictions on how often customers can water. Ms. Bishop responded that Monument also has the three-day maximum per week for watering. She noted that Woodland Park does not have restrictions as they don't see as

much outdoor watering, but commented that both Monument and Woodland Park have fairly expensive water rates.

Board Member Henjum asked Ms. Bishop to speak to the exclusive water territory related to the Denver Basin and asked about the restrictions listed in the I-7. Ms. Bishop responded that Colorado Springs Utilities uses very little of the Denver Basin's groundwater, as it is primarily used for irrigation purposes for some HOAs in that area. The Dawson Aquifer is also the most shallow aquifer in this basin and serves many domestic wells. Colorado Springs Utilities does not want to deplete these wells, which is another reason this basin is not used often. Board Member Henjum asked how many miles of our service territory overlap with this basin. Ms. Bishop said she didn't know the exact number but would speculate that only about 10% of the service territory overlaps with this basin.

Chair Donelson asked Ms. Bishop to remind him about the Shoshone Water Rights discussion. Ms. Bishop answered that the Shoshone is a powerplant on the Western Slope, which requires sufficient water to operate. Water used in the plant is diverted back into the Colorado River. Whatever may happen to that powerplant, Springs Utilities wants to make sure that those water rights stay within Colorado and Colorado Water Conservation. If those water rights are expanded beyond what is considered for traditional use, it could impinge on what Utilities can use.

Board Member Leinweber asked if only 12% of the Colorado River rights are able to be used given the Colorado River Compact's stipulations. Ms. Bishop detailed the ways that Colorado Springs Utilities honored the agreement through the different acre feet being used from each system. Ms. Bishop commented that this is the worst year for water on record since 2002.

Chair Donelson asked if the decline in demand for water comes from residents. Ms. Bishop responded yes. She said the initial decline in demand came from smart water technology, and also when the rate structure changed in 2012 and customer behavior changed. Chair Donelson said he would like to see data on this, if possible. Chair Donelson asked if any cities on the Front Range have flat water rates. Ms. Bishop answered that Pueblo has a flat water rate, as they have access to a lot of water.

Board Member Henjum asked at what population threshold with continued water use will require Colorado Springs Utilities to dip into more storage. Ms. Bishop responded that the Integrated Water Resource Plan (IWRP) addresses this, but it is based on how population develops, including density, open space and housing types. Ms. Gortz added that 2050 is when the current IWRP shows the need to use most of what is in storage.

I-10 Treatment of Staff (Annual)
Ms. Tara Russell, General Manager of People, Safety and Development, presented the Board with the annual I-10 Treatment of Staff report. This presentation included directives from the I-10 including protection from discrimination, harassment and retaliation; the Personnel Policy Manual (PPM); the Affirmative Action Plan (AAP); and information about employee climate surveys.

Board Member Henjum asked how many staff access the PPM per year. Ms. Russell responded that around 20-30 employees accessed it last year. With the new policy in place for changes to the PPM, employees now can provide business justifications to alter policies they may think need changing. This change has reduced the number of people accessing the PPM.

Board Member Casey asked if an AAP is required to meet the compliance in the I-10. Ms. Russell responded yes.

I-11 Compensation and Benefits G-9 (Annual)
Ms. Russell presented the Board with the annual I-11 Compensation and Benefits Report G-9. This presentation included the annual salary and benefits appeal process, executive compensation plans, and severance plans.

There were no questions.

E-2.8 Emergency Chief Executive Officer Succession (Annual)
Ms. Adams presented the Board with the annual E-2.8 Emergency Chief Executive Officer Succession. This report states that the designated Officer emergency successors are the Chief Operations Officer and the Chief Planning and Financial Officer. All travel is arranged in accordance with this policy.

There were no questions.

Electric Cost Adjustment/Gas Cost Adjustment Update
Mr. Soctt Shirola, Pricing and Rates Manager, provided the Electric Cost Adjustment (ECA) and Gas Cost Adjustment (GCA) update. In this update, Mr. Shirola provided a summary of the ECA and GCA, detailed the natural gas prices as of September 1, 2026, and the ECA and GCA predictions. Due to an overcollection in the Electric Cost Adjustment, Mr. Shirola said he would be bringing an Electric Cost Adjustment rate decrease to the Board on Wednesday for approval to move forward to City Council. The rest of the presentation provided sample bills, various ways for customers to receive bill paying assistance and efficiencies to lower utility bills, and the timeline of next steps.

In response to a comment Mr. Shirola made regarding the $7 million in financial benefit that Colorado Springs Utilities has received from joining the Southwest Power Pool from April to July, Chair Donelson asked if that number has continued to increase. Mr. Shirola responded that this number is around $14 million in financial benefit as of this meeting. Chair Donelson reminded the Board that Utilities' rates are about 18% lower than other providers along the Front Range but encouraged customers listening to call the Customer Service number if they ever want to walk through their bill to better understand where they can save.

Board Member Casey asked how the Front Range bill comparison is calculated to determine the percentage at which Colorado Springs Utilities' rates are lower than customers with other providers. Mr. Deal answered that the Public Utilities Commission (PUC) posts municipal rates, then a typical customer's usage is totaled to about 700 kilowatt hours each month. This helps to determine an average bill to compare against other providers.

Board Member Leinweber asked if the predicted El Niño weather pattern will affect temperature or just moisture. Mr. Nick Peters, Chief System Planning and Projects Officer, said he believed it would affect both, but here we should see more moisture.

Board Member Henjum asked what happens to the interest earned on the overcollection in the ECA. Mr. Shirola answered that this overcollection is mostly set aside to give back to ratepayers in the form of lower bills. The overcollection plays a part in the overall financial health of the organization but is treated mostly as a passthrough back to customers.

Chair Donelson asked what percentage of customers are on the Budget Billing plan. Mr. Mike Francolino, Chief Customer and Enterprise Services Officer, said about 7% of customers are enrolled in this plan.

2027 Proposed Budget Final Draft
Mr. Hunter reviewed the 2027 Proposed Budget. This presentation included the budget overview, proposed 2027 budget versus the 2026 Annual Operating Financial Plan (AOFP), the proposed 2027 budget versus the second presentation, funding 2027 appropriation, total labor and non-fuel operations and maintenance, total labor and operations and maintenance by account group and by division, the proposed 2027 budget overview, and next steps. At the end of the presentation, Mr. Hunter asked the Board Members if they had any additional items related to the budget that they would like him to cover in greater depth at the October Board meeting when the Board Members will be considering approval of the budget.

Board Member Henjum asked if the next presentation could cover what feedback staff are receiving from ratepayers related to the budget. She commented that much of the interest seems to be around capital projects and said it would be helpful to highlight how the five-year rate case was determined to fund these projects so Colorado Springs Utilities would not need to come back to the Board to ask for additional funds. Board Member Henjum commented that she did not feel this presentation addressed those questions. Board Member Henjum said she would also like to see a slide related to the cost of fuel globally and how Utilities' participation in the SPP affects this.

Board Member Casey suggested including a slide about why the proposed budget is lower than in previous years, and to explain that it is due to the shifting of projects to other years.

Mr. Deal agreed with the suggestions and commented that Colorado Springs Utilities has worked hard to mitigate risk within the project plan of the five year rate case amid economic uncertainties. He also spoke about how important it is for Colorado Springs Utilities to maintain their stellar credit rating so there is less pressure on rates and customers.

Intergovernmental Agreement to Partner with USCYBERCOM
Ms. Jessica Rheinschmidt, Cybersecurity Manager, presented the Board with the Intergovernmental Agreement to Partner with USCYBERCOM. This presentation included the intergovernmental agreement which is a Cooperative Research and Development Agreement (CRADA), background information on USCYBERCOM, expected benefits and proposed projects.

Board Member Rainey noted that there was not a cost to this contract and inquired if this partnership was more so for research and development. Ms. Rheinschmidt confirmed this. Board Member Rainey then asked if there were any downsides. Mr. Rheinschmidt responded that there are not necessarily downsides, but rather some challenges to mitigate, such as how to restrict access to certain sensitive systems.

Board Member Henjum asked Ms. Rheinschmidt how much of her time she can devote to this project given other responsibilities. Ms. Rheinschmidt said there is someone on her team she would consider to be a Subject Matter Expert on this subject and would essentially serve as a project manager for this.

Chair Donelson asked Ms. Rheinschmidt to explain the benefits of this partnership. Ms. Rheinschmidt

explained that this group is excellent on policy documentation on the federal government side and will provide supplemental support to her staff.

Board Member Rainey noted that this item will need to be approved by City Council, and said he would be recusing himself as he has done business with USCYBERCOM in the past.

Nuclear Program Plan Update
Mr. David Longrie, Manager of Energy Resource Planning and Innovation, and Mr. Troy Bass, Supervisor of Energy Resource Planning, presented the Board with the Nuclear Program Plan update. This presentation included the strategic case for nuclear, progress to date, the planning phase, and the four decision gates: selecting the ownership and delivery model, community engagement, narrowing sites using feasibility screens, and the regulatory path and early site permit strategy. The presentation concluded with milestones so far.

Chair Donelson asked what percentage of the resource fleet would be made of new resources in the new resource mix. Mr. Longrie responded that this would double Colorado Springs Utilities' fleet.

Board Member Leinweber commented that many of the new resources include wind and solar but asked if battery will be included in the resource mix. Mr. Longrie responded that battery technology will continue to evolve and be considered.

Board Member Casey asked if it would be better to begin with small modular reactors rather than larger ones. Mr. Longrie said Colorado Springs Utilities will need to consider economies of scale in the consideration of nuclear energy.

Clean Energy Plan Update
Mr. Longrie and Mr. Bass presented the Board with the Clean Energy Plan update. This presentation included Senate Bill 26-182, new resources required for the Electric Integrated Resource Plan, summary of customer comments, the current status, and next steps.

Board Member Henjum asked Mr. Longrie to explain how forecasting is done considering the rise of data centers as significant users. Mr. Longrie explained that data centers, or other large load users, are considered drivers in this forecast. The Electric Integrated Resource Plan addresses this on top of the base load model and is now standard in how load growth is considered. Board Member Henjum asked how this impacts the Clean Energy Plan.

Mr. Longrie said there is no policy currently that allows large load users to bring their own generation, but Colorado Springs Utilities can provide a list of resources needed to procure the required load, which could include renewables. If, in the future, large load users were to bring their own generation, it would need to meet the requirements of the Clean Energy Plan that Utilities puts in place.

Mr. Deal added that he has had conversations with Governor Polis on how data centers could impact Utilities as a municipal utility with an obligation to serve. He said this is a conversation now at the state level to see who owns the carbon. Board Member Henjum asked if this could be an assignment for the Utilities Policy Advisory Committee (UPAC) to evaluate. Mr. Deal responded that since this is a statewide issue, it's already being considered at a high level. However, he suggested that a program for batteries could be well within UPAC's scope.

Chair Donelson asked Mr. Deal if he thought statewide legislation for data centers would be passed before the end of the year, or if this is legislation the new governor would take on once elected. Mr. Deal responded that he believed it would be passed before Governor Polis leaves office.

Board Member Leinweber asked if other cities the size of Colorado Springs have similar split resources between residential and commercial customers, as Colorado Springs Utilities serves mostly residential customers. Mr. Deal responded that many other utility companies see a split that is closer to 50-50 in service.

Clean Heat Plan Update
Mr. Longrie and Mr. Bass presented the Board with the Clean Heat Plan update. This presentation included the overview, estimated greenhouse gas reductions, customer programs that deliver meaningful community benefits, participation through engagement, and next steps.

Board Member Casey asked if programs to help customers be more energy efficient are listed on the website. Mr. Longrie confirmed that they are.

Chair Donelson asked if the 260 efficient new homes were through a new builder program or people making their homes more efficient. Mr. Longrie confirmed these were new builds through the builder program. Chair Donelson asked Mr. Deal to speak to the emergence of microgrids. Mr. Deal summarized that newer communities are installing their own battery at economies of scale, which provides infrastructure before adding solar or other forms of renewable power that would then be shared through the battery of the microgrid. Mr. Deal suggested that this would also be a good topic for UPAC to consider.

Adjournment
Chair Donelson adjourned the meeting at 11:55 a.m.

COLORADO SPRINGS UTILITIES BOARD
MS Teams and Blue River Board Room
Plaza of the Rockies
121 S. Tejon Street
South Tower, 5th Floor

Minutes
Wednesday, September 16, 2026
1:00 p.m. – 5:00 p.m.
Blue River Board Room

1. Call to Order

Chair Dave Donelson called the meeting to order at 1:01 p.m.

Ms. Anna Bingman, Utilities Board Administrator, called roll.

Present – Chair Dave Donelson, Board Member Ken Casey, Board Member Lynette Crow-Iverson, Board Member Kimberly Gold, Board Member Nancy Henjum (online), Board Member David Leinweber, Board Member Roland Rainey, Board Member Brian Risley, and Vice Chair Brandy Williams

2. Invocation and Pledge of Allegiance

Pastor Travis Norton with First Lutheran Church offered the invocation, and Chair Donelson led the Pledge of Allegiance.

3. Executive Session

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

Ms. Congdon polled the Board Members on whether they agreed to enter the executive session on both items. Board Member Casey stated that he works for the Department of the Interior, which is the parent agency of the Bureau of Reclamation, which oversees the Colorado River. Board Member Casey was advised that he could have an appearance of conflict with the first matter to be discussed in the closed session. Though he does not work on any water issues related to the Department of the Interior, he stated that he would abstain from voting to go into closed session on the first item but voted yes to go into closed session on the second item. Board Member Casey stated that he would leave the room for the first item. Ms. Bingman stated she would bring Mr. Casey back into the room for the second item. The rest of the Board Members voted yes on moving into a closed session to discuss both items.

The Utilities Board took a five-minute break at 1:07 p.m. to prepare the room.

The Regular Utilities Board Meeting came back into regular session at 2:30 p.m.

4. Colorado River Update

Mr. David Robbins, Partner at Hill and Robbins P.C., and Ms. Kim Gortz, Manager of Water Resource Management, presented the Board with the Colorado River update. This presentation included what Colorado contributes to the Colorado River Compact, where the water is used in the Colorado River Basin, Lake Powell's steady decline, and Colorado River water use.

Board Member Leinweber asked Mr. Robbins to explain Colorado's water rights as an Upper Basin State. Mr. Robbins responded that storage is a part of water rights, and as a municipal utility, Colorado Springs Utilities is responsible for ensuring water carries over between years of drought and heavy moisture. Mr. Robbins said that Lower Basin States should not get to take water simply because it is not used. Board Member Leinweber agreed with this statement and said continuing to advocate for the Upper Basin States will be important as drought increases.

Board Member Rainey asked what the role and responsibility of the Secretary of the Interior is in this case. Mr. Robbins answered that all the water that the Lower Basin States receive is from federal reservoirs. The Secretary of the Interior is in contract with those water users and makes decisions about their water. The Upper Basin States do not have this arrangement, and there has not been willingness to cede to the Federal Government control over natural resources. However, the Upper Basin States do their best to cooperate and be a good neighbor to the Lower Basin States.

Board Member Henjum asked Mr. Robbins how the Board and Colorado Springs Utilities can continue to educate and encourage the customers of Colorado Springs Utilities to continue their conservation efforts as the City grows in population. Mr. Robbins explained that he is an alternate Commissioner to the Upper Colorado River Commission and said his main goal in that role is the protection of Colorado Springs. He stated that continuing to educate the public on conservation practices not only in domestic use, but in irrigation and commercial use, is critical. Mr. Robbins said working with industries to make sure the most efficient practices are in place will also continue the mission of water conservation.

5. Consent Agenda

- **Approval of the August 17, 2026, Working Committee meeting minutes**
- **Approval of the August 19, 2026, Utilities Board meeting minutes**

Board Member Gold made a motion to approve the items on the Consent Agenda. Board Member Rainey seconded the motion. The motion to approve the Consent Agenda passed unanimously.

6. Recognition

- **Resolution of Appreciation for Utilities Policy Advisory Committee Member Gary Burghart**

Chair Donelson informed the Board that Utilities Policy Advisory Committee (UPAC) Member Gary Burghart completed his third and final term in September 2026 and will be stepping off UPAC. Chair Donelson thanked him for his exemplary service as a UPAC member and read a resolution that noted many of Mr. Burghart's accomplishments during his time serving.

Board Member Gold thanked Mr. Burghart for his service on UPAC and wished him well in future endeavors.

Board Member Henjum echoed Board Member Gold's statement of appreciation for Mr. Burghart.

Chair Donelson commented that he is the liaison to UPAC and has been thoroughly impressed with Mr. Burghart's leadership on UPAC and the magnitude of his service.

Mr. Burghart thanked the Board for their well wishes and expressed appreciation for their leadership.

Board Member Henjum motioned to approve the Resolution of Appreciation for Utilities Policy Advisory Committee Member Gary Burghart. Board Member Gold seconded the motion. The motion carried unanimously.

- **Resolution of Appreciation for Utilities Policy Advisory Committee Member Larry Barrett**

  Chair Donelson informed the Board that UPAC Member Larry Barrett had also completed his third and final term in September 2026 and will be stepping off UPAC. Chair Donelson thanked Mr. Barrett, citing several of Mr. Barrett's contributions to UPAC over the many years he served. Chair Donelson then read a resolution of appreciation for Mr. Barrett's time as a UPAC member.

  Board Member Henjum thanked Mr. Barrett for his time and service on UPAC.

  Chair Donelson also thanked Mr. Barrett, stating that he had appreciated working with him while serving as the liaison to UPAC.

  Board Member Gold motioned to approve the Resolution of Appreciation for Utilities Policy Advisory Committee Member Larry Barrett. Board Member Casey seconded the motion. The motion carried unanimously.

- **Resolution Honoring the Life and Service of Phil Tollefson to the Customers of Colorado Springs Utilities**

Mr. Travas Deal, Chief Executive Officer, informed the Board of the passing of Colorado Springs Utilities' first CEO, Mr. Phil Tollefson. Mr. Deal expressed great admiration for Mr. Tollefson and his influence on Colorado Springs Utilities. Mr. Tolleson cared deeply about both the community and the employees who served it and stated that many of the systems and values that guide the organization can be traced back to his leadership and vision. Mr. Deal then read a resolution honoring the life and service of Mr. Tollefson and the impact he made on Colorado Springs Utilities.

Ms. Shirley Martinez, a former Colorado Springs Utilities employee, thanked Mr. Deal for his kind remarks about Mr. Tollefson, and reflected on her time working for him.

Mr. Balu Bhayani, a former UPAC member and a former Colorado Springs Utilities employee, also fondly remembered Mr. Tollefson, and informed the Board there would be a celebration of his life later in the year.

Board Member Rainey motioned to approve the Resolution Honoring the Life and Service of Phil Tollefson to the Customers of Colorado Springs Utilities. Board Member Henjum seconded the motion. The motion carried unanimously.

- **FEMA Ready Campaign's National Preparedness Month**

  Ms. Erin Duran, Emergency Management Program Manager, informed the Board that the FEMA Ready Campaign's National Preparedness Month is observed each September to raise awareness about the importance of preparing for disasters and emergencies that can occur at any time. Throughout September, Colorado Springs Utilities will promote preparedness by participating in the Ready Campaign's media campaign and providing employees and the community with information and resources. Finally, in honor of National Preparedness Month, Colorado Springs Utilities will hold Emergency Preparedness Week, the final week in September. The week will focus on employee training, exercises, and other related preparedness efforts. The fifth annual Colorado Springs Utilities' Emergency Preparedness Week will take place from September 21 - 25, 2026.

7. Customer Comments

There were no customer comments.

8. Compliance Reports:

- **I-2 Financial Condition and Activities (to include Contracts Over $500K) G-7 (Quarterly April through June)**
- **I-9 Treatment of Customers and Customer Information (Annual)**
- **CEO/Board Partnership Responsibilities – CEO Responsibilities**
  1. Water Outlook

There were no presentations on these items.

9. Items Called Off Consent Agenda

No items were called off consent.

10. Lockwood – Settlement for the Acquisition of an Easement for the Kelker to South Plant Project

Ms. Kellie Billingsley, Real Estate Services Manager for the City of Colorado Springs, presented the Board with the Lockwood – settlement for the acquisition of an easement related to the Kelker to South Plant Project. This presentation included background on the Kelker to South Plant Transmission Project, property information for PE-38A and PE-38B, property information on PE-38C, the status, the settlement, and next steps.

Board Member Crow-Iverson motioned to recommend approval of a resolution authorizing the acquisition of certain real property with a purchase price in excess of $100,000 in accordance with the City Real Estate Manual sections 4.1 and 9.6 to settle Case No. 2026CV31162 for an amount in excess of $250,000 in accordance with City Code section 1.5.503 to be placed on the October 13, 2026, Regular City Council meeting agenda as Utilities Business. Vice Chair Williams seconded the motion. The motion carried unanimously.

11. Electric Cost Adjustment/Gas Cost Adjustment Update

Mr. Soctt Shirola, Pricing and Rates Manager, provided an informational presentation on the Electric Cost Adjustment (ECA) and Gas Cost Adjustment (GCA) filing. In this update, Mr. Shirola provided a summary of the ECA and GCA, detailing the natural gas prices as of September 1, 2026, and the ECA and GCA predictions. Due to an overcollection in the Electric Cost Adjustment, Mr. Shirola said he would like to bring the ECA to City Council for a decrease. The rest of the presentation provided sample bills, various ways for customers to receive billpaying assistance and efficiencies to lower utility bills, and the timeline of next steps.

Chair Donelson commented that this increase, paired with the Energy Wise winter rates going into effect on October 1, 2026, will help customers feel some pressure taken off their monthly bill. He also commented that Colorado Springs Utilities' cost of electric is still around 15% lower than other communities on the Front Range.

The Board informally agreed to move this item forward to the September 22, 2026, Regular City Council meeting as Utilities Business.

12. Board Member Updates

Board Member Leinweber noted that this meeting was Ms. Congdon's final Utilities Board meeting, as she would be leaving her current role on Friday, September 18. He thanked Ms. Congdon for her help, always responding, and providing valuable assistance.

Board Member Henjum echoed Board Member Leinweber's appreciation of Ms. Congdon, stating that her integrity was unparalleled. Board Member Henjum also stated that she had attended the Children's Water Festival, and it was a very successful event.

Chair Donelson thanked Ms. Congdon for her service in her role, and for being honest and open when asked questions by Board Members. He also announced he would be running the Pikes Peak Ascent.

Mr. Deal echoed the statements about Ms. Congdon and thanked her for all her help throughout the years serving in her role.

13. Summary of Board Actions

Ms. Bingman provided a summary of Board Actions:

- Approved the August 17, 2026, Working Committee meeting minutes.
- Approved the August 19, 2026, Utilities Board meeting minutes.
- Approved a resolution of appreciation for Utilities Policy Advisory Committee member Gary Burghart.
- Approved a resolution of appreciation for Utilities Policy Advisory Committee member Larry Barrett.
- Approved a Resolution Honoring the Life and Service of Phil Tollefson to the Customers of Colorado Springs Utilities.
- Recommended approval of a resolution authorizing the acquisition of certain real property with a purchase price in excess of $100,000 in accordance with the City Real Estate Manual sections 4.1 and 9.6 to settle Case No. 2026CV31162 for an amount in excess of $250,000 in accordance with City Code section 1.5.503 to be placed on the October 13, 2026, Regular City Council meeting agenda as Utilities Business.
- Informally agreed to place the Electric Cost Adjustment Rate Decrease on the September 22, 2026, Regular City Council meeting agenda as Utilities Business.

14. Adjournment

Chair Donelson adjourned the meeting at 4:14 p.m.

Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Nicholas Peters, Chief System Planning and Projects Officer
Subject:	A Resolution Re-Appointing Tristan Gearhart, Abigail Ortega, and Joseph Rasmussem to the Fountain Valley Authority Board of Directors
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	The Fountain Valley Authority is a water authority established as a separate legal and governmental entity, and a political subdivision under the laws of Colorado, and consists of the following entities: The City of Colorado Springs, The City of Fountain, Widefield Water and Sanitation District, Security Water District, and Stratmoor Hills Water District. The articles of incorporation of the Fountain Valley Authority provide that the City of Colorado Springs shall appoint four members of the Board of Directors to the Authority for a term of three years. Colorado Springs appoints its members through the Utilities Board. Three Colorado Springs Board seats of the Fountain Valley Authority are currently held by Tristan Gearhart, Chief Financial Officer, Abigail Ortega, General Manager, Infrastructure & Resource Planning, and Joseph Rasmussen, Manager, Water Wastewater and Gas Infrastructure Planning. The terms of their appointments expire on December 31, 2026 and new appointments need to be made to fill the seats. The attached resolution would re-appoint Mr. Gearhart, Mrs. Ortega and Mr. Rasmussen to fill three year terms commencing January 1, 2027 and expiring December 31, 2029.
Benefits:	Representation for Colorado Springs Utilities on the Fountain Valley Authority Board of Directors
Board Policy: If this impacts one of the board policies, indicate that here.	UBA-4: Appoint directors and representatives to water authorities, partnerships, joint ventures, and similar entities in which Utilities participates.
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, Fountain Valley Authority Board of Directors
Alternatives:	N/A

Submitter:	Abigail Ortega	Email Address:	ajortega@csu.org
Division:	System Planning and Projects	Phone Number:	719-668-8748

Department:	Water Resources Department	Date Submitted:	October 5, 2026
SPG Staff Use Only:	Consent Calendar ☒ Yes ☐ No	Item Number 03c	
ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING			

RESOLUTION NO. 26-12

A RESOLUTION OF THE BOARD OF DIRECTORS OF COLORADO SPRINGS UTILITIES RE-APPOINTING MEMBERS OF THE FOUNTAIN VALLEY AUTHORITY BOARD OF DIRECTORS

WHEREAS, the City of Colorado Springs, the City of Fountain, Security Water District, the Stratmoor Hills Water District and Widefield Water & Sanitation District are the members of the Fountain Valley Water Authority; and

WHEREAS, the City of Colorado Springs has four representatives on the Board of Directors of the Fountain Valley Authority who are appointed by its governing body; and

WHEREAS, the term of the City of Colorado Springs' seat on the Board of Directors of the Fountain Valley Authority currently held by Abigail Ortega, General Manager, Infrastructure & Resource Planning, will expire on December 31, 2026; and

WHEREAS, Mrs. Ortega is seeking re-appointment as a member of the Board of Directors of the Fountain Valley Authority for a term commencing January 1, 2027 and expiring December 31, 2029; and

WHEREAS, the term of the City of Colorado Springs seat on the Board of Directors of the Fountain Valley Authority currently held by Joseph Rasmussen, Manager, Water Wastewater and Gas Infrastructure Planning, will expire on December 31, 2026; and

WHEREAS, Mr. Rasmussen is seeking re-appointment as a member of the Board of Directors of the Fountain Valley Authority for a term commencing January 1, 2027 and expiring December 31, 2029; and

WHEREAS, the term of the City of Colorado Springs seat on the Board of Directors of the Fountain Valley Authority currently held by Tristan Gearhart, Chief Financial Officer, will expire on December 31, 2026; and

WHEREAS, Mr. Gearhart is seeking re-appointment as a member of the Board of Directors of the Fountain Valley Authority for a term commencing January 1, 2027 and expiring December 31, 2029.

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

Section 1. The Colorado Springs Utilities Board of Directors supports the re-appointment of Mrs. Ortega, Mr. Rasmussen and Mr. Gearhart to the Board of Directors of the Fountain Valley Authority.

Section 2. Abigail Ortega, Joseph Rasmussen and Tristan Gearhart are re-appointed as members of the Fountain Valley Authority Board of Directors for terms commencing January 1, 2027 and expiring December 31, 2029.

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

_____
Dave Donelson, Utilities Board Chair

ATTEST:

_____
Travas Deal, Secretary

Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Nicholas Peters, Chief System Planning and Projects Officer
Subject:	A Resolution Appointing Bruce Zook to the Fountain Valley Authority Board of Directors
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	The Fountain Valley Authority is a water authority established as a separate legal and governmental entity, and a political subdivision under the laws of Colorado, and consists of the following entities: The City of Colorado Springs, The City of Fountain, Widefield Water & Sanitation District, Security Water District, and Stratmoor Hills Water District. The articles of incorporation of the Fountain Valley Authority provide that the City of Colorado Springs shall appoint four members of the Board of Directors to the Authority for a term of three years. Colorado Springs appoints its members through the Utilities Board. Andrew Funchess is a member of the Fountain Valley Authority Board of Directors serving a term effective January 1, 2023 and expiring December 31, 2025. There is a need to fill the Colorado Springs Utilities seat held by Mr. Funchess commencing December 1, 2026. Bruce Zook, Operations Manager has been recommend to fill that seat for a term commencing December 1, 2026 and expiring December 31, 2029. The attached resolution would appoint Bruce Zook, as a member of the Fountain Valley Authority Board of Directors to fill a term commencing December 1, 2026 and ending December 31, 2029.
Benefits:	Representation for Colorado Springs Utilities on the Fountain Valley Authority Board of Directors
Board Policy: If this impacts one of the board policies, indicate that here.	UBA-4: Appoint directors and representatives to water authorities, partnerships, joint ventures, and similar entities in which Utilities participates.
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, Fountain Valley Authority Board of Directors
Alternatives:	N/A

Submitter:	Abigail Ortega	Email Address:	ajortega@csu.org
Division:	System Planning and Projects	Phone Number:	719-668-8748
Department:	Water Resources Department	Date Submitted:	October 5, 2026
SPG Staff Use Only:	Consent Calendar ☒ Yes ☐ No	Item Number 03d	

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

RESOLUTION NO. 26-13

A RESOLUTION APPOINTING BRUCE ZOOK TO THE FOUNTAIN VALLEY AUTHORITY BOARD OF DIRECTORS

WHEREAS, the City of Colorado Springs, the City of Fountain, Security Water District, the Stratmoor Hills Water District and Widefield Water & Sanitation District are the members of the Fountain Valley Authority; and

WHEREAS, the City of Colorado Springs has four representatives on the Board of Directors of the Fountain Valley Authority who are appointed by its governing body; and

WHEREAS, Andrew Funchess is a member of the Fountain Valley Authority Board of Directors, serving a term that expired December 31, 2025; and

WHEREAS, there is a need to appoint a new member of the Fountain Valley Authority to fill the seat held by Mr. Funchess as of December 1, 2026; and

WHEREAS, Bruce Zook, Operations Manager, has been recommended to replace Mr. Funchess as a member of the Fountain Valley Authority Board of Directors.

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

Section 1. The Colorado Springs Utilities Board of Directors supports the appointment of Mr. Zook to the Board of Directors of the Fountain Valley Authority.

Section 2. Bruce Zook is hereby appointed as a member of the Fountain Valley Authority Board of Directors for a term effective December 1, 2026 and expiring December 31, 2029.

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

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Dave Donelson, Utilities Board Chair

ATTEST:

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Travas Deal, Secretary

Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Nicholas Peters, Chief System Planning and Projects Officer
Subject:	A Resolution Re-Appointing Bryan Babcock and Joseph Rasmussen to the Homestake Steering Committee
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	The City of Colorado Springs and the City of Aurora as partners operate the Homestake Water Project. The Homestake Water Project is governed by the Homestake Steering Committee which is made up of three representatives of each City who are appointed by their respective governing bodies. Colorado Springs appoints its representatives through the Utilities Board. The terms of two Colorado Springs seats of the Homestake Steering currently held by Bryan Babcock, System and Field Operations General Manager, and Joseph Rasmussen, Manager, Water, Wastewater, and Gas Infrastructure Planning, will expire on December 31, 2026. The attached resolution would re-appoint Bryan Babcock and Joseph Rasmussen, as members of the Homestake Steering Committee for terms commencing January 1, 2027 and expiring December 31, 2029.
Benefits:	Representation for Colorado Springs Utilities on the Homestake Steering Committee
Board Policy: If this impacts one of the board policies, indicate that here.	UBA-4: Appoint directors and representatives to water authorities, partnerships, joint ventures, and similar entities in which Utilities participates.
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 and the Homestake Steering Committee
Alternatives:	N/A

Submitter:	Abigail Ortega	Email Address:	ajortega@csu.org
Division:	System Planning and Projects	Phone Number:	719-668-8748
Department:	Water Resources Management	Date Submitted:	October 5, 2026

SPG Staff Use Only:	Consent Calendar ☒ Yes ☐ No	Item Number 03f

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

RESOLUTION NO. 26-14

A RESOLUTION OF THE BOARD OF DIRECTORS OF COLORADO SPRINGS UTILITIES RE-APPOINTING BRYAN BABCOCK AND JOSEPH RASMUSSEN TO THE HOMESTAKE STEERING COMMITTEE

WHEREAS, the City of Colorado Springs and the City of Aurora as partners operate the Homestake Water Project and manage the system through the Homestake Steering Committee; and

WHEREAS, the Homestake Steering Committee is made up of three representatives of each city who are appointed by their respective governing bodies and two non-voting members; and

WHEREAS, the term of the City of Colorado Springs seat on the Homestake Steering Committee currently held by Bryan Babcock, System and Field Operations General Manager, will expire on December 31, 2026; and

WHEREAS, Mr. Babcock is seeking re-appointment as a member of the Homestake Steering Committee for a term commencing January 1, 2027 and expiring December 31, 2029; and

WHEREAS, the term of the City of Colorado Springs seat on the Homestake Steering Committee currently held by Joseph Rasmussen, Manager, Water, Wastewater, and Gas Infrastructure Planning, will expire on December 31, 2026; and

WHEREAS, Mr. Rasmussen is seeking re-appointment as a member of the Homestake Steering Committee for a term commencing January 1, 2027 and expiring December 31, 2029; and

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

Section 1. The Colorado Springs Utilities Board of Directors supports the re-appointment of Mr. Babcock and Mr. Rasmussen to the Homestake Steering Committee.

Section 2. Bryan Babcock and Joseph Rasmussen are re-appointed as members of the Homestake Steering Committee for terms commencing January 1, 2027 and ending December 31, 2029.

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

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Dave Donelson, Utilities Board Chair

ATTEST:

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Travas Deal, Secretary

Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Nicholas Peters, Chief System and Projects Planning
Subject:	A Resolution Re-Appointing Bryan Babcock and Joseph Rasmussen to the Board of Directors of the Aurora-Colorado Springs Joint Water Authority Board
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	The City of Colorado Springs and the City of Aurora ("Cities") as partners operate the Homestake Water Project. The Cities formed the Aurora-Colorado Springs Joint Water Authority as a financing vehicle for the extension of the Homestake pipeline from Twin Lakes to the Otero Pump Station. The Board of Directors of the Aurora-Colorado Springs Joint Water Authority is made of three representatives of each City who are also appointed by their respective governing bodies and two non-voting members. Colorado Springs appoints its representatives through the Utilities Board. The terms of two Colorado Springs seats of the Board of Directors of the Aurora-Colorado Springs Joint Water Authority, currently held by Bryan Babcock, System and Field Operations General Manager and Joseph Rasmussen, Manager, Water, Wastewater, and Gas Infrastructure Planning, will expire on January 14, 2027. The attached resolution would re-appoint Mr. Babcock and Mr. Rasmussen as Directors of the Aurora-Colorado Springs Joint Water Authority effective January 15, 2027 and expiring January 14, 2030.
Benefits:	Representation for Colorado Springs Utilities on the Board of Directors of the Aurora-Colorado Springs Joint Water Authority Board
Board Policy: If this impacts one of the board policies, indicate that here.	UBA-4: Appoint directors and representatives to water authorities, partnerships, joint ventures, and similar entities in which Utilities participates.
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 and the Aurora-Colorado Springs Joint Water Authority Board
Alternatives:	N/A

Submitter:	Abigail Ortega	Email Address:	ajortega@csu.org
Division:	System Planning and Projects	Phone Number:	719-668-8748
Department:	Water Resources Management	Date Submitted:	October 5, 2026

SPG Staff Use Only:	Consent Calendar ☒ Yes ☐ No	Item Number 03e

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

RESOLUTION NO. 26-15

A RESOLUTION OF THE BOARD OF DIRECTORS OF COLORADO SPRINGS UTILITIES RE-APPOINTING BRYAN BABCOCK AND JOSEPH RASMUSSEN TO THE BOARD OF DIRECTORS OF THE AURORA-COLORADO SPRINGS JOINT WATER AUTHORITY

WHEREAS, the City of Colorado Springs and the City of Aurora are the two members of the Aurora-Colorado Springs Joint Water Authority; and

WHEREAS, the Board of Directors of the Aurora-Colorado Springs Joint Water Authority is made up of three representatives of each city who are appointed by their respective governing bodies and two non-voting members; and

WHEREAS, the term of the City of Colorado Springs seat on the Board of Directors of the Aurora-Colorado Springs Joint Water Authority currently held by Bryan Babcock, System and Field Operations General Manager, will expire on January 14, 2027; and

WHEREAS, Mr. Babcock is seeking re-appointment as a member of the Board of Directors of the Aurora-Colorado Springs Joint Water Authority for a term commencing January 15, 2027 and ending January 14, 2030; and

WHEREAS, the term of the City of Colorado Springs seat on the Board of Directors of the Aurora-Colorado Springs Joint Water Authority currently held by Joseph Rasmussen, Manager, Water, Wastewater, and Gas Infrastructure Planning, will expire on January 14, 2027; and

WHEREAS, Mr. Rasmussen is seeking re-appointment as a member of the Board of Directors of the Aurora-Colorado Springs Joint Water Authority for a term commencing January 15, 2027 and ending January 14, 2030; and

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

Section 1. The Colorado Springs Utilities Board of Directors supports the re-appointment of Mr. Babcock and Mr. Rasmussen to the Board of Directors of the Aurora-Colorado Springs Joint Water Authority.

Section 2. Bryan Babcock and Joseph Rasmussen are hereby re-appointed as members of the Board of Directors of the Aurora-Colorado Springs Joint Water Authority for terms commencing January 15, 2027 and ending January 14, 2030.

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

_____
Dave Donelson, Utilities Board Chair

ATTEST:

_____
Travas Deal, Secretary

Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Somer Mese, Chief Operations Officer
Subject:	A Resolution Recognizing Andy Funchess for his Service to the Customers of Colorado Springs Utilities
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	After providing 25 years of dedicated service to Colorado Springs Utilities, Mr. Andy Funchess, General Manager of Operations, announced his retirement from Colorado Springs Utilities. To recognize Mr. Funchess' leadership, a resolution of appreciation acknowledging his dedicated service is included in the Utilities Board materials for approval.
Benefits:	N/A
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:	N/A

Submitter:	Somer Mese	Email Address:	smese@csu.org
Division:	Operations	Phone Number:	719-668-8624
Department:		Date Submitted:	September 25, 2026
SPG Staff Use Only:	Consent Calendar ☐ Yes ☒ No	Item Number 04	

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

RESOLUTION 26-16

A RESOLUTION RECOGNIZING ANDY FUNCHESS FOR HIS SERVICE TO THE CUSTOMERS OF COLORADO SPRINGS UTILITIES

WHEREAS, Andy Funchess has devoted more than 25 years of distinguished service to Colorado Springs Utilities, contributing extensive leadership expertise in utility operations, water systems, power generation, customer service, and program management; and

WHEREAS, since joining Colorado Springs Utilities in 2001, Mr. Funchess has served in a variety of leadership positions, supporting major customers and economic development initiatives, leading water operations across 11 counties, managing water treatment facilities, and ultimately serving as General Manager of Operations; and

WHEREAS, throughout his career, Mr. Funchess has played a key role in strengthening the safety, reliability, and resilience of utility systems while supporting the delivery of electric, natural gas, water, and wastewater services to the community; and

WHEREAS, Mr. Funchess has been a dedicated champion of employee development, investing in mentoring, succession planning, cross-functional training, and leadership development opportunities that have prepared future generations of utility leaders and technical professionals; and

WHEREAS, as General Manager of Operations, Mr. Funchess provided steady and effective leadership during a period of significant organizational and industry change, helping advance critical capital investments, strengthen plant operations, improve asset management practices, and foster a culture centered on safety, accountability, and continuous improvement; and

WHEREAS, Mr. Funchess played an instrumental role in Colorado Springs Utilities' successful transition into the Southwest Power Pool Regional Transmission Organization, a transformational initiative that enhanced the utility's reliability, resiliency, operational effectiveness, and long-term success; and

WHEREAS, Mr. Funchess has been widely respected for his humility, integrity, professionalism, and genuine concern for others, fostering an environment where employees feel supported, valued, and encouraged to achieve their full potential; and

WHEREAS, Mr. Funchess built meaningful personal connections with employees, genuinely caring for their well-being and that of their families, cultivating lasting friendships, and leading a team whose trust, support, and shared commitment made it feel like family; and

WHEREAS, through more than two decades of dedicated public service, Mr. Funchess has earned the admiration and respect of colleagues, employees, customers, and community members, leaving a legacy of leadership, mentorship, operational excellence, and service that will continue to benefit Colorado Springs Utilities for years to come; and

NOW, THEREFORE, BE IT RESOLVED BY THE COLORADO SPRINGS UTILITIES BOARD: That the Utilities Board proudly recognizes Andy Funchess for more than 25 years of outstanding service and unwavering dedication to Colorado Springs Utilities, its employees, its customers, and the community it serves.

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

By: _____
Dave Donelson, Chair of the Utilities Board

Attest: _____
Travas Deal, Secretary

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

Date: October 21, 2026

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Monitoring Report**
Water Supply Management (I-7)

Desired Action: Monitoring

Compliance: The CEO reports compliance with the instructions.

INSTRUCTIONS			
Category:	**Utilities Board Instructions to the Chief Executive Officer**	Reporting Timeframe:	**September 30, 2025 – August 31, 2026**
Policy Title (Number):	**Water Supply Management (I-7)**	Reviewing Committee:	**Working**
Monitoring Type:	**Internal**		
Monitoring Frequency:	**Annual**		

The Chief Executive Officer shall direct that new and existing water resources and systems are aggressively developed, protected and optimized to maintain and enhance water system sustainability and responsibly balance costs and risks to reliably meet the needs of current and future customers. Accordingly, the CEO shall:

1. *Defend Colorado Springs Utilities' water rights against claims and filings by others if these would in any way injure, hinder, or decrease Colorado Springs' current or future yield or use.*

Colorado Springs Utilities protects Colorado Springs' existing water resources vigorously against claims and filings by others by filing statements of opposition to water rights claims made in Colorado water courts that have the potential to impede, infringe upon, or decrease the yield from Colorado Springs' decreed water rights. As of August 31, 2026, Springs Utilities is involved in 19 statement of opposition cases.

2. *Conduct periodic evaluations of Colorado Springs Utilities' existing decreed water rights and take legal and administrative actions necessary to optimize the water system.*

Springs Utilities has maintained the conditional Sugarloaf water rights since acquiring them as part of a larger water rights package in 1984. On May 26, 2026, Colorado Springs City Council voted to abandon these conditional rights because of physical, legal, and regulatory challenges and because the de minimus benefit to the overall water system.

Springs Utilities' staff engaged in the following activities to protect and optimize existing water resources during the reporting period:

A. Participation in water court actions related to the protection and development of water rights.

As of August 31, 2026, Springs Utilities is a party in 29 water rights cases, consisting of four application cases, six diligence cases, and 19 statement of opposition cases.

During the reporting period, Springs Utilities filed two applications for findings of reasonable diligence with regard to certain conditional water rights owned by Utilities and its partners, and/or to make portions of the conditional water rights absolute while maintaining the remaining conditional portions of those rights during the reporting period. Both diligence filings support ongoing efforts to perfect exchange rights, the first for Fountain Mutual Irrigation Company and Chilcott Ditch Company shares, and the second for Colorado Canal Company shares. Both applications are pending.

B. Development of conditional water rights.

Springs Utilities' staff is actively pursuing development of its remaining conditional water rights located on the Western Slope of Colorado. The primary means of protecting and developing these water rights is to complete the permitting and construction of the infrastructure needed to divert the water and put it to beneficial use. Two systems in the Colorado River Basin have existing water rights and undeveloped supplies:

i. Continental-Hoosier System - Staff has continued working on permitting a project to fully utilize the rights available under the Continental-Hoosier System and is conducting planning studies, engineering, legal analysis, design and pre-permitting, including meeting with the appropriate permitting agencies to develop full and complete applications for the project that comply with federal, state and local requirements for the development of these water rights and supply. Pursuant to the executed Blue River Memorandum of Understanding 2024 with several west slope parties, staff is working toward a decree in Case No. 24CW3116 regarding Lower Blue Reservoir storage rights.

ii. Eagle River MOU Project - Staff participated in partnership discussions consistent with the planning phase of the project to continue to diligently

preserve these water rights and supply. Staff provided subject matter expertise in water court cases to protect these water rights.

C. Development of additional water supplies.

i. Springs Utilities' staff continues to perform engineering and legal work that facilitates the use of the water rights associated with:
    1. 2,500 shares in the Lower Arkansas Water Management Association (LAWMA). The LAWMA shares will provide Springs Utilities approximately 2,500 acre-feet of water in alternating years.
    2. 3,292 shares in the Fort Lyon Canal Company (FLCC). The FLCC shares will provide Springs Utilities approximately 3,300 acre-feet of water annually.

ii. Springs Utilities has taken significant steps to complete the acquisition of shares in the Las Animas Consolidated Water Sharing Company which will provide approximately 3,500 acre-feet of water annually.

iii. Springs Utilities is pursuing successful completion of permitting an enlargement at Montgomery Reservoir in the Continental-Hoosier System which is expected to increase the average annual yield from that system by 4,000 acre-feet.

iv. Springs Utilities' staff continue to evaluate and pursue opportunities to acquire additional water supplies and participate in storage projects in the Arkansas, Colorado, and South Platte River Basins.
    1. Springs Utilities' participation in the John Martin Reservoir Multi-Purpose Account Pilot Project allows Springs Utilities to temporarily store certain water supplies in John Martin prior to exchange upstream. The Pilot Project is an agreement between the states of Colorado and Kansas which allows certain water sources to be stored temporarily after review and administrative approval from the Arkansas River Compact Administration. The two states agreed to implement the Pilot Program through March 31, 2028. However, storage permanency for Springs Utilities in John Martin remains uncertain, and Springs Utilities continues to evaluate alternatives.

    2. Staff and consultants are evaluating the feasibility of constructing a 5,000-acre-foot reservoir near Las Animas on Colorado Springs Utilities' owned property. The storage feasibility study will identify any fatal flaws related to constructability and evaluate three, high level alternative designs with class five cost estimates. The purpose of this future reservoir is to store Springs Utilities' lower

Arkansas River water (particularly water derived from its Fort Lyon Canal shares) prior to exchange upstream for subsequent delivery to Springs Utilities' distribution system.

3. This also includes participation in the newly formed Recovery of Yield ("ROY") Water Authority, which is a collaborative effort between the Southeastern Colorado Water Conservancy District, the City of Fountain, Pueblo Water, Pueblo West Metropolitan District, Aurora Water, and Springs Utilities. Its purpose is to develop multi-beneficial water storage projects in the Arkansas River basin with oversight from its board of directors comprised of representatives from the participating entities.

D. Development and use of Springs Utilities' exchange program.

Springs Utilities also operated its exchange program, which allows Springs Utilities to maximize the use of its reusable return flows by exchanging them for a like amount of water stored or diverted upstream of where the return flows accrue to the Arkansas River System (e.g., reusable return flows that accrue to the Arkansas River at its confluence with Fountain Creek can be exchanged or traded upstream for a like amount of water stored in Pueblo Reservoir). The exchange program currently yields approximately 32,900 acre-feet of water annually by maintaining dominion and control of all reusable return flows.

E. Participation in regional, state, and national programs, work groups and activities that may affect Colorado Springs' water resources.

Springs Utilities' staff attended, monitored, and regularly participated in meetings and activities of regional, statewide, and national interest concerning policies, regulations, and activities that may affect Colorado Springs' water resources.

Regional activities include ongoing discussions and coordination with regional water districts and other entities regarding potential service contracts. Statewide and national activities include negotiations with large water providers and other interested parties regarding water and watershed projects and administration and monitoring of water issues on regional and national levels. Examples include participation by staff on the Arkansas, Colorado and South Platte River Basin Round Tables, the Metro Round Table, the Inter-Basin Compact Committee, the Front Range Water Council, Upper Colorado River Endangered Fish Recovery Program, Upper Colorado River Wild & Scenic Alternative Management Plan, and the Arkansas Basin Regional Resource Planning Group.

Other examples include staff's participation in activities related to: (1) Interstate and intrastate negotiations relating to compliance with the Colorado River Compact and related agreements, (2) addressing issues related to Perfluorinated Compounds in

regional water supplies, and (3) proposed legislation that could impact Springs Utilities' water supply development and operations.

Springs Utilities' staff is also actively engaged in the Water Court proceedings for the Shoshone Water Rights change of use application by the Colorado River Water Conservation District. Springs Utilities and other Front Range water providers support the project but are engaged to ensure the continued use of Shoshone water rights is consistent with historical uses.

3. *Provide a reliable water supply to existing and future customers, including requests for regional service contracts and annexations, by planning for, developing, and managing water resources and infrastructure in accordance with City Code section 12.4.305 and the Integrated Water Resource Plan as updated from time to time.*

Springs Utilities' staff continually monitors stream flow, water demand and water system storage to ensure maximization of available water supply. As of July 31, 2026, Springs Utilities has more than two years and seven months of unrestricted water demand in storage. Springs Utilities has maintained more than one year of customer demand in storage since 1992. In addition, it has achieved 90% reliability for maintaining a minimum of 1.5 years of demand in storage during this period, with storage only dropping below 1.5 years of demand in three of the 30 years. Colorado Springs was under mandatory watering restrictions in five years (2002-2005, and 2013) during this 30-year period to respond to and recover from drought and low storage conditions. To promote water-wise watering practices, Springs Utilities has permanent three-day a week watering restrictions.

In recognition of the extremely poor snowpack in late 2025 through early 2026, Colorado Springs enacted increased drought response measures by formally declaring the *Water Shortage Preparation* stage of the Water Shortage Ordinance on March 18, 2026. Although water system storage is not expected to fall below 1.5 years of demand in storage during the next reporting period, Springs Utilities continues to evaluate and plan for implementation of drought response measures in 2026-2027 and beyond based on the water outlook conditions that may exist in future years.

4. *Utilize Springs Utilities' dedicated water acquisition account to fund expenditures that enable timely acquisitions and participation in supply projects that increase raw water system yield.*

5. *Plan for and implement water efficiency and demand management measures to support and enhance water system reliability.*

In compliance with all Colorado Water Conservation Board (CWCB) guidelines, Springs Utilities filed an updated Water Efficiency Plan (WEP) which the CWCB approved in 2023. Water efficiency and demand management programs implemented by Springs Utilities are designed to enhance water system reliability, stretch available supplies, and are critical to the careful stewardship of water in our community, state and region.

To reach the goal of 8,000 – 10,000 acre-feet of water savings defined in the Integrated Water Resource Plan (IWRP), Springs Utilities must continue to address inefficient use and reduce demands through comprehensive conservation programming. Springs Utilities' 2023 WEP is designed to reduce residential and systemwide usage rates by 2.5% and the identified programs could provide an estimated 2,191 acre-feet of water savings by 2030.

In 2023, Springs Utilities completed a water conservation study looking at the possibilities for water conservation 25 years into the future. This study demonstrated that while in the last 25 years Springs Utilities cut use more than 22,000 acre-feet, in the next 25 years we can only expect to gain approximately 8,000 acre-feet of additional savings.

Springs Utilities is currently developing strategies, conservation pricing and policies to continue to maximize savings and water efficiency as we grow. Integrating land and water use in our conservation efforts allows us to better determine and shape future water demands while incentivizing growth designed to support economic vitality and the livability of our community. All of these efforts ensure the careful stewardship of our water resources.

Pursuant to City Code §§ 12.4.1301-12.4.1316 (Water Shortage), Springs Utilities has the authority to systematically manage water demand and conserve Colorado Springs' water supply through water waste prohibitions that are always in place (called Water-Wise Rules), and mandatory watering restrictions during water shortage.

6. *Use Denver Basin groundwater in Springs Utilities' exclusive water service territory only for emergency supplemental supply, limited non-potable uses, aquifer storage and recovery, or periodic exercising of groundwater infrastructure for operation and maintenance purposes. In all cases development of the Dawson Aquifer is prohibited.*

Springs Utilities does not allow the use of Denver Basin groundwater in its exclusive water service territory for purposes that violate this instruction, except for instances when specifically directed to do so by the Utilities Board and/or City Council. During the reporting period, Springs Utilities operated two Denver Basin wells on a limited basis for non-potable irrigation and provided for the use of five additional customer owned and operated wells for non-potable water purposes through its groundwater augmentation program.

Springs Utilities legally controls a majority of the Dawson Aquifer groundwater within its exclusive water service territory. Springs Utilities has not developed or allowed development of groundwater that it controls in the Dawson Aquifer within the exclusive water service territory. There are some historical Dawson Aquifer wells on land previously annexed into the exclusive water service territory. Many of these wells are not subject to the control of Springs Utilities and the owners are legally entitled to continue operating the wells under existing well permits, decreed water rights, or both, to provide limited private

water service.

7. *Not reserve Springs Utilities' water supplies, infrastructure or capacity for any person, organization, property or development regardless of whether that entity is inside or outside the city limits or Springs Utilities' exclusive water service territory, except that the Utilities Board may evaluate and approve such a reservation to ensure that Springs Utilities can meet the reasonably anticipated water and wastewater demands of the Pikes Peak Region's military installations on a case by case basis.*

Springs Utilities has not reserved water supply, water and wastewater infrastructure, or water and wastewater capacity for any person, organization, property or development during this reporting period. Springs Utilities provides water service on a "first-come, first-serve" basis within City limits pursuant to City Code § 12.4.1001 (Denver Basin Groundwater). Springs Utilities only provides water and wastewater service pursuant to City Code §§ 12.1.116, 12.4.301-12.4.305, and 12.5.301-12.5.305.

8. *All regional service contracts must be approved by the Utilities Board and City Council. Springs Utilities may deny any service request, modify the type of service to be provided, request mitigation to offset water system impacts and risks or impose terms and conditions on the provision of service necessary to offset impacts and risks.*

Springs Utilities has not entered into any special contracts for water-related services that are inconsistent with this instruction during the reporting period. During this reporting period, Springs Utilities entered one special water contract and three special wastewater contracts. The special water service contract is with Cheyenne Mountain Space Force Station for Augmentation Water Service over a 25-year term. Springs Utilities entered into two special wastewater contracts in support of the North Monument Creek Interceptor (NMCI) project with Forest Lakes Metropolitan District and Triview Metropolitan District. Finally, Springs Utilities entered into a new special wastewater contract with Garden Valley Water and Sanitation District to continue to provide wastewater services. These contracts provide a benefit to Springs Utilities' ratepayers and citizen owners, contain terms and conditions consistent with this instruction, and received final approval from City Council.

Springs Utilities is continuing to monitor its existing special contracts and is evaluating the potential of providing regional water or wastewater services for a number of existing municipalities, existing special districts, new special districts, and enclaves. The requests for service have included standby water service; convey, treat, and deliver water service; and full service wastewater service. Any contracts resulting from these discussions will ensure benefit to Springs Utilities' ratepayers and citizen owners, contain terms and conditions consistent with this instruction, and will require approval from City Council.

Springs Utilities also entered into 15 separate but similar temporary surplus water lease agreements under which the lessees can use water available under certain shares of the FLCC, Colorado Canal Company and/or fully consumable reusable return flows for various

uses including well augmentation and agricultural irrigation during the reporting period. Total supplies that are subject to those leases is equal to approximately 11,800 acre-feet.

9. *Consistent with Board Instruction I-5 (Economic Development), City Council may determine that water and wastewater services provided in accordance with a Special Contract is for an economic development purpose and may be provided for a term of up to, and not to exceed, 99-years if Council determines that the provision of such service satisfies the following criteria:*
    A. *Includes only the use of Utilities' infrastructure and not the delivery of Colorado Springs' water;*
    B. *Optimizes existing and planned Springs Utilities' water and wastewater infrastructure;*
    C. *Grows the customer base by providing wholesale service to qualifying entities;*
    D. *Assures a positive rate impact to citizens; and*
    E. *Fosters partnerships with water and wastewater providers in the region to promote the efficient use and reuse of water and safe and effective wastewater treatment.*

    Notwithstanding the foregoing, such Special Contracts may provide Colorado Springs' water in the event of an emergency and still satisfy the criteria above.

The Utilities Board approved language for Springs Utilities to enter into agreements of up to 99-years for regional water and wastewater agreements tied to economic development purposes and using Springs Utilities infrastructure only in March 2025. Since the language has been approved, Springs Utilities has entered into two wastewater service agreements for 99-years; one with Forest Lakes and one with Triview. Both Forest Lakes and Triview will receive wastewater treatment service once the NMCI Project is complete.

Colorado Springs Utilities
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Date: October 21, 2026

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Compliance Report Treatment of Staff (I-10)**

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 – June 30, 2026**
Policy Title (Number):	**Treatment of Staff (I-10)**	Reviewing Committee:	**Working Committee**
Monitoring Type:	**Internal**	Monitoring Frequency:	**Annual**

The Chief Executive Officer shall direct that working conditions for paid and volunteer staff are fair, dignified, and respectful. Accordingly, the CEO shall:

1. *Adhere to all discrimination, harassment and retaliation laws, policies and procedures.*

   As stated in the Personnel Policies Manual, Colorado Springs Utilities will not tolerate any form of unlawful discrimination or harassment and seeks to establish a collaborative and productive work environment free from unlawful discrimination and harassment. Colorado Springs Utilities has an Open Door Policy and a formal complaint process which it has adhered to during this reporting period.

2. *Operate with a written personnel policy manual that clarifies personnel rules for employees and promulgate the personnel policy manual with an employee notification and comment procedure before any changes are made unless proposed changes are required immediately based on Federal, State or local laws or other exigent circumstances.*

   Colorado Springs Utilities promulgated and formally notified all employees of potential changes to the Personnel Policy Manual (PPM) in accordance with the PPM

Promulgation Process. The PPM was promulgated Nov. 7, 2025 – Nov. 21, 2025, and approved effective Dec. 19, 2025.

3. *Provide employees access to all organizational policies and procedures.*

   The Personnel Policy Manual (PPM) is posted on the intranet, which is accessible to all employees. A copy of the PPM may be printed by any employee. All new employees receive information on how to access the PPM during new employee orientation and sign an acknowledgment form.

4. *Operate with a written affirmative action plan, as required by law.*

   Colorado Springs Utilities is a covered federal contractor or subcontractor subject to the requirements of the Vietnam Era Veterans Readjustment Assistance Act, 38 U.S.C. § 4212 (§ 4212), as amended, and § 503 of the Rehabilitation Act of 1973, as amended. Colorado Springs Utilities has an Affirmative Action Plan for protected veterans and individuals with disabilities.

5. *Periodically, not to exceed five years, assess the organizational climate issues using statistical sampling and a sound, validated procedure; and develop and implement an action plan.*

   Colorado Springs Utilities conducted an employee climate survey in 2024. Organizational action plans were created from the results of the 2024 climate survey and implementation of the action plans began in Q1 2025. A pulse survey was conducted in Q3 2026, with results reported in the same quarter.

Colorado Springs Utilities
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Date: October 21, 2026

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Monitoring Report Compensation and Benefits (I-11)**

Desired Action: Monitoring

Compliance: The CEO reports compliance with the instructions.

INSTRUCTIONS			
Category:	**Utilities Board Instructions to the Chief Executive Officer**	Reporting Timeframe:	**September 1, 2025 – August 31, 2026**
Policy Title (Number):	**Compensation and Benefits (I-11)**	Reviewing Committee:	**Working Committee**
Monitoring Type:	**Internal**		
Monitoring Frequency:	**Annual**		

The Chief Executive Officer shall direct that employee compensation plans address individual accountability, reward for job performance, encourage organizational flexibility and responsiveness and are consistent with the geographic and professional markets for the job duties performed. Accordingly, the CEO shall:

1. *Communicate an administrative procedure to employees which allows them to appeal the methodologies followed that result in the annual salary and benefits proposed for the upcoming year.*

   In conjunction with the proposed 2026 budget presentation, employees were notified of the proposed salary and benefits in an annual wage and benefits memo. This memo included a specific salary and benefits appeal process. There were no appeals submitted during this reporting period.

2. *Develop executive compensation plans that are consistent with professional markets and include:*

    A. *Data sources that include similar local, regional and national utilities of comparable size and annual revenue.*

    B. *Multi-service utilities.*

    C. *An appropriate balance of public and private organizations.*

    D. *A mix of available custom survey data and published survey sources.*

    No new executive compensation plans were developed during this reporting period.

3. *Provide severance to Officers and General Managers in the event of involuntary separation without cause in accordance with approved Utilities Board guidelines and at the discretion of the Chief Executive Officer in accordance with the At-Will Senior Management Severance Guidelines.*

    Severance was not provided during this reporting period.

4. *Provide severance to any other employees only with Utilities Board Approval.*

    Severance was not provided during this reporting period.

Colorado Springs Utilities
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Date: October 21, 2026

To: Utilities Board

From: Travas Deal, Chief Executive Officer

Subject: **Excellence in Governance Compliance Report**
Chief Executive Officer Responsibilities (E-2.8)
Emergency Chief Executive Officer Succession

Desired Action: Monitoring

Compliance: The CEO reports compliance with the instructions.

INSTRUCTIONS			
Category:	**Utilities Board/Chief Executive Officer Partnership Expectations**	Reporting Timeframe:	**2026 Calendar Year**
Policy Title (Number):	**Chief Executive Officer Responsibilities (E-2.8)**	Monitoring Frequency:	**Annually**
Monitoring Type:	**Internal**		

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.

E-2 Chief Executive Officer Responsibilities

8. *The Chief Executive Officer protects the Utilities Board from a sudden loss of the Chief Executive Officer's services by having at least two Officer emergency successors familiar with current issues and business procedures; by traveling with only one of the designated emergency successors and by allowing no more than three Officers to travel together.*

   The designated Officer emergency successors are:
   The Chief Operations Officer
   The Chief Planning and Financial Officer

   All travel has been arranged in accordance with policy.

Colorado Springs Utilities
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Date: October 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.

Electric Cost Adjustment (ECA)
On September 22, 2026, City Council approved the ECA rate of $0.0211 per kWh effective October 1, 2026. As of August 31, 2026, the ECA over collection balance was $16.3 million. The over collection balance changed by $1.2 million from the $17.5 million over collection balance reported as of July 31, 2026. Colorado Springs Utilities will continue to provide regular updates to the Utilities Board as appropriate.

Gas Cost Adjustment (GCA)
On March 24, 2026, City Council approved the GCA rate of $0.1994 per Ccf effective April 1, 2026. As of August 31, 2026, the GCA over collection balance was $16 million. The over collection balance changed by $0.2 million from the $15.8 million over collection balance reported as of July 31, 2026. Colorado Springs Utilities will continue to provide regular updates to the Utilities Board as appropriate.

Water Outlook
September 2026 Water Outlook: Data as of September 30, 2026

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

Water Demands: September water use averaged 87.5 million gallons per day (MGD), which was about 12% more than last September. Year-to-date water use averaged 19.18 billion gallons (BG), which was about 1.75 billion gallons more than 2025. Total system storage is currently at 61% of capacity, equating to approximately 2.2 years of demand in

storage, based on the past three years of demand. Local storage currently holds enough water to meet approximately 193 days of demand, based on average usage.

Climate Summary: Temperatures in September were above average at 67.8 degrees Fahrenheit. Total precipitation for September was 1.05 inches, which is below normal.

Current Reservoir Levels: Local storage is currently at about 35,721 acre-feet (54.2% of capacity). The 1991-2020 average is 66% of capacity. Rampart Reservoir is at 62% of capacity, and Pikes Peak storage is at 39% of capacity. System wide, total storage is about 159,300 acre-feet (61.1% of capacity). Last year at this time, total system wide storage was 80.6% of capacity. It was about 82.2% at this same time in 2024, about 73% of capacity in 2022, about 71% of capacity in 2021, and about 80% of capacity in 2020. The 1991-2020 normal system wide storage for the end of September is 66.9% 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, 6% of the state is currently free from drought conditions, a 37-percentage point decline since this time last 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 December 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 above normal precipitation across most of the state.

Operational Notes: Mason Reservoir capacity remains restricted for maintenance.

Colorado Springs Utilities
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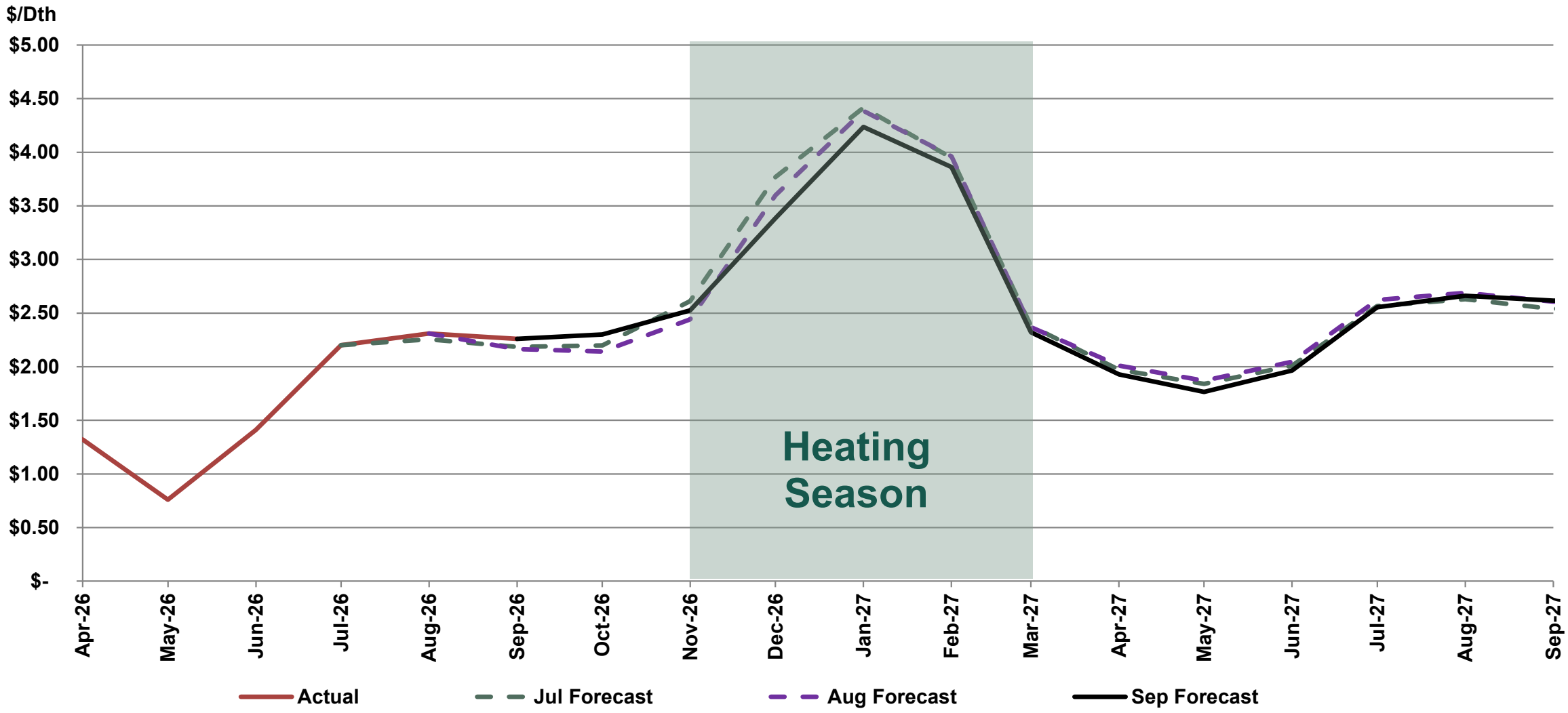
Electric Cost Adjustment
Gas Cost Adjustment

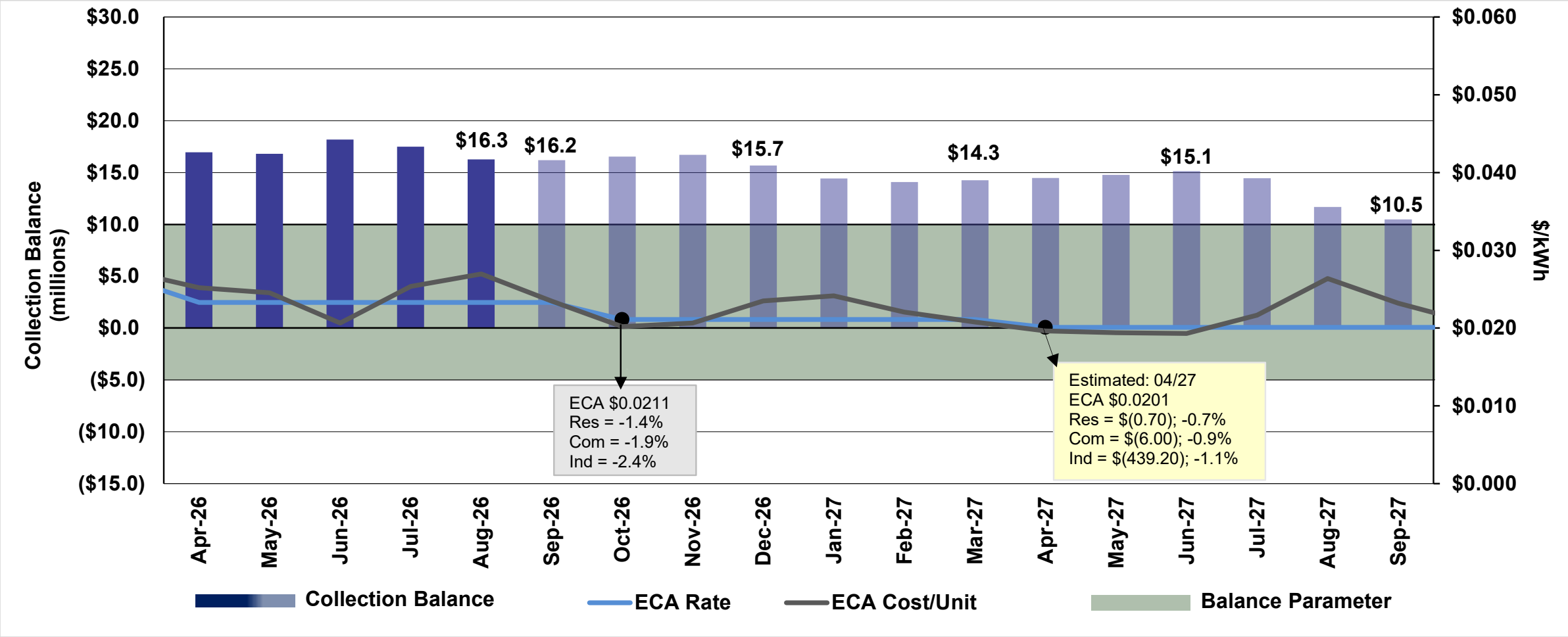
Scott Shirola, Pricing and Rates Manager

October 21, 2026

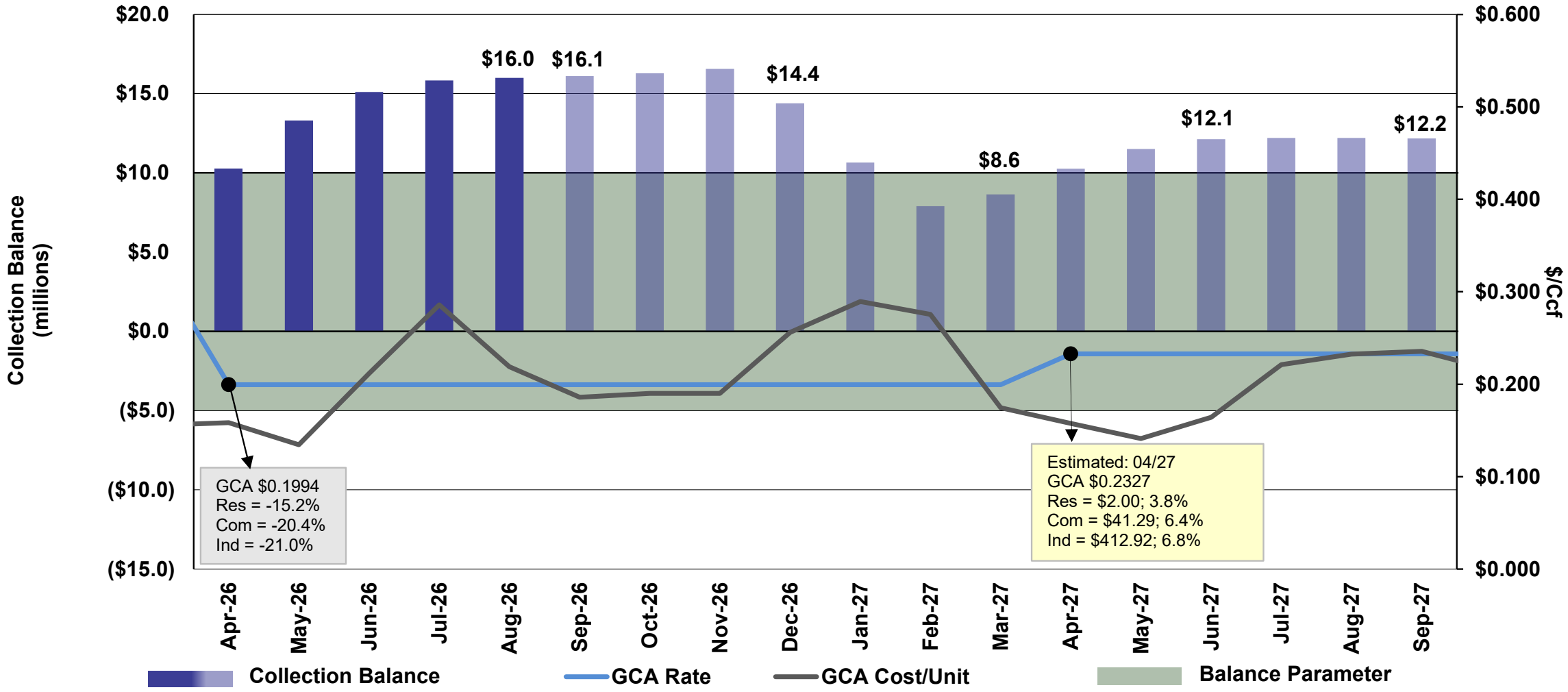
Natural Gas Prices as of September 1, 2026



ECA Projections September 2026



GCA Projections September 2026



Colorado Springs Utilities

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Water Outlook

Justin Zeisler, P.E.
Supervisor, Water Resource Planning

October 21, 2026

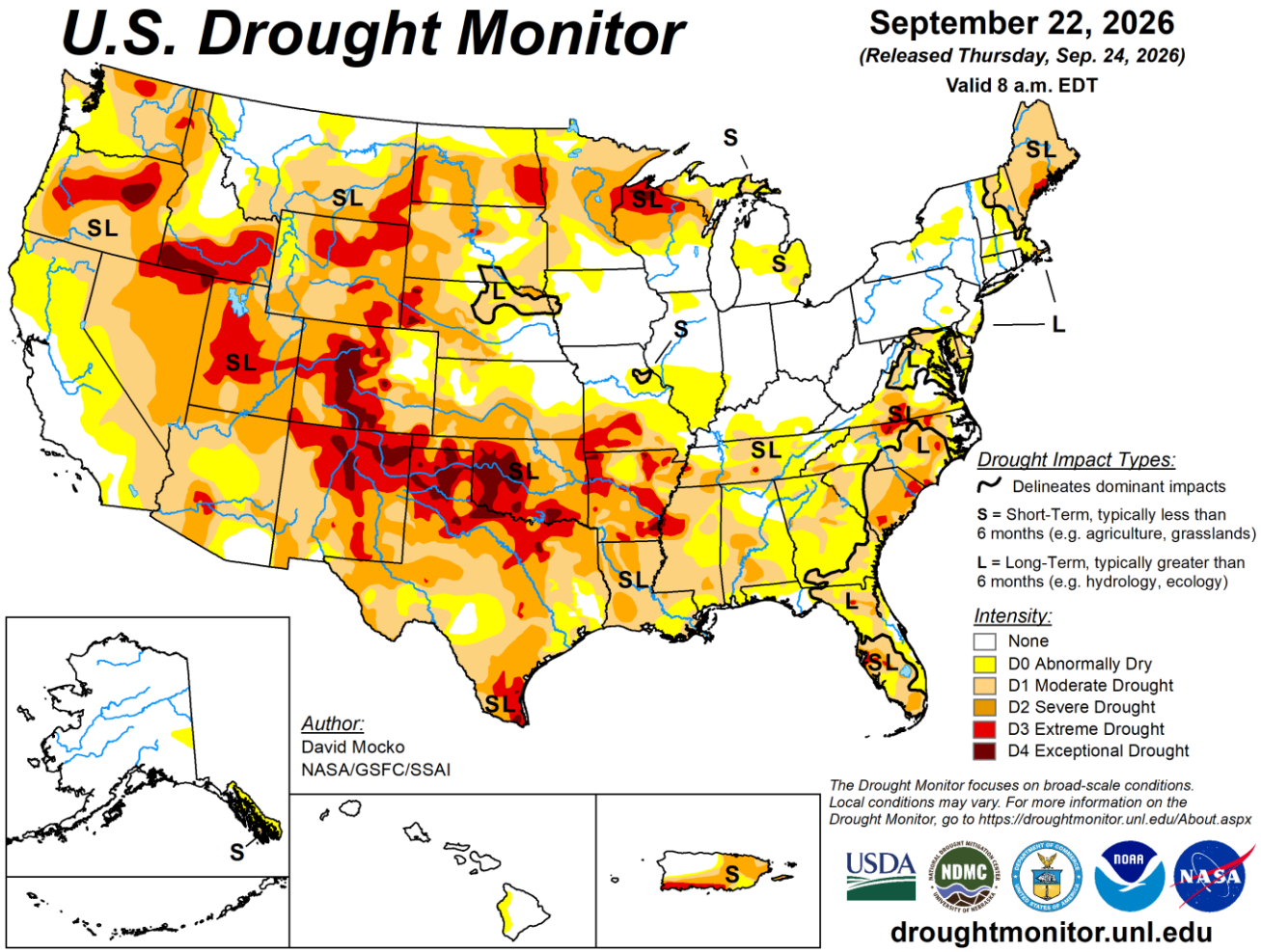
Local Weather Conditions as of September 30, 2026

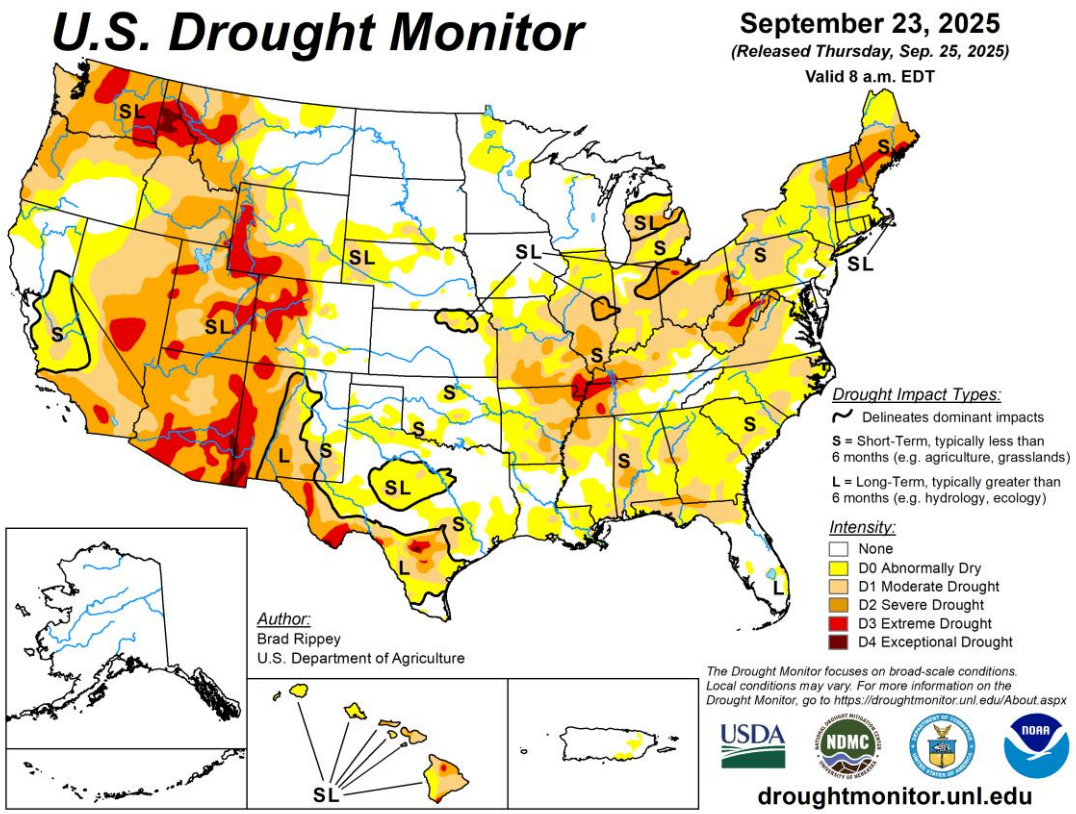
Precipitation (Inches of Moisture)

- September 2026 – 1.05 in. (78% of normal)
- 2026 YTD Total – 8.27 in. (57% of normal)

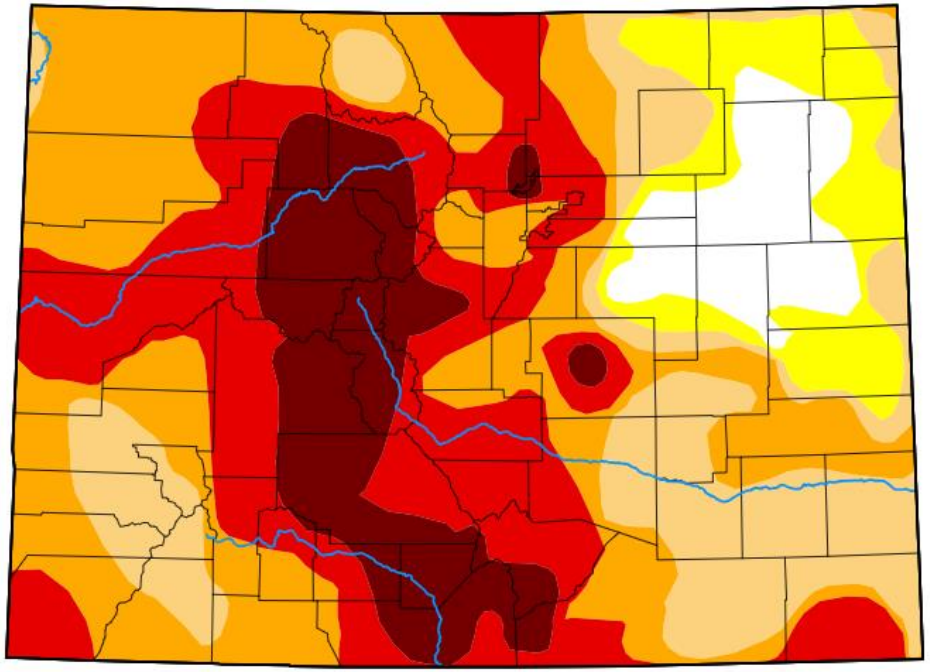
Average Temperature

- September 2026 – 67.8 °F (4.7 °F above normal)
- 2026 YTD Average – 57.5 °F (3.7 °F above normal)


U.S. Drought Monitor
September 22, 2026
(Released Thursday, Sep. 24, 2026)
Valid 8 a.m. EDT
Drought Impact Types:
Delineates dominant impacts
S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)
Intensity:
None
D0 Abnormally Dry
D1 Moderate Drought
D2 Severe Drought
D3 Extreme Drought
D4 Exceptional Drought
Author:
David Mocko
NASA/GSFC/SSAI
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to https://droughtmonitor.unl.edu/About.aspx
USDA
NDMC
NOAA
NASA
droughtmonitor.unl.edu


U.S. Drought Monitor
September 23, 2025
(Released Thursday, Sep. 25, 2025)
Valid 8 a.m. EDT
Drought Impact Types:
Delineates dominant impacts
S = Short-Term, typically less than 6 months (e.g. agriculture, grasslands)
L = Long-Term, typically greater than 6 months (e.g. hydrology, ecology)
Intensity:
None
D0 Abnormally Dry
D1 Moderate Drought
D2 Severe Drought
D3 Extreme Drought
D4 Exceptional Drought
Author:
Brad Rippey
U.S. Department of Agriculture
The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to https://droughtmonitor.unl.edu/About.aspx
USDA
NDMC
NOAA
droughtmonitor.unl.edu

Colorado



Map released: Thurs. September 24, 2026

Data valid: September 22, 2026 at 8 a.m. EDT

Intensity

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

Authors

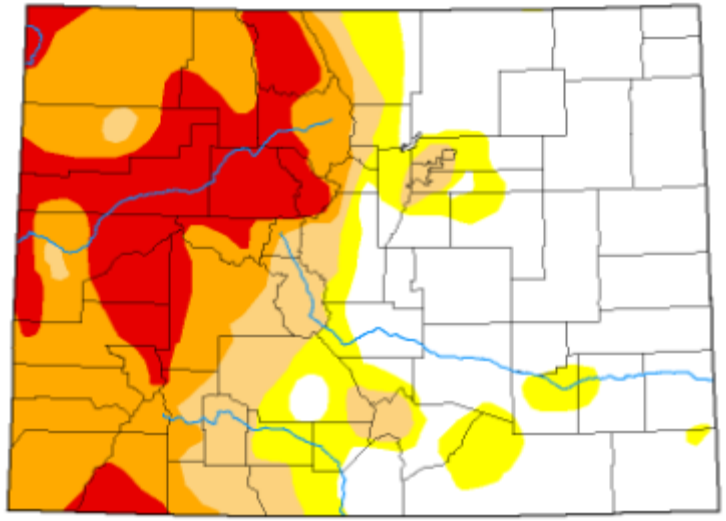
United States and Puerto Rico Author(s):

David Mocko, NASA/GSFC/SSAI

Pacific Islands and Virgin Islands Author(s):

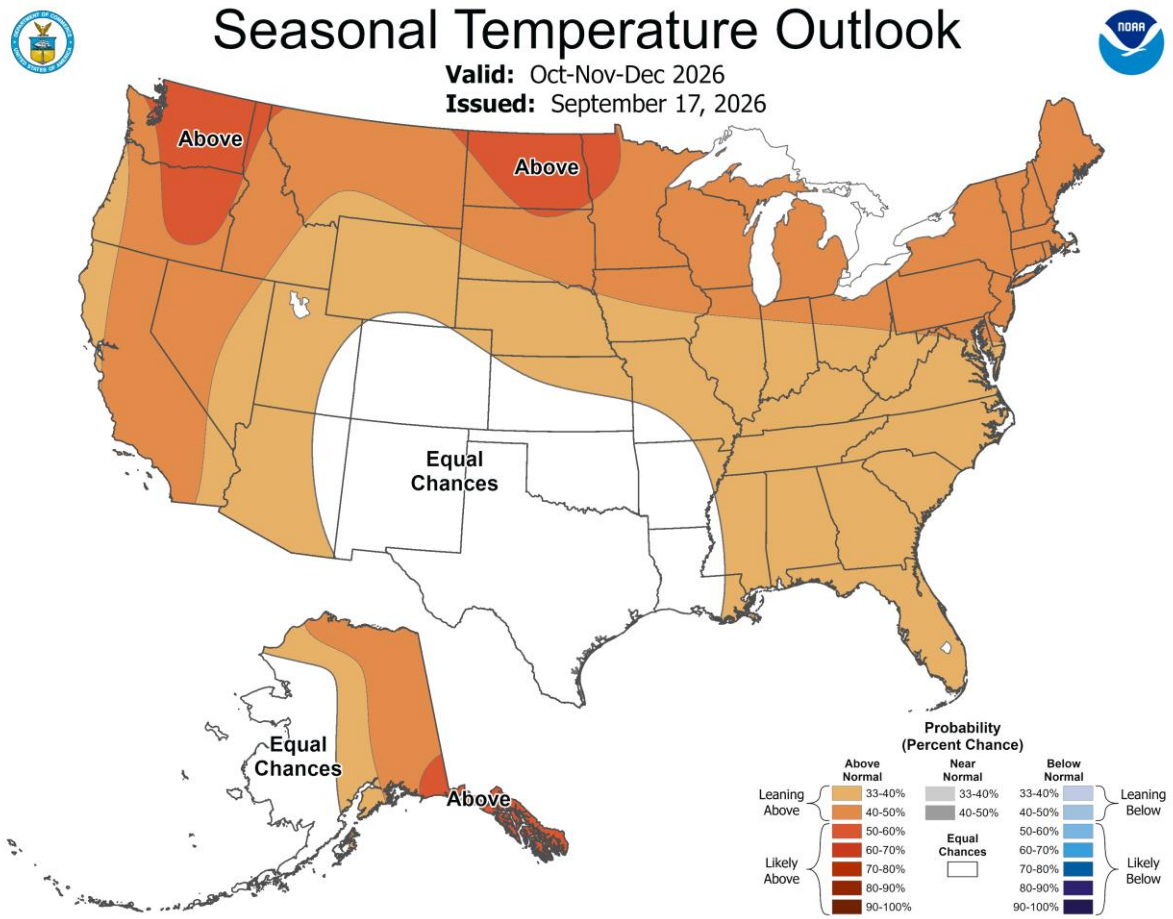
Lindsay Johnson, National Drought Mitigation Cent

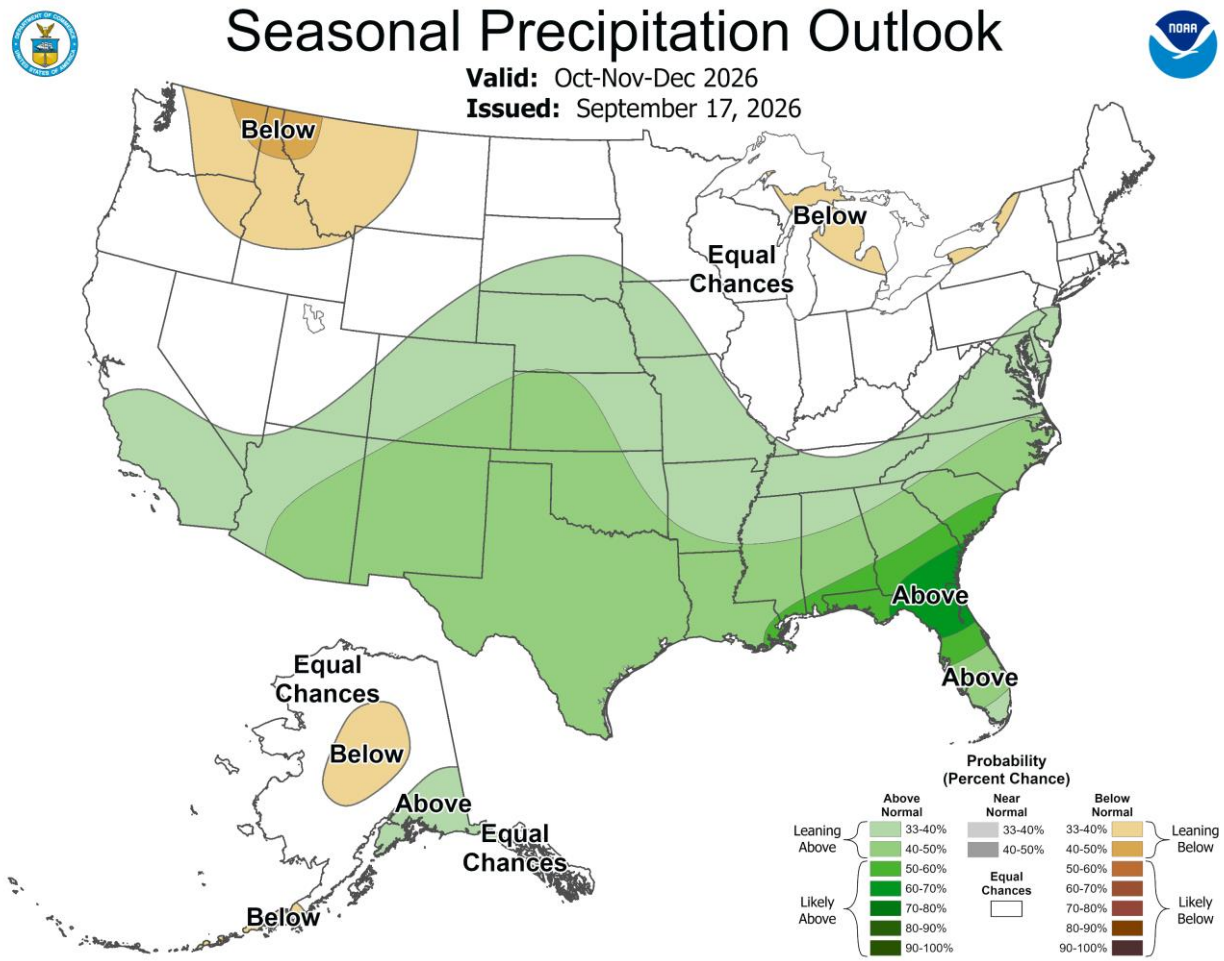
September 2025



Seasonal Outlook

Climate Prediction Center

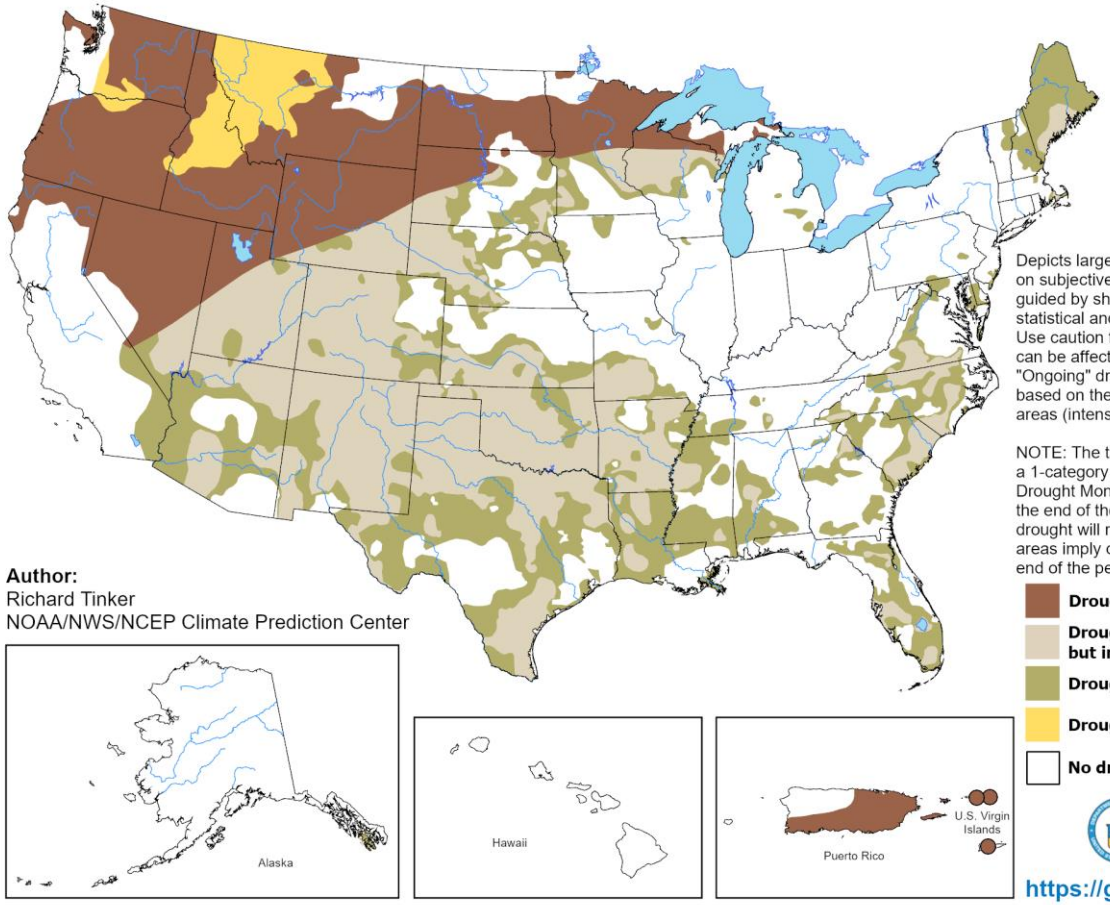




U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period

Valid for September 17 - December 31, 2026
Released September 17, 2026



Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

- **Drought persists**
- **Drought remains, but improves**
- **Drought removal likely**
- **Drought development likely**
- **No drought**

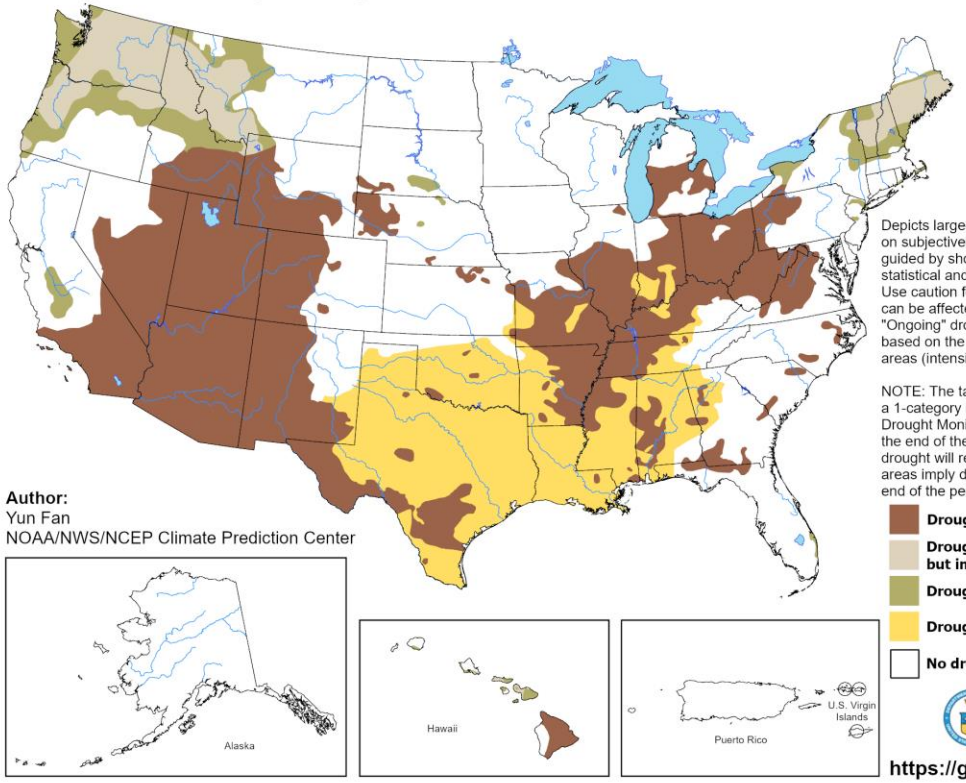
Author:
Richard Tinker
NOAA/NWS/NCEP Climate Prediction Center

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

U.S. Seasonal Drought Outlook

Drought Tendency During the Valid Period

Valid for September 18 - December 31, 2025
Released September 18, 2025



Depicts large-scale trends based on subjectively derived probabilities guided by short- and long-range statistical and dynamical forecasts. Use caution for applications that can be affected by short lived events. "Ongoing" drought areas are based on the U.S. Drought Monitor areas (intensities of D1 to D4).

NOTE: The tan areas imply at least a 1-category improvement in the Drought Monitor intensity levels by the end of the period, although drought will remain. The green areas imply drought removal by the end of the period (D0 or none).

- **Drought persists**
- **Drought remains, but improves**
- **Drought removal likely**
- **Drought development likely**
- **No drought**

Author:
Yun Fan
NOAA/NWS/NCEP Climate Prediction Center

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

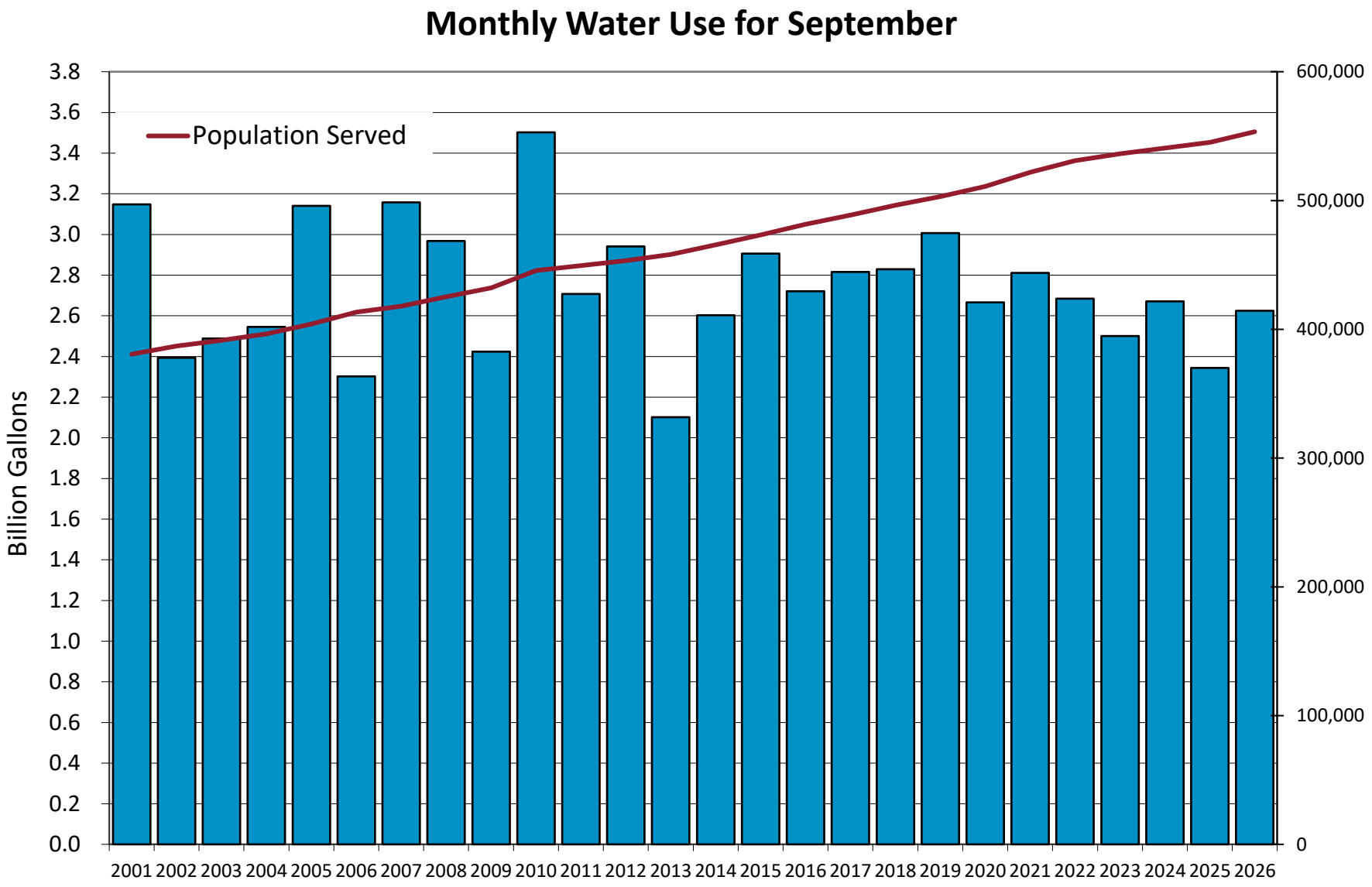
2026 Demands

September 2026

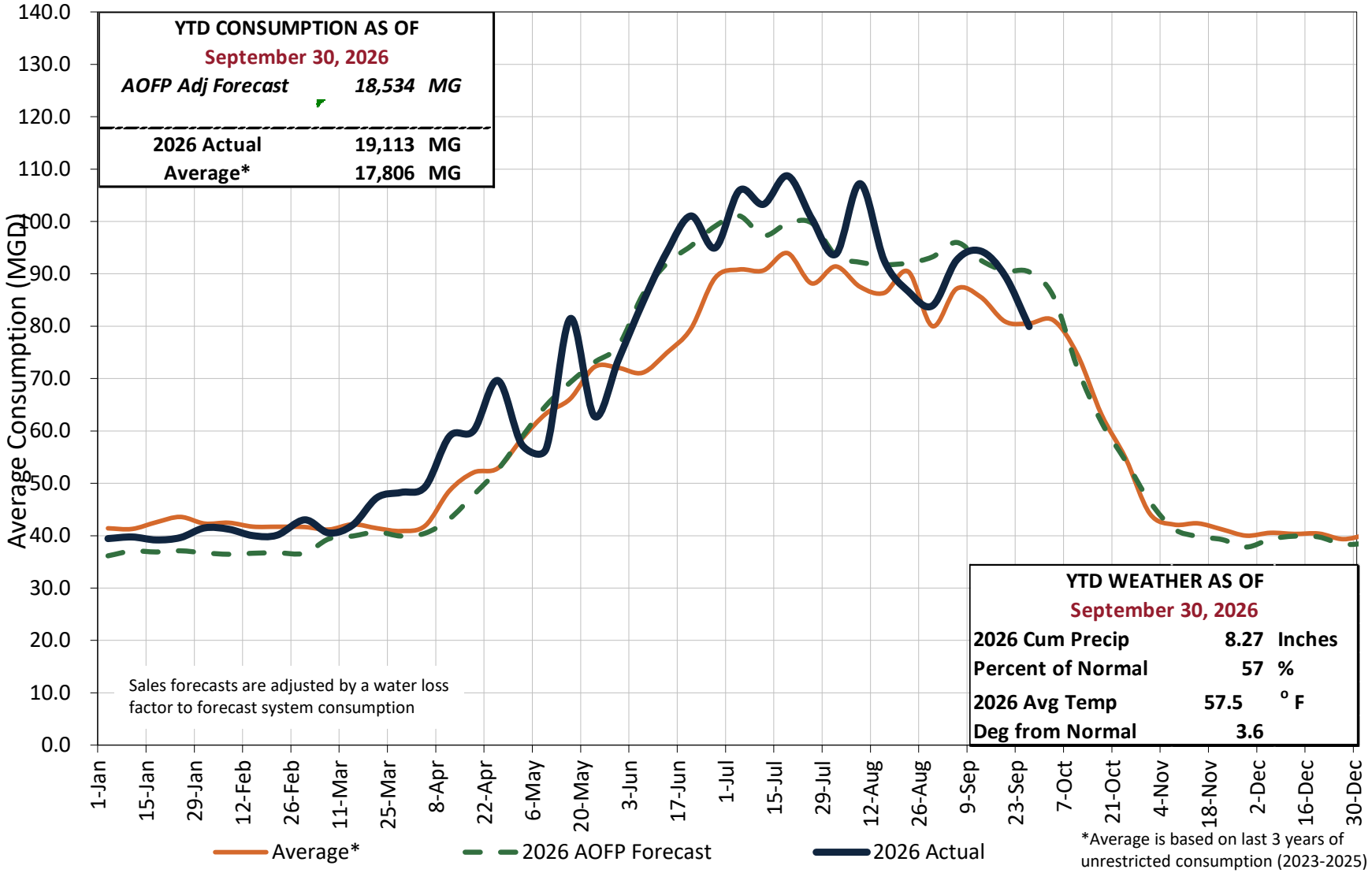
- Averaged 87.5 MGD
- 12% more than September 2025

2026 Year to Date through September 30

- Averaging 70 MGD, 19.18 BG total
  - 10% higher compared to the same time in 2025
  - 1.75 Billion Gallons more than 2025


Monthly Water Use for September
Population Served
Billion Gallons
3.8
3.6
3.4
3.2
3.0
2.8
2.6
2.4
2.2
2.0
1.8
1.6
1.4
1.2
1.0
0.8
0.6
0.4
0.2
0.0
600,000
500,000
400,000
300,000
200,000
100,000
0
2001 2002 2003 2004 2005 2006 2007 2008 2009 2010 2011 2012 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022 2023 2024 2025 2026

2026 Actual Consumption (Weekly Data)



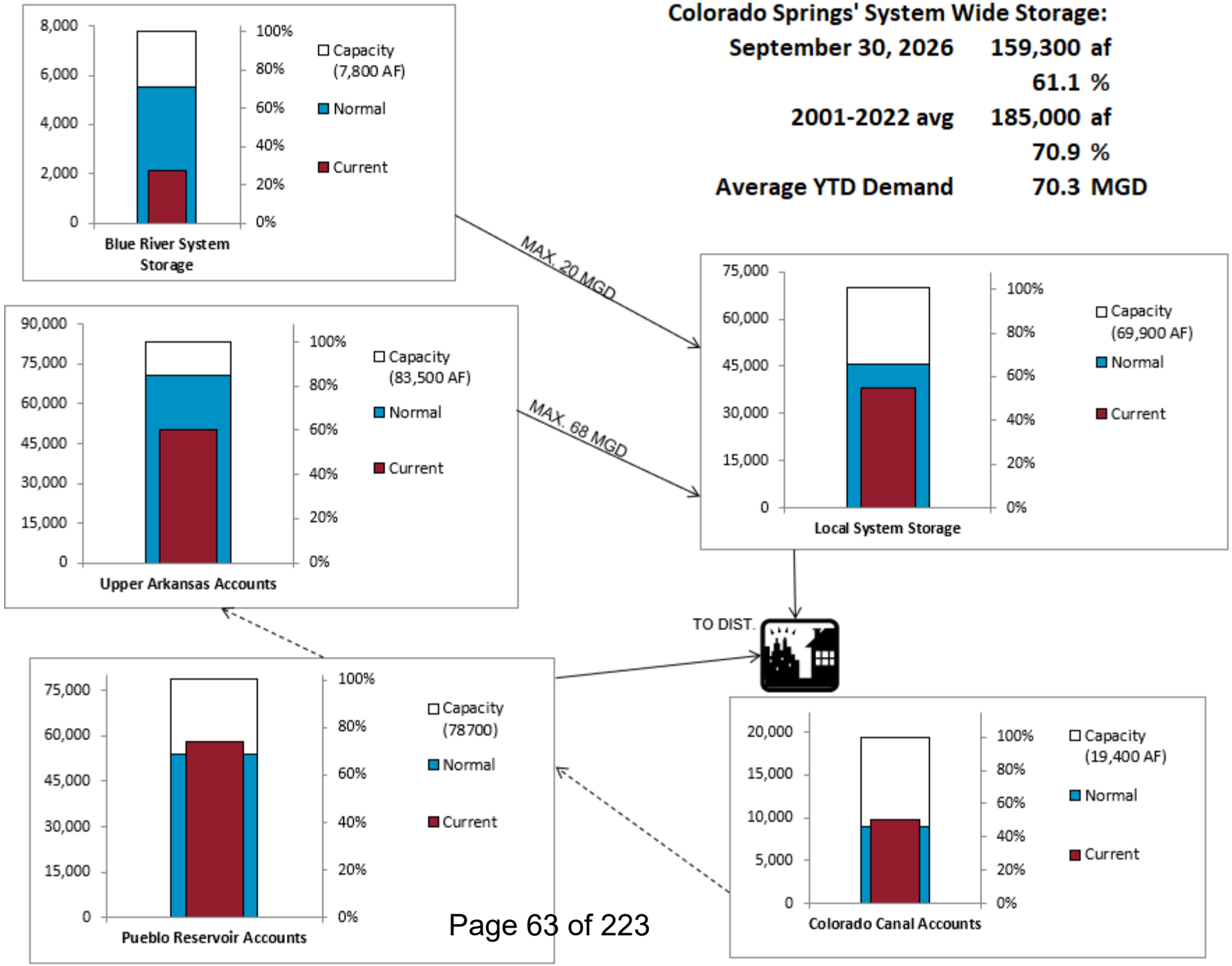
Reservoir Levels

September 30, 2026

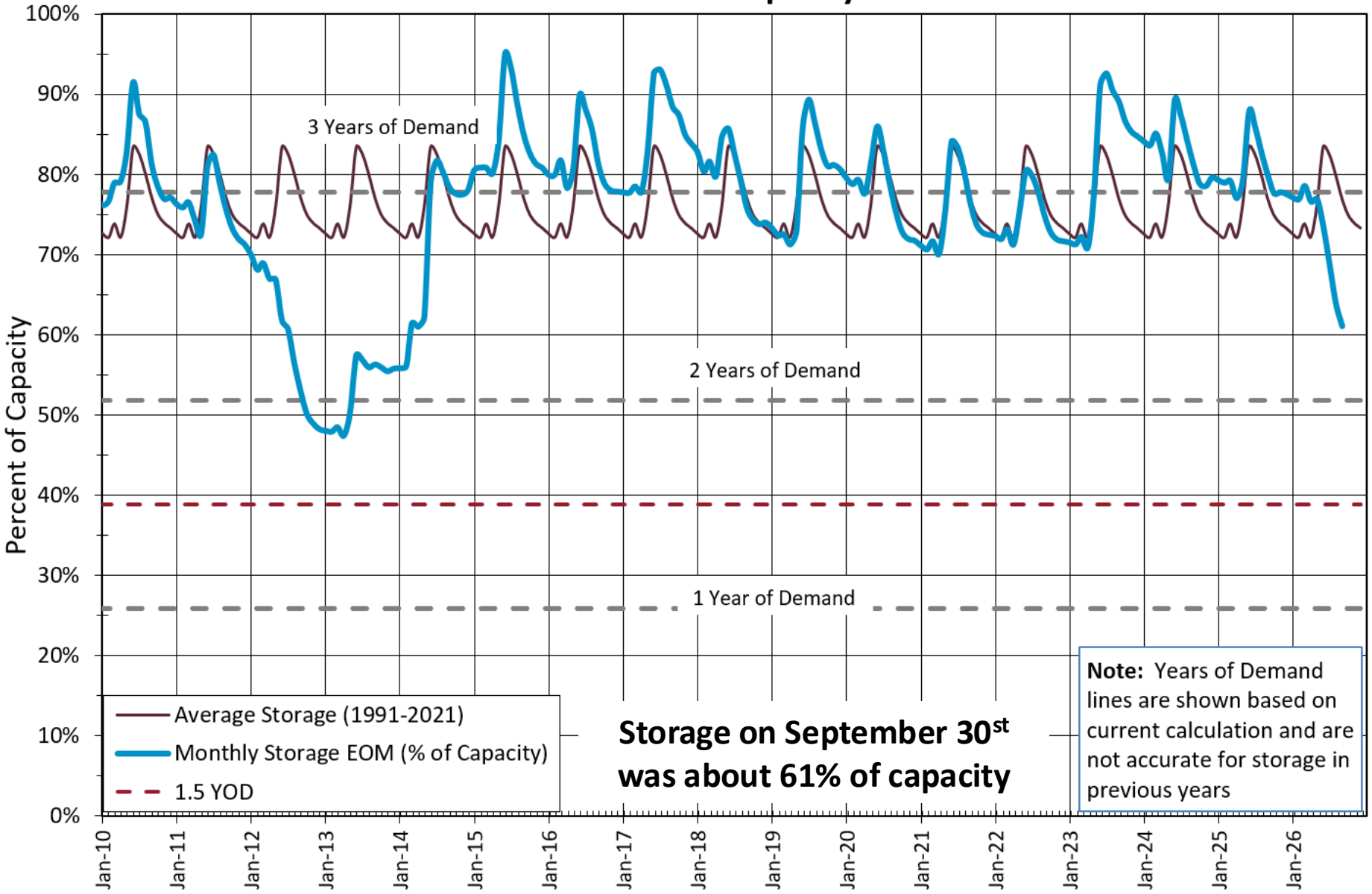
- Pikes Peak 39%
  - 91-20 Avg. 69%
- Rampart 62%
  - 91-20 Avg. 67%
- Local Total 53%
  - 91-20 Avg. 68%
- System Total 61%
  - 91-20 Avg. 77%

Colorado Springs' System Wide Storage:

September 30, 2026	**159,300**	**af**
	61.1	**%**
2001-2022 avg	**185,000**	**af**
	70.9	**%**
Average YTD Demand	**70.3**	**MGD**



Monthly Storage
Percent of Capacity



Storage on September 30st was about 61% of capacity

Note: Years of Demand lines are shown based on current calculation and are not accurate for storage in previous years

Water Outlook

Situation Outlook Summary

- System-wide storage is at 61% of capacity which equates to about 2.4 years of demand in storage
- Streamflows and soil moisture conditions remain at or near record lows in the Colorado and Arkansas River basins

Three-month outlook predictions

- Across the state of Colorado, there is an elevated likelihood of experiencing above normal temperatures and increased chances of above normal precipitation

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

Operational Notes

Storage Conditions

- Mason Reservoir remains restricted for maintenance.

Colorado River Update

- Seven basin states did not reach agreement on new operating rules
- Federal government released its Environmental Impact Statement and its Record of Decision establishing a 10-year framework for Colorado River operations
- New operating guidelines seem to more accurately reflect existing water supply and the reality of less water availability
- Additional agreements must be negotiated
- Springs Utilities is united in its support for Commissioner Becky Mitchell and for the collective efforts of the Upper Basin Commissioners.

Colorado Springs Utilities

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Board Memo Agenda Item

Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Jessica Davis, Manager of Facilities and Land Resources
Subject:	0 N Academy Blvd TSN: 6402307027 – Partial Property Acquisition for the Rock Island Substation Relocation
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	Colorado Springs Utilities is seeking approval to purchase land for the future relocation of the Rock Island Substation (the "Substation"). The Substation will require 5-10 acres of land near the existing substation located in the middle of Academy Blvd, south of Constitution Avenue and north of La Salle Street. The current site of the Substation, located in the median of North Academy Boulevard, south of Constitution Avenue, poses safety risks due to traffic exposure and limits expansion due to its small footprint. Relocating the Substation will improve safety, allow for modernization, and support future load growth, resource expansion, and enhanced grid reliability and resiliency. Pursuant to the provisions of the Colorado Springs City Charter, the City is empowered to acquire real property necessary for Utilities' projects. Sections 4.1 and 9.6 of *The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests, Revised 2021* (the "RES Manual") provides that if the total acquisition amount is greater than $100,000, City Council must approve the acquisition amount and if the property is to be used for Utilities-purposes, Utilities Board must review and make a recommendation on the purchase. Colorado Springs Utilities is requesting authorization from Utilities Board and City Council to acquire a portion of the real property identified as El Paso County Tax Schedule Number 6402307027 for a purchase price of $355,000, which is supported by a real estate appraisal conducted by an independent real estate appraiser.
Benefits:	Colorado Springs Utilities is modernizing the electric grid for sustainability and system resiliency and reliability.
Board Policy: If this impacts one of the board policies, indicate that here.	N/A
Cost / Budget: Include the projected cost or budget here.	The total acquisition amount of $355,000 for a portion of the property located along North Academy Blvd.
Affected Parties: This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.	Staff have been working with several private property owners to acquire the property rights needed for the project.
Alternatives:	Build on existing site or a new site in a different location.

Submitter:	Jessica Davis	Email Address:	jedavis@csu.org

Division:	Construction and Maintenance	Phone Number:	X87581
Department:	FSLR	Date Submitted:	October 5, 2026
SPG Staff Use Only:	Consent Calendar ☐ Yes ☒ No	Item Number 08	

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

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A Resolution Authorizing the Acquisition of a Portion of Real Property for the Rock Island Substation Relocation Project

Jessica Davis
Land Resource Manager
October 21, 2026

Future Relocation of Rock Island Substation

Current Substation

- Connection to substation is difficult due to physical limitations
- Substation is surrounded by Academy Boulevard
- Increased risk for vehicular accidents
- Maintenance activities require lane closures, disrupting traffic and operations
- Limited substation footprint restricts expansion and modernization efforts

Future Substation

Requirements:

- Location
- 5-10 acres

Site selected:

- East of current Substation
- Vacant land with one building
- Size is approximately 7 acres
- No relocation requirements and only demo of 1-2 buildings
- Can use vacant land as a laydown yard for other large projects

Property Information

- Owner: Thundersnow LLC
- APN: 6402307027
- Approximately 0.69 acres or 30,106 square feet
- Negotiated Sale Price: $355,000

Action Requested

- Request Board to recommend approval of the acquisition and for item to be added to the November 10, 2026, formal City Council agenda.
- Request for item to be added to the consent calendar for the Council meeting.

Colorado Springs Utilities

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RESOLUTION NO. _____ - 26

A RESOLUTION AUTHORIZING THE ACQUISITION OF A PORTION OF THE REAL PROPERTY KNOWN AS EL PASO COUNTY TAX SCHEDULE NUMBER 6402307027 TO BE USED FOR THE ROCK ISLAND SUBSTATION RELOCATION PROJECT

WHEREAS, for the real property identified as El Paso County Tax Schedule Number 6402307027 ("Property"), a portion of the Property ("Parcel") has been determined to be necessary for the Rock Island Substation Relocation Project ("Project"); and

WHEREAS, the City of Colorado Springs ("City") on behalf of its enterprise Colorado Springs Utilities ("Utilities") desires to purchase the Parcel, which is approximately 0.69 acres, or 30,106 square feet, and which is further described on **Exhibit A**, and the property owner desires to sell the Parcel to the City for a negotiated purchase price of $355,000; and

WHEREAS, the acquisition of the Parcel is in the public interest and is necessary for the Project; and

WHEREAS, pursuant to Sections 4.1 and 9.6 of *The City of Colorado Springs Procedure Manual for the Acquisition and Disposition of Real Property Interests, Revised 2021* ("Real Estate Manual"), City Council approval is required for acquisitions of real property interests if the purchase price exceeds $100,000; and

WHEREAS, Utilities requests the approval of City Council to purchase the Parcel for a purchase price of $355,000.

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

Section 1. That City Council hereby finds the acquisition of the Parcel to be in compliance with the RES Manual, the City Charter, City Code, and all other applicable laws.

Section 2. That in accord with the RES Manual, the City Council hereby authorizes the acquisition of the Parcel for the purchase price of $355,000.

Section 3. That the City's Real Estate Services Manager is authorized to execute all documents necessary to complete the acquisition of the Parcel as contemplated herein.

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

ATTEST:

_____
Lynette Crow-Iverson, Council President

_____
Sarah B. Johnson, City Clerk

Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Jessica Rheinschmidt, General Manager of Cyber and Physical Security
Subject:	Intergovernmental Agreement to Partner with USCYBERCOM
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	Colorado Springs Utilities is pursuing a Cooperative Research and Development Agreement (CRADA) with U.S. Cyber Command (USCYBERCOM) to collaborate on targeted cybersecurity initiatives that enhance the security, resilience, and reliability of critical utility services. The partnership will begin with limited, low-risk projects focused on site assessments, policy reviews, governance improvements, and knowledge transfer, while Colorado Springs Utilities retains full authority over system access, technical changes, and implementation decisions. Through this collaboration, Colorado Springs Utilities aims to reduce cyber risk, leverage specialized expertise, strengthen cybersecurity capabilities, and evaluate long-term opportunities to advance the protection of critical infrastructure.
Benefits:	Benefits include access to additional expertise and resources to help reduce cybersecurity risk across the organization while strengthening collaboration with our military partners.
Board Policy: If this impacts one of the board policies, indicate that here.	N/A
Cost / Budget: Include the projected cost or budget here.	None. Cybersecurity resources will be needed to work with the USCYBERCOM partners on the projects.
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:	Alternative options include maintaining the current operating model without assisted support or contracting with a commercial supplier to perform similar cybersecurity functions.

Submitter:	Jessica Rheinschmidt	Email Address:	jrheinschmidt@csu.org
Division:	Customer and Enterprise Services (CES)	Phone Number:	719-668-5515
Department:	Enterprise Security (ENS)	Date Submitted:	October 2, 2026

SPG Staff Use Only:	Consent Calendar ☐ Yes ☒ No	Item Number 09
ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING		

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USCYBERCOM CRADA

Partnership Proposal

Jessica Rheinschmidt, General Manager of Cyber and Physical Security

October 21, 2026

Intergovernmental Agreement

CRADA: Cooperative Research and Development Agreement

Purpose

Enables a federal laboratory and a non-federal partner to work together on specific research or development projects.

How it works

Each party may contribute personnel, services, facilities, equipment, expertise, or other agreed resources. The federal party does not fund the collaborator.

What governs the work

The agreement and Joint Work Plan define scope, responsibilities, information handling, intellectual property, liability, and deliverables.

Pending Utilities Board approval, the agreement will be presented to City Council for its consideration. City Council approval is required for intergovernmental agreements per City Code § 12.1.104.

Who is USCYBERCOM?

U.S. Cyber Command: The federal government combatant command responsible for cyberspace operations.

01 Mission

Directs, synchronizes, and coordinates cyberspace planning and operations to defend and advance national interests.

02 Core Focus

Defends federal government networks, supports combatant commanders, and strengthens national resilience to cyberattack.

03 How It Operates

Unifies cyberspace operations and brings together cyber capabilities and expertise across the federal government.

04 Partner Approach

Works with domestic and international partners, making collaboration central to mission success.

Expected Benefits

Reduce cyber risk

Find and address unnecessary access paths and unauthorized exposure.

Extend resource capacity

Use partner expertise for targeted work.

Transfer knowledge

Capture methods, lessons learned, and repeatable practices.

Support governance

Strengthen documentation and policy adherence through cyber audits.

Support reliability

Lower the likelihood that preventable weaknesses contribute to service disruption.

Enable future options

Build evidence to decide whether to expand, adjust, or stop the partnership.

Proposed Projects

Engagement Requirements

- Colorado Springs Utilities will begin with limited, low-risk cybersecurity initiatives to evaluate the partnership, validate assigned capabilities, and deliver measurable security improvements.
- Each project will be separately scoped and approved, with Colorado Springs Utilities retaining control over access, technical changes, remediation, and production implementation.

Project 1 | Site surveys

- Survey and site walks at multiple facilities
- No direct production-system access

Project 2 | Policy review support

- Audit against specific requirements for enhanced security
- Utilities validates business need and controls all remediation changes
- Develop repeatable governance and knowledge transfer

Colorado Springs Utilities

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Board Memo Agenda Item

Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Jason Miller, Fiber Optics and Telecomm Manager
Subject:	Intergovernmental Agreement between El Paso County and the City of Colorado Springs, on Behalf of its Enterprise Colorado Springs Utilities, for the Sharing of Fiber Optic Cable in Colorado Department of Transportation Conduit on State Highway 24 Rights-of-Way
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	In 2018, Utilities paid El Paso County for ownership of 24 fiber optic cables that run from I-25 to Woodland Park along State Highway 24. Colorado Springs Utilities uses these fiber optic cables to provide communication support and resiliency for multiple Utilities' operational facilities and systems located in the cable's vicinity. The Parties are now memorializing their existing verbal agreement in this written agreement.
Benefits:	Enhances Colorado Springs Utilities' ability to provide safe and reliable service to its customers.
Board Policy: If this impacts one of the board policies, indicate that here.	I-6, Infrastructure
Cost / Budget: Include the projected cost or budget here.	None
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' customers
Alternatives:	Reject the IGA and have Utilities sell the fiber optic cable back to El Paso County and construct a replacement fiber path

Submitter:	Jason Miller	Email Address:	jjmiller@csu.org
Division:	CMD Utility Construction and Maintenance	Phone Number:	(719) 668-3821
Department:	Network Transport Services	Date Submitted:	October 5, 2026

SPG Staff Use Only:	Consent Calendar ☐ Yes ☒ No	Item Number 10

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

Colorado Springs Utilities

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Intergovernmental Agreement Between El Paso County and the City of Colorado Springs on Behalf of Colorado Springs Utilities for the Sharing of Fiber Optic Cable in Colorado Department of Transportation Conduit on State Highway 24 Rights-of-Way

Jason Miller

Manager, Fiber Optics and Telecom

Intergovernmental Agreement

PURPOSE AND BENEFITS

In 2018, Utilities paid El Paso County for ownership of 24 fiber optic cables from I-25 to Woodland Park, currently used by Utilities for operational facilities, business networks and resiliency. These cables enhance Utilities' ability to provide safe and reliable service to its customers. This Agreement memorializes the ownership of those fiber optic cables.

Pending Utilities Board recommendation, the Agreement will be presented to City Council for its consideration. City Council approval is required for intergovernmental agreements per City Code §12.1.104.

Colorado Springs Utilities

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INTERGOVERNMENTAL AGREEMENT BETWEEN EL PASO COUNTY AND THE CITY OF COLORADO SPRINGS ON BEHALF OF COLORADO SPRINGS UTILITIES FOR THE SHARING OF FIBER OPTIC CABLE IN COLORADO DEPARTMENT OF TRANSPORTATION CONDUIT ON STATE HIGHWAY 24 RIGHTS-OF-WAY

THIS INTERGOVERNMENTAL AGREEMENT BETWEEN EL PASO COUNTY AND THE CITY OF COLORADO SPRINGS FOR THE BENEFIT OF COLORADO SPRINGS UTILITIES FOR THE SHARING OF FIBER OPTIC CABLE IN COLORADO DEPARTMENT OF TRANSPORTATION CONDUIT ON STATE HIGHWAY 24 RIGHTS-OF-WAY ("Agreement") is executed this ____ day of _____, 2026, by EL PASO COUNTY, COLORADO, a political subdivision of the State of Colorado ("County") and the CITY OF COLORADO SPRINGS, a Colorado home rule city and municipal corporation, on behalf of its enterprise Colorado Springs Utilities (collectively "Utilities"). County and Utilities being singularly referred to as "Party" and jointly referred to as "Parties".

RECITALS

1. County is a statutory county and political subdivision of the State of Colorado operating pursuant to Title 30, C.R.S; and

2. Utilities is organized and operated as a utility by the City of Colorado Springs pursuant to the provisions of Article XX of the Colorado Constitution; and

3. County has entered into an Intergovernmental Agreement with the Colorado Department of Transportation ("CDOT"), Routing#: 19-HAA-XC-00049, OLA#: 331001918, CMS#: 127670 between County and CDOT, dated July 24, 2019 ("2019 County CDOT IGA") for "non-exclusive access to the State Highway 24 corridor Rights-of-Way (ROW) from I-25 (mile point 303.8) to Sundial Drive in Woodland Park (mile point 287.2) (collectively the "SH 24 Corridor – I-25 to Woodland Park Facility") and an Indefeasible Right-to-Use ("IRU") [for] one (1) CDOT micro duct conduit as determined solely by CDOT"; and

4. Under the 2019 County CDOT IGA, County owns for its exclusive use, a one hundred sixty-eight (168) strand single mode fiber optic cable from I-25 (mile point 303.8) to Sundial Drive in Woodland Park (mile point 287.2) ("County SH 24 Fiber Optic Cable") and pull boxes/handholes along the route ("County SH 24 Pull Boxes") (collectively referred to as "County SH 24 Corridor Fiber Optic Infrastructure"); and

(a) Per Section III (4) and Section XIV (10) of the 2019 County CDOT IGA, County may make excess capacity available within the County SH 24 Fiber Optic Cable to, or assign in whole or in part these facilities to other governmental entities,

provided the Parties explicitly acknowledge, affirm and agree to the terms and conditions of the 2019 County CDOT IGA; and

(b) In accordance with the terms of the 2019 County CDOT IGA, County desires to transfer to Utilities the ownership of 24 fiber strands, including the buffer tubes in which these fiber strands are located, in the County SH 24 Fiber Optic Cable, and grant access to the County SH 24 Pull Boxes; and

5. Utilities paid County $125,000 (comprised of $50,000 as a contribution toward the fiber optic cables and pull boxes/handholes and $75,000 as a contribution toward variable message sign upgrade kits) to facilitate County's obligations under the 2019 County CDOT IGA, which amount represents a fair value for twenty-four (24) fiber strands within the County SH 24 Fiber Optic Cable that are being transferred by this Agreement as well as access to the County SH 24 Pull Boxes; and

6. The Parties believe they both will receive significant benefit from entering into this Agreement in order to cooperate and to jointly accomplish activities that will maximize limited public resources and provide enhanced benefit, functionality and economy of scale to each Party, and will accomplish the requirements of the 2019 County CDOT IGA in an effective and efficient manner.

NOW THEREFORE, IN CONSIDERATION of the above recitals, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the Parties agree as follows:

AGREEMENT

1. Incorporation of 2019 County CDOT IGA by Reference and Order of Precedence. The 2019 County CDOT IGA, attached hereto as Exhibit A, is incorporated by reference into this Agreement as if set forth herein in full. Utilities hereby acknowledges, affirms and agrees to the terms and conditions of the 2019 County CDOT IGA to the extent applicable to the facilities Utilities will acquire from County under the terms of this Agreement. This Agreement is a provision of fiber strands in the County SH 24 Fiber Optic Cable pursuant to Section III(4) of the 2019 County CDOT IGA and an assignment of a portion of the 2019 County CDOT IGA by the County to Utilities pursuant to Section XIV (10) of the 2019 County CDOT IGA. Per the terms outlined in Section III (4) and Section XIV (10) of the 2019 County CDOT IGA, County will notify CDOT of this Agreement between County and Utilities. In the event of conflicts or inconsistencies between this Agreement and the 2019 County CDOT IGA, the conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

(a) The 2019 County CDOT IGA;

(b) This Agreement.

2. County's Acknowledgement of Utilities' Financial Contribution. County acknowledges that on December 17, 2018 it received $125,000 from Utilities, which funds were provided to facilitate County's obligations under the 2019 County CDOT IGA and which amount represents a fair value for twenty-four (24) fiber strands within the County SH 24 Fiber Optic Cable and access to the County SH 24 Pull Boxes.

3. County's Obligations and Grant of Ownership. County herewith agrees to:

(a) Transfer to Utilities ownership of twenty-four (24) fiber strands within the County SH 24 Fiber Optic Cable, including the buffer tubes in which these fiber strands are located, more specifically identified, described, and depicted in Confidential Addendum 1 ("Utilities' Acquired Fiber"); and

(b) County's transfer of ownership to Utilities of the Utilities' Acquired Fiber shall be defined as accepted by Utilities, including all applicable manufacturer's warranties pertaining to the Utilities' Acquired Fiber provided that such warranties are transferrable. County shall ensure that Utilities' Acquired Fiber is free and clear of any and all debt including, but not limited to, materials, labor installation cost and any and all other related cost (both County and any and all contractors and sub-contractors hired by County) and any and all other legal actions, claims, liens, etc. that might be levied against the Utilities' Acquired Fiber. This signed Agreement, together with Utilities' acceptance of the Utilities' Acquired Fiber, shall serve as County's grant of ownership of the Utilities' Acquired Fiber to Utilities without any subsequent agreement necessary; and

(c) Grant to Utilities access to the County SH 24 Pull Boxes through which the transferred fibers pass along its path and are depicted in Confidential Addendum 1.

4. Maintenance Obligations.

(a) The Parties agree that the provisions of the 2019 County CDOT IGA govern maintenance activities performed on the County SH 24 Corridor Fiber Optic Infrastructure.

(b) Pursuant to the 2019 County CDOT IGA, CDOT will perform all regular, emergency, and extraordinary maintenance activities on the County SH 24 Corridor Fiber Optic Infrastructure, including the Utilities' Acquired Fiber, except that County will perform repairs and/or replacement of the County SH 24 Pull Boxes and any splices within them.

(c) For repair costs incurred by County based upon (i) repairs by County to the County SH 24 Pull Boxes and (ii) repairs by CDOT to the County SH 24 Fiber Optic Cable, Utilities agrees to pay one-seventh (1/7th) of County's cost, as it represents Utilities' ownership share of fiber in the County SH 24 Fiber Optic Cable.

(d) The Parties agree that these Maintenance Obligations apply only to the County SH 24 Corridor Fiber Optic Infrastructure.

(e) Should Utilities desire to splice the Utilities' Acquired Fiber in the County SH 24 Fiber Optic Cable for its business needs, Utilities will contact County to discuss performance of this work.

5. Liability**.** Each Party agrees to be responsible for the acts and omissions of its own employees and/or agents. In the event any claim is made under this Agreement by a Party to this Agreement or a third party, each Party will be responsible for its own legal representation, expenses of litigation or other costs associated with enforcing this Agreement. No provision of this Agreement shall be deemed or construed to be a relinquishment or waiver of any legal defense, immunity, or limitation of liability provided to each Party by law, including but not limited to the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq*. and Article XI of the Colorado Constitution.

6. Independent Contractor. Utilities and County shall perform their duties hereunder as independent contractors of each other. Neither Utilities nor any agent or employee of Utilities shall be deemed to be an agent or employee of County. Neither County nor any agent or employee of County shall be deemed to be an agent or employee of Utilities. Utilities and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through County, and County shall not pay for or otherwise provide such coverage for Utilities or any of its agents or employees. County and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through Utilities, and Utilities shall not pay for or otherwise provide such coverage for County or any of its agents or employees. Unemployment insurance benefits shall be available to a Party and its employees and agents only if such coverage is made available by such Party or a third party. Utilities shall not have authorization, express or implied, to bind County to any agreement, liability or understanding, except as expressly set forth herein. County shall not have authorization, express or implied, to bind Utilities to any agreement, liability or understanding, except as expressly set forth herein. Each Party shall:

(a) Provide and keep in force workers compensation and unemployment compensation insurance in the amounts required by law,

(b) Provide proof thereof when requested by the other Party, and

(c) Be solely responsible for its acts and those of its employees and agents.

7. Term, Termination.

(a) Subject to the term of the 2019 County CDOT IGA, the term of this Agreement shall run concurrently with the 2019 County CDOT IGA and shall not extend beyond its expiration or termination.

(b) Further, with respect to any notice provided by or received by County that could result in early termination, nonrenewal, or an extension beyond the initial contract extension date of the 2019 County CDOT IGA, as well as with respect to any notice of a dispute provided by or received by County, County will promptly provide such notice to Utilities so that Utilities will be timely informed of the facts and circumstances and can engage in a manner so as to protect its interest in the Utilities' Acquired Fiber and its access to the County SH 24 Pull Boxes.

8. Appropriations. The appropriations limitations for this Agreement are as follows:

(a) Utilities: This Agreement is expressly made subject to the limitations of the Colorado Constitution and the Charter of the City of Colorado Springs. Nothing herein shall constitute, nor be deemed to constitute, the creation of a debt or multi-year fiscal obligation or an obligation of future appropriations by the City Council of Colorado Springs or any other constitutional, statutory, or charter debt limitation. Notwithstanding any other provision of this Agreement, with respect to any financial obligations of Utilities which may arise under this Agreement in any fiscal year after the year of execution, in the event the budget or other means of appropriation for any such year fails to provide funds in sufficient amounts to discharge such obligations, such failure (i) shall act to terminate this Agreement at such time as the then-existing and available appropriations are depleted, and (ii) neither shall such failure nor termination constitute a default or breach of this Agreement, including any sub- agreement, attachment, schedule, or exhibit thereto, by Utilities.

(b) County: This Agreement is expressly made subject to the limitations of the Colorado Constitution. Nothing herein shall constitute, nor be deemed to constitute, the creation of a debt or multi-year fiscal obligation or an obligation of future appropriations by County, contrary to Article X, § 20, Colorado Constitution, or any other constitutional or statutory debt limitation. Notwithstanding any other provision of this Agreement in any fiscal year after the year of execution, in the event the budget or other means of appropriation for any such year fails to provide funds in sufficient amounts to discharge such obligation, such failure (i) shall act to terminate this Agreement at such time as the then-existing and available appropriations are depleted, and (ii) neither shall such

failure nor termination constitute a default or breach of this Agreement, including any sub-agreement, attachment, schedule, or exhibit thereto, by the County.

9. Choice of Laws and Jurisdiction**.** This Agreement shall be governed by and interpreted in accord with the established laws of the State of Colorado. If any action should arise as the result of a dispute under this Agreement, court jurisdiction shall be exclusively in the El Paso County District Court for the Fourth Judicial District of Colorado.

10. Notices. Any formal notice, demand or request pursuant to this Agreement shall be in writing and shall be deemed properly served, given or made, if delivered in person or sent by certified mail postage prepaid to the Parties at the addresses listed by the signatures below or as otherwise modified pursuant to this Section.

11. Amendments. This Agreement may be amended only by written document signed by the Parties and approved in the same manner as this Agreement.

12. Severability. In the event that any of the terms, covenants or conditions of this Agreement or their application shall be held invalid as to any person, entity or circumstance by any court having competent jurisdiction, the remainder of this Agreement and the application in effect of its terms, covenants or conditions to such persons, entities or circumstances shall not be affected thereby.

13. Waiver. The waiver by either Party of any breach by the other of any term, covenant or condition contained in this Agreement shall not be deemed to be a waiver of any subsequent breach of the same or other term, covenant, or condition.

14. Entire Agreement. This Agreement embodies the complete agreement between the Parties regarding the subject matter herein and supersedes all prior agreements and understandings, if any.

15. Section Headings. The section headings in this Agreement are inserted for convenience and are not intended to indicate completely or accurately the contents of the sections they introduce, and shall have no bearing on the construction of the sections they introduce.

16. No Third-Party Beneficiaries. The Parties to this Agreement do not intend to benefit any person not a party to this Agreement. No person or entity, other than the Parties to this Agreement, shall have any right, legal or equitable, to enforce any provision of this Agreement.

17. Duly Authorized Signatories. By execution of this Agreement, the undersigned each individually represent that he or she is duly authorized to execute and

deliver this Agreement and that the subject Party shall be bound by the signatory's execution of this Agreement.

18. Counterparts, Electronic Signatures and Electronic Records. This Agreement may be executed in two counterparts, each of which shall be an original, but all of which, together, shall constitute one and the same instrument. The Parties consent to the use of electronic signatures and agree that the transaction may be conducted electronically pursuant to the Uniform Electronic Transactions Act, § 24-71.3-101, *et seq.*, C.R.S. The Agreement and any other documents requiring a signature may be signed electronically by either Party. The Parties agree not to deny the legal effect or enforceability of the Agreement, solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of the Agreement in the form of an electronic record, a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature on the grounds that it is an electronic record or an electronic signature or that it is not in its original form or is not an original.

EXECUTED as of the date first written above.

CITY OF COLORADO SPRINGS ON
BEHALF OF ITS ENTERPRISE
COLORADO SPRINGS UTILITIES

By _____
Travas Deal
Chief Executive Officer
Address: 121 S. Tejon, Fifth Floor
Colorado Springs, Colorado 80903

Approved as to Form:

_____
City Attorney's Office – Utilities Division

COUNTY OF EL PASO, COLORADO

By _____
, Chair, Board of County Commissioners

Address: 200 South Cascade Avenue, Suite 150
Colorado Springs, Colorado 80903

Attest:

_____
, County Clerk and Recorder

Routing #: 19-HAA-XC-00049
OLA #: 331001918
CMS #: 127670

Intergovernmental Agreement between CDOT and El Paso County to Allow Non-Exclusive Access to State Highway 24 Rights-of-Way to Install Fiber Optic Cable in CDOT Conduit in Exchange for Fiber Optic Cable and Other In-Kind Services

THIS INTERGOVERNMENTAL AGREEMENT (this "Agreement") is made and entered into by and between the State of Colorado for the use and benefit of THE COLORADO DEPARTMENT OF TRANSPORTATION, hereinafter referred to as "CDOT", and EL PASO COUNTY, hereinafter referred to as the "County". CDOT and the County also may be hereinafter referred to individually as "Party" or jointly as the "Parties".

This Agreement shall not be enforceable until the date on which this Agreement has been approved and signed by all Parties and the Colorado State Controller or designee (the date of the signature of the Colorado State Controller or designee being the "Effective Date").

I. FACTUAL RECITALS

1. State highways are affected by many critical transportation problems including: reoccurring and increasing congestion, incidents, venues and activity centers, major construction, and daily construction and maintenance activities. Installation of CDOT-owned fiber optic facilities on State highways allows implementation of Intelligent Transportation System applications that provide system managers with timely information on current conditions and better tools for controlling flow and managing construction, incidents, and events. Dissemination of travel times to the traveling public will allow travelers to make better informed decisions regarding their travel choices. In addition, CDOT-owned fiber optic facilities can be used to link other State government institutions and facilities, which will enhance public welfare and safety, increase the State's efficiency and make the State more attractive and competitive in the global market.

2. The Public-Private Initiatives Act (the "Act"), CRS 43-1-1201, et seq., grants authority to CDOT to enter into an agreement with a public agency to accomplish all or any part of the work on a transportation system project whereby a public agency supplies resources to accomplish on any type or aspect of a transportation system project, as a public contribution, in return for CDOT granting a right or interest in or concerning a transportation system project, as a public benefit.

3. The Act, C.R.S. 43-1-1203, further grants authority to CDOT to receive, evaluate and accept unsolicited proposals for a public-public initiative for qualifying transportation facilities from public agencies provided that the unsolicited proposal receives a favorable evaluation and CDOT makes a written determination based on the facts and circumstances that the unsolicited proposal is an acceptable basis for an agreement to obtain services either without competition or after actions are taken if CDOT must consider comparable proposals.

4. The Transportation Commission of Colorado adopted Resolution TC-16-11-3 to corroborate that CDOT may consider unsolicited proposals according to the Act, which includes that CDOT must only consider comparable proposals if said unsolicited proposal requires CDOT to spend public moneys in an amount

that is reasonably expected to exceed fifty thousand dollars ($50,000.00) in the aggregate for any fiscal year including an unsolicited proposal for a public project as defined in C.R.S. 24-92-102(8) and in accordance with the provisions of C.R.S. 43-1-1203(6) thru (9), and provided that CDOT complies with CDOT Procedural Directive 1504.2 titled CDOT Public Private Partnerships for Fiber Optic Cable and Conduit, effective June 24, 2016 that provides guidance to all CDOT divisions, offices and regions regarding consideration for proposed public and private partnerships for new and existing fiber optic cable and conduit.

5. The County submitted to CDOT an unsolicited proposal dated October 22, 2018 (the "County Unsolicited Proposal") seeking non-exclusive access to the State Highway 24 corridor Rights-of-Way (ROW) from I-25 (mile point 303.8) to Sundial Drive in Woodland Park (mile point 287.2) (collectively the "SH 24 Corridor – I-25 to Woodland Park Facility") and an Indefeasible Right-to-Use ("IRU") one (1) CDOT micro duct conduit as determined solely by CDOT, and in exchange offering to provide CDOT: one hundred forty-four (144) strand single-mode fiber optic cable not less than one hundred-thousand (100K) feet in length (collectively the "CDOT SH 24 Fiber Optic Cable") and six (6) variable message signs ("VMS") upgrade kits to upgrade the northbound and southbound VMS located at Briargate, North Academy and Ft. Carson (collectively the "VMS Upgrade Kits") all of which is further described in paragraph 7 below in this same Section, in the County Unsolicited Proposal and within this Agreement.

6. CDOT evaluated the County Unsolicited Proposal in accordance with the provisions in the Act and determined in writing based on the facts and circumstances that the County Unsolicited Proposal is an acceptable basis for an agreement to obtain services that would not otherwise be readily available to CDOT, that such services provide good and commensurate value to CDOT and that CDOT will not spend public moneys in an amount that is reasonably expected to exceed fifty thousand dollars ($50,000.00) in the aggregate for any fiscal year pertaining to the County Unsolicited Proposal, and therefore, CDOT has decided to accept the County Unsolicited Proposal based on those criteria and in accordance with state law and because the County Unsolicited Proposal is most advantageous to and in the best interest of CDOT.

7. The County Unsolicited Proposal identifies items that the County is seeking from CDOT and items that the County is offering CDOT pertaining to the SH 24 Corridor – I-25 to Woodland Park Facility in which CDOT intends to install: one (1) CDOT Multipath conduit containing three (3) micro duct conduits (collectively the "CDOT SH 24 Multipath Conduit"), one (1) CDOT two (2) inch conduit (the "CDOT SH 24 Two (2) Inch Conduit"), the CDOT SH 24 Fiber Optic Cable and pull boxes (the "CDOT SH 24 Pull Boxes"). The CDOT SH 24 Multipath Conduit, the CDOT SH 24 Two (2) Inch Conduit, the CDOT SH 24 Fiber Optic Cable and the CDOT SH 24 Pull Boxes shall be referred to as (collectively the "CDOT SH 24 Corridor Fiber Optic Infrastructure"). CDOT also intends to install one hundred forty-four (144) strand single-mode fiber optic cable not less than one hundred-thousand (100K) feet in length (collectively the "County SH 24 Fiber Optic Cable") and ten (10) County pull boxes (the "County SH 24 Pull Boxes") in the SH 24 Corridor – I-25 to Woodland Park Facility. The County SH 24 Fiber Optic Cable and the County SH 24 Pull Boxes shall be referred to as (collectively the "County SH 24 Corridor Fiber Optic Infrastructure"). The County SH 24 Corridor Fiber Optic Infrastructure is further described in this Agreement. The following describes more specifically items that the County is seeking from CDOT and items that the County is offering to CDOT:

County Seeking from CDOT

a. Non-exclusive access to the SH 24 – I-25 to Woodland Park Facility and an IRU one (1) CDOT micro duct conduit as determined solely by CDOT (the "CDOT SH 24 Green Micro Duct Conduit") in the CDOT SH 24 Multipath Conduit.

County Offering to CDOT

b. Procure, provide and furnish the CDOT SH 24 Fiber Optic Cable solely at County expense. The CDOT SH 24 Fiber Optic Cable shall comply with the Sample ITS Specifications as referenced in Section II.3.b below (STATEMENT OF WORK).

c. Procure, provide and furnish the VMS Upgrade Kits solely at County expense.

d. Provide CDOT access to existing County conduit (the "County Conduit") within the City of Colorado Springs as shown on the County Unsolicited Proposal, Figure 2 to over pull CDOT fiber optic cable.

8. CDOT desires to implement fiber optic facilities in high-priority corridors statewide such as the SH 24 Corridor – I-25 to Woodland Park Facility, which is identified as a redundant route for network connectivity and designated as a Connected Vehicle route, for the purpose of actively managing the corridors and providing real-time travel information to travelers in order to reduce delay and increase throughput, and to provide more reliable travel times, smoother flow, fewer crashes (both primary and secondary), and quicker response time for emergency service providers. CDOT believes allowing access to corridors for installation of public agency fiber optic cable benefits public agencies by providing improved and reliable communications.

9. CDOT and the County believe that both Parties will receive significant benefit from implementation of the provisions identified in the County Unsolicited Proposal and desire to enter into this Agreement pursuant to Section C.R.S. 43-1-1204, as amended, in order to cooperate and to jointly accomplish activities that will maximize limited public resources and provide enhanced benefit, functionality and economy of scale to each Party, and will accomplish the County Unsolicited Proposal in an effective and efficient manner.

10. For purposes of this Agreement the CDOT Region 2 Utility Permit and the CDOT Region 2 Maintenance Permit may be referred to as (collectively the "CDOT Region 2 Permits").

11. CDOT and the County recognize, agree and desire to enter into this Agreement concerning the division of roles and responsibilities with respect to general agreed upon duties in order to accomplish the performance of work identified in Section II below (STATEMENT OF WORK).

12. This Agreement is executed by CDOT under the authority of Sections 29-1-203, 43-1-105, 43-1-110 and 43-1-1204 C.R.S., as amended, and by the County under the authority of the resolution attached hereto as **Exhibit A**.

NOW, THEREFORE, in consideration for the recitals and the mutual promises herein, the Parties agree as follows:

II. STATEMENT OF WORK

1. The "Work" shall consist of, but is not limited to, agreements concerning ownership of the CDOT SH 24 Corridor Fiber Optic Infrastructure, the County SH 24 Corridor Fiber Optic Infrastructure and other infrastructure identified in Section I.7 above (FACTUAL RECITALS) and in this Agreement, construction and installation processes and procedures, roles and responsibilities and maintenance responsibilities of each Party that are identified below in:

Section III. GENERAL PROVISIONS,

Section IV. OWNERSHIP OF THE CDOT SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE,

Section V. OWNERSHIP OF THE COUNTY SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE,

Section VI. ROLES AND RESPONSIBILITIES OF THE COUNTY,

Section VII. ROLES AND RESPONSIBILITES OF CDOT,

Section VIII. DISPOSITION OF THE COUNTY SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE, and

Section IX. MAINTENANCE OF THE SH 24 CORRIDOR.

2. The County shall perform the Work and services, as applicable, in accordance with the terms and conditions of this Agreement and shall comply in its entirety with the following:

CDOT's 2017 version of Standard Specifications for Road and Bridge Construction, which are referenced hereto and incorporated herein, and which can be accessed at the following web site: http://www.coloradodot.info/business/designsupport/construction-specifications. Notwithstanding the foregoing, the Parties agree that Section 103 Award and Execution of Contract in CDOT's 2017 version of Standard Specifications for Road and Bridge Construction shall not apply to this Agreement.

3. The County shall perform the Work and services, as applicable, in accordance with the following exhibits, which are referenced hereto and incorporated herein:

a. **Exhibit B** – the County Unsolicited Proposal, dated October 22, 2018 as identified in Section I.5 above (FACTUAL RECITALS).

b. **Exhibit C** – Sample ITS Specifications, or as approved in the field by the CDOT Project Engineer. All sections labeled BASIS OF PAYMENT within the Sample ITS Specifications only apply insofar that the item identified under Pay Item is required.

4. The County shall obtain the CDOT Region 2 Utility Permit and the CDOT Region 2 Maintenance Permit, as applicable, in accordance with the terms and conditions of this Agreement prior to accessing the SH 24 – I-25 to Woodland Park Facility within the SH 24 ROW to perform or cause to be performed any construction or maintenance related activity on the County SH 24 Corridor Fiber Optic Infrastructure in the SH 24 – I-25 to Woodland Park Facility within the SH 24 ROW. The following identifies and explains the process by which the applicable permits can be obtained.

a. The CDOT Region 2 Utility and Special Use Permit - Installation. This permit is required to perform any construction or installation activities and can be obtained at the following web site: https://www.codot.gov/business/permits/utilitiesspecialuse/online-permit-application. After accessing the web site:

- Click on Utility and Special Use Permits (Traffic Cone Icon).
- Click on Region 2 on the map.
- Enter email address to receive password.
- Enter password.
- Select Create New Application.
- Under Purpose of Permit, select Installation and complete permit.

This Permit shall be referred to in this Agreement as (the "CDOT Region 2 Utility Permit").

b. The CDOT Region 2 Utility and Special Use Permit - Maintenance. This permit is required to perform maintenance activities and can be obtained at the following web site: https://www.codot.gov/business/permits/utilitiesspecialuse/online-permit-application. After accessing the web site:

- Click on Utility and Special Use Permits (Traffic Cone Icon).
- Click on Region 2 on the map.
- Enter email address to receive password.
- Enter password.
- Select Create New Application.
- Under Purpose of Permit, select Maintenance of the Existing Facility and complete permit.

This Permit shall be referred to in this Agreement as (the "CDOT Region 2 Maintenance Permit"). It should be noted that the expiration date of the CDOT Region 2 Maintenance Permit will be the same date on which the County insurance or the County's contractor's insurance, as applicable,

which is required in accordance with Section XIV.12 below (Insurance Requirements), expires. Following issuance of the CDOT Region 2 Maintenance Permit the CDOT automated system will send notification to the County or to the County's contractor, as applicable, thirty (30) days prior to the expiration date of the CDOT Region 2 Maintenance Permit. It shall be the sole responsibility of the County or the County's contractor, as applicable, to ensure that the CDOT Region 2 Maintenance Permit is renewed by contacting CDOT Region 2 Utilities and providing a copy of updated/renewed County or contractor insurance.

5. County or the County's contractor, as applicable, shall comply with all provisions identified in Senate Bill 18-167, as applicable, if and to the extent that any of the Work required to the County SH 24 Corridor Fiber Optic Infrastructure in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW meets the definition of Subsurface Utility Engineering-Required Project as stated in Senate Bill 18-167.

III. GENERAL PROVISIONS

1. This fully executed Agreement shall serve as the instrument of:

a. The County's transfer of ownership to CDOT of the CDOT SH 24 Fiber Optic Cable and the VMS Upgrade Kits that the County procures, provides and furnishes shall be defined as acceptance by the CDOT Project Engineer, including all applicable manufacturer's warranties pertaining to the CDOT SH 24 Fiber Optic Cable and the VMS Upgrade Kits provided that such warranties are transferable. The County shall ensure that the CDOT SH 24 Fiber Optic Cable and the VMS Upgrade Kits that the County procures, provides and furnishes comply with the Sample ITS Specifications, as applicable, and is free and clear of any and all debt including, but not limited to, materials, labor installation cost and any and all other related cost (both the County and any and all contractors and sub-contractors hired by the County) and any and all other legal actions, claims, liens, etc. that might be levied against the CDOT SH 24 Fiber Optic Cable and the VMS Upgrade Kits. This signed Agreement, together with CDOT acceptance of the CDOT SH 24 Fiber Optic Cable and the VMS Upgrade Kits, shall serve as the County's grant of ownership of the CDOT SH 24 Fiber Optic Cable and the VMS Upgrade Kits to CDOT without any subsequent agreement necessary.

b. CDOT's grant of the CDOT Region 2 Utility Permit to the County or to the County's contractor, as applicable, gives the County or the County's contractor, as applicable, the right to perform construction related activities on the County SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility, and CDOT's grant of the CDOT Region 2 Maintenance Permit gives the County or the County's contractor, as applicable, the right to perform maintenance related activities on the County SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility provided that the County or the County's contractor, as applicable, complies with all applicable provisions in this Agreement and the CDOT Region 2 Permits.

2. Following full execution of this Agreement, CDOT shall issue the CDOT Region 2 Permits, subject to applicable requirements, which shall also outline, if necessary, further installation instructions for field personnel. CDOT agrees to renew the CDOT Region 2 Permits, as applicable, and as often as necessary,

provided that all terms and conditions with respect to application for said CDOT Region 2 Permits as identified in Section II.4 above (STATEMENT OF WORK) and in Section VI below (ROLES AND RESPONSIBILITIES OF THE COUNTY) are completely satisfied, to ensure the CDOT Region 2 Permits are continuously in effect as applicable throughout the term of this Agreement.

3. CDOT prepared Sample ITS Specifications including, but not limited to, the CDOT SH 24 Fiber Optic Cable. Such Sample ITS Specifications are attached to this Agreement as further identified in **Exhibit C**.

4. The County recognizes and acknowledges that use of the CDOT SH 24 Green Micro Duct Conduit in the CDOT SH 24 Multipath Conduit within the SH 24 Corridor – I-25 to Woodland Park Facility will be used in accordance with the terms and conditions of this Agreement including that the County may make excess capacity or provide fiber strands in the County SH 24 Fiber Optic Cable to other State of Colorado governmental entities including counties, cities, and including institutions of higher education, ~~or~~ political subdivisions, or to private partners (each an "Entity"), provided the County execute an agreement with said Entity prior to the County making excess capacity or providing fiber strands in the County SH 24 Fiber Optic Cable whereby both the County and said Entity explicitly acknowledge, affirm and agree to the aforementioned terms and conditions in this same paragraph 4, and further provided that the County provide a copy of said executed agreement to the CDOT representative identified in Section XIII below (CONTACTS AND NOTICE ADDRESS) within fifteen (15) days of the execution date of said agreement. Furthermore, the County making excess capacity or providing fiber strands in the County SH 24 Fiber Optic Cable to any Entity shall not relieve the County from any and all of its responsibilities and obligations assumed by this Agreement, or from complete and proper fulfillment of the terms and conditions of this Agreement, neither does it require that CDOT treat any Entity as a party to this Agreement or entitle the County to any compensation for damages or loss from CDOT, in any manner whatsoever, for such loss due by the County making excess capacity or providing fiber strands in the County SH 24 Fiber Optic Cable to any Entity.

5. The County agrees to comply with CDOT's 2017 version of Standard Specifications for Road and Bridge Construction as identified in Section II.2 above (STATEMENT OF WORK), where applicable, and as required for any construction activities performed or caused to be performed by the County within the SH 24 Corridor – I-25 to Woodland Park Facility.

6. CDOT's grant to the County of non-exclusive access to the SH 24 – I-25 to Woodland Park Facility and CDOT's grant of an IRU to the County with regard to the CDOT SH 24 Green Micro Duct Conduit in the CDOT SH 24 Multipath Conduit does not imply, either explicitly nor implicitly, or confer or convey any interest in real property, title, ownership or easement to the County regarding the SH 24 – I-25 to Woodland Park Facility or the CDOT SH 24 Corridor Fiber Optic Infrastructure, or regarding any other infrastructure that CDOT may install within the SH 24 – I-25 to Woodland Park Facility, or regarding the SH 24 ROW. The County also acknowledges that nothing in this Agreement limits, restricts, prohibits or prevents CDOT from entering into similar agreements with other third-parties for similar rights in the SH 24 – I-25 to Woodland Park Facility within the same SH 24 ROW.

7. The County agrees to deliver, solely at the County's expense and without seeking reimbursement from CDOT in any manner whatsoever, the CDOT SH 24 Fiber Optic Cable, the VMS Upgrade Kits, the County SH 24 Fiber Optic Cable and the County SH 24 Pull Boxes to a location or locations as designated by CDOT representative identified in Section XIII below (CONTACTS AND NOTICE ADDRESS) not to exceed the period specified following full execution of this Agreement as follows:

a. The County Pull Boxes shall be delivered within a period not to exceed sixty (60) days following full execution of this Agreement.

b. The CDOT SH 24 Fiber Optic Cable and the County SH 24 Fiber Optic Cable shall be delivered by no later than May 30, 2019.

c. The VMS Upgrade Kits shall be delivered within a period not to exceed one hundred eighty (180) days following full execution of this Agreement.

The Parties recognize that the County must follow its purchasing requirements which could extend the delivery date by up to ninety (90) days. The County agrees to fast track the purchasing process to expedite delivery of the same materials specified in this paragraph 7. The County will deliver the same materials specified in this paragraph 7 to CDOT as soon as they are received, and the County agrees to work as diligently as possible to meet the delivery timeframes identified in this paragraph 7. The Parties understand that delivery delays from the suppliers, which are no fault of the County, will not be considered Default. CDOT agrees to support the County's purchasing process by sharing specifications that are provided in **Exhibit C**, and reviewing and approving bidder's submittals. Notwithstanding the aforementioned, failure by the County to comply with this paragraph 7 shall place the County in Default as identified in Section XiV.3 below (Default) and CDOT may initiate Termination for Cause as identified in Section XIV.1 below (Termination for Cause).

IV. OWNERSHIP OF THE CDOT SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE

1. CDOT owns the following infrastructure:

a. The CDOT SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW.

b. The VMS Upgrade Kits.

c. All existing or future infrastructure procured and/or installed by CDOT in the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW including, but not limited to, Closed Circuit Television Cameras, Toll-Tag Indicators, Radar Units, etc.

V. OWNERSHIP OF THE COUNTY SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE

1. The County owns the following infrastructure:

a. The County SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW.

b. All future infrastructure procured and/or installed by the County in the SH 24 Corridor – I-25 to Woodland Park Facility including, but not limited to, splice canisters, cabling, connectors and ancillary equipment and lateral conduit and fiber optic cable.

c. The County Conduit.

2. The County shall not own any real property, title, ownership or easement to the SH 24 – I-25 to Woodland Park Facility or the CDOT SH 24 Corridor Fiber Optic Infrastructure, or any other infrastructure that CDOT may install within the SH 24 – I-25 to Woodland Park Facility, or the SH 24 ROW.

VI. ROLES AND RESPONSIBILITIES OF THE COUNTY

With respect to the Work and related activities identified in this Agreement, the County shall perform and be responsible for the following functions:

1. Manage and administer the Work, records, the County billings and payments, and all related activities, as applicable, to ensure that all applicable federal and state statutes, regulations, standards, plans, specifications and procedures are satisfied.

2. Prepare and provide plans to CDOT in hard copy and appropriate electronic format as required by CDOT for review, comment and approval that shows, but not limited to, proposed locations for the County SH 24 Pull Boxes and the preferred length of the County SH 24 Fiber Optic Cable to be coiled in each of the County SH 24 Pull Boxes within the SH 24 Corridor – I-25 to Woodland Park Facility. These plans shall be referred to as (the "County SH 24 Corridor Fiber Optic Infrastructure Project Plans").

3. Prepare and provide plans to CDOT in hard copy and appropriate electronic format as required by CDOT for review, comment and approval prior to performance of any construction related activity on the County SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility. The County shall also provide as-constructed plans showing any changes or deviations required from the plans within sixty (60) days following CDOT's final acceptance of the Work by the CDOT Project Engineer. As-Constructed Plans shall be provided in the same electronic format as the plans and in SHP file format.

4. Prior to perform or cause to be performed any construction related activity on the County SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility, apply for and obtain the CDOT Region 2 Utility Permit, which authorizes the construction related activity, and comply with all applicable provisions, terms and conditions of the CDOT Region 2 Utility Permit and apply for and obtain any and all other federal, state and/or local permits that may be necessary. The CDOT Region 2 Utility Permit addresses, but is not limited to, the following requirements: insurance during construction, traffic control, worker safety, general construction provisions, environmental provisions, facility relocation procedures, maintenance roles and responsibilities, access to the facility, etc.

5. Prior to perform or cause to be performed any maintenance related activity on the County SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility, apply for and obtain the CDOT Region 2 Maintenance Permit and comply with all applicable provisions, terms and conditions of the CDOT Region 2 Maintenance Permit in order to perform maintenance related activities on the County SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility. The CDOT Region 2 Maintenance Permit must be applied for and obtained as described in Section II.4.b above (STATEMENT OF WORK) throughout the entire term of this Agreement.

6. Apply for and obtain all other federal, state and/or local permits that may be necessary to perform any construction related activity on the County SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility as a condition, if applicable, of obtaining the CDOT Region 2 Utility Permit. It shall be the sole responsibility of the County to pay for all associated fees and costs of such permits and comply with the terms and conditions of such permits.

7. Perform or cause to be performed all construction related activities in accordance with CDOT's 2017 version of Standard Specifications for Road and Bridge Construction and Sample ITS Specifications, as applicable, plans, project schedules and permit requirements to the extent required under this Agreement.

8. Grant CDOT IRU the County Conduit within the City of Colorado Springs as shown on **Exhibit B**, Figure 2 to over pull CDOT fiber optic cable in the County Conduit. The IRU shall be imputed upon execution of this Agreement without further action being necessary and shall have the same duration as identified in Section X below (TERM OF AGREEMENT).

9. Comply with Section III.7 above (GENERAL PROVISIONS) to deliver, solely at the County's expense and without seeking reimbursement from CDOT in any manner whatsoever, the CDOT SH 24 Fiber Optic Cable, the VMS Upgrade Kits, the County SH 24 Fiber Optic Cable and the County SH 24 Pull Boxes to a location or locations as designated by CDOT representative identified in Section XIII below (CONTACTS AND NOTICE ADDRESS) within the time period specified.

10. Comply with Section III.4 above (GENERAL PROVISIONS) regarding the County making excess capacity or providing fiber strands in the County SH 24 Fiber Optic Cable.

11. Notwithstanding anything to the contrary in Section XIV.10 below (Assignment), including but not limited to the exhibits, the County may utilize sub-contractors to perform any or all of its obligations under this Agreement without obtaining the prior written consent or approval of CDOT, provided that said sub-contractors comply with all provisions of this Agreement, the CDOT Region 2 Utility Permit, and the CDOT Region 2 Maintenance Permit.

12. Perform or cause to be performed, as applicable, any and all construction related activities within the SH 24 Corridor – I-25 to Woodland Park Facility so as not to cause damage to the CDOT SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility. The County or the County's contractor, as applicable, shall be responsible to remedy damage(s) to the CDOT SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility caused as a direct

result of improper or careless performance of construction related activities within the SH 24 Corridor – I-25 to Woodland Park Facility. Failure by the County or the County's contractor, as applicable, to correct damages to the CDOT SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility may result in CDOT ceasing all other Work and related activities including, but not limited to, CDOT exercising all other provisions within this Agreement to remedy said damages, until such time as any damages are corrected to CDOT's satisfaction.

13. Perform or cause to be performed including, but not limited to, all maintenance related activities on the County SH 24 Corridor Fiber Optic Infrastructure and other infrastructure installed by the County in the SH 24 Corridor – I-25 to Woodland Park Facility including, but not limited to, splice canisters, cabling, connectors and ancillary equipment and lateral conduit and fiber optic cable as described in Section IX below (MAINTENANCE OF THE SH 24 CORRIDOR) solely at the County's expense without seeking reimbursement from CDOT, in any manner whatsoever, for the entire duration of this Agreement as identified in Section X below (TERM OF AGREEMENT).

14. Not impede, restrict or limit in any manner whatsoever CDOT performance of construction or repairs on the CDOT SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility (which shall be performed by CDOT or CDOT contractors at CDOT's sole cost and expense) in accordance with CDOT's immediate business need, in CDOT's sole discretion, to perform or cause to be performed such construction or repairs on the CDOT SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility including, but not limited to, type of construction or repair, date and time to perform the construction or repair and time required to perform the construction or repair all of which shall be determined solely based on CDOT's discretion upon prior written notification provided to the County that shall be acceptable in the form of an email with an electronic receipt.

15. Comply with all provisions identified in Senate Bill 18-167, as applicable, if and to the extent that any of the Work required to the County SH 24 Corridor Fiber Optic Infrastructure in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW meets the definition of Subsurface Utility Engineering-Required Project as stated in Senate Bill 18-167.

VII. <u>ROLES AND RESPONSIBILITIES OF CDOT</u>

With respect to Work and related activities identified in this Agreement, CDOT shall perform and be responsible for the following functions:

1. Prepare and provide Sample ITS Specifications identified in Section II.3.b above (STATEMENT OF WORK) in electronic format to the County so that such Sample ITS Specifications can be used with respect to the CDOT SH 24 Fiber Optic Cable.

2. Provide technical support, advice and assistance to the County regarding applying for and obtaining the CDOT Region 2 Permits, as applicable, regarding performance of any construction or maintenance related activity on the County SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility.

3. Issue the CDOT Region 2 Utility Permit within forty-five (45) days of receiving the County's properly completed application including all other required federal, state and/or local permits provided that no mitigating circumstances, requirements, clearances or other issues must be addressed thereby making issuance of said CDOT Region 2 Utility Permit not possible within forty-five (45) days.

4. Issue the CDOT Region 2 Maintenance Permit within fifteen (15) days of receiving the County's properly completed application provided that no mitigating circumstances or other issues must be addressed thereby making issuance of said CDOT Region 2 Maintenance Permit not possible within fifteen (15) days.

5. Waive any and all associated fees and costs regarding the CDOT Region 2 Permits, as applicable, for the entire duration of this Agreement as identified in Section X below (TERM OF AGREEMENT).

6. Review the County SH 24 Corridor Fiber Optic Infrastructure Project Plans and provide approval or comments within fifteen (15) business days after receipt of the County SH 24 Corridor Fiber Optic Infrastructure Project Plans.

7. Review plans of any construction related activity on the County SH 24 Corridor Fiber Optic Infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility within fifteen (15) business days after receipt of the plans.

8. Assign a CDOT Project Engineer to perform construction inspection activities, as deemed necessary, to ensure that the County SH 24 Corridor Fiber Optic Infrastructure is properly installed and constructed in accordance with the County SH 24 Corridor Fiber Optic Infrastructure Project Plans as approved by CDOT.

9. Grant the County non-exclusive access to the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW in accordance with the terms and conditions in this Agreement. Non-exclusive access shall be imputed upon execution of this Agreement without further action being necessary and shall have the same duration as identified in Section X below (TERM OF AGREEMENT) provided that the County faithfully fulfills all its obligations as identified in this Agreement. CDOT's grant of non-exclusive access to the County shall not in any manner whatsoever, limit, restrict, prohibit or prevent CDOT from granting non-exclusive access to any other third-party in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW. Any such third-party access shall not impede, restrict or limit in any manner whatsoever the County's use of the County SH 24 Fiber Optic Infrastructure.

10. Grant the County IRU the CDOT SH 24 Green Micro Duct Conduit in the CDOT SH 24 Multipath Conduit to operate the County SH 24 Corridor Fiber Optic Infrastructure in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW. The IRU shall be imputed upon execution of this Agreement without further action being necessary and shall have the same duration as identified in Section X below (TERM OF AGREEMENT).

VIII. <u>DISPOSITION OF THE COUNTY SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE</u>

With respect to this Agreement, disposition of infrastructure identified in Section V.1.a and b above (OWNERSHIP OF THE COUNTY SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE) shall be handled in the following manner:

1. If CDOT terminates this Agreement pursuant to Section XIV. 1 below (Termination for Cause) as a result of the County's refusal or failure to perform all its obligations, responsibilities and commitments set forth in this Agreement, which shall constitute a material default and breach of this Agreement, provided that all conditions identified in Section XI below (DISPUTES) have been mutually satisfied and further provided that the County has failed to cure the breach or default in accordance with Section XIV. 3 below (Default); the following infrastructure shall become the sole property of CDOT without any cost or expense to CDOT:

(a) The infrastructure identified in Section V.1.a and b above (OWNERSHIP OF THE COUNTY SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE).

2. If, after completion of construction of the County SH 24 Corridor Fiber Optic Infrastructure, the County terminates this Agreement as a result of any of the following conditions that the County either initiates or causes to be initiated against it, provided that all conditions identified in Section XI below (DISPUTES) have been mutually satisfied and further provided that the County has failed to cure the breach or default in accordance with Section XIV. 3 below (Default), the infrastructure identified in paragraph 1 above in this same Section shall become the sole property of CDOT without any cost or expense to CDOT. However this paragraph 2 shall not apply if the County initiates Termination for Convenience as identified in Section XIV.2 below (Termination for Convenience) prior to completion of construction of the County SH 24 Corridor Fiber Optic Infrastructure or if the County initiates Termination for Cause as identified in Section XIV.1 below (Termination for Cause) or if the County exercises its option to assign this Agreement as identified, and notwithstanding anything to the contrary, in Section XIV.10 below (Assignment):

(a) Ceases its business operations in entirety or particularly in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW,

(b) Decides not to renew this Agreement upon expiration,

(c) Files a voluntary petition for relief to the bankruptcy laws of the United States or of the State of Colorado,

(d) Is subject to an involuntary petition filed against it for relief pursuant to the bankruptcy or insolvency laws of the United States or of the State of Colorado,

(e) Makes an assignment for the benefit of creditors,

(f) Does or permits to be done anything which creates a lien upon the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW,

(g) Abandons the County SH 24 Corridor Fiber Optic Infrastructure in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW, which shall be defined as the County's decision to discontinue operation of the County SH 24 Corridor Fiber Optic Infrastructure in the SH 24

Corridor – I-25 to Woodland Park Facility within the SH 24 ROW or not to assign the County SH 24 Corridor Fiber Optic Infrastructure in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW as identified, and notwithstanding anything to the contrary, in Section XIV.10 below (Assignment).

IX. MAINTENANCE OF THE SH 24 CORRIDOR

The Parties agree that the following maintenance provisions shall apply only to the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW, unless otherwise identified, for the entire term of this Agreement. The County Conduit is not part of the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW. CDOT shall not be responsible, in any manner whatsoever, to perform any maintenance activities whatsoever on the County Conduit.

1. Routine Preventative Maintenance: CDOT shall be solely responsible to perform or cause to be performed Routine Preventative Maintenance throughout the entire term of this Agreement. Routine Preventative Maintenance, as applicable, shall at a minimum consist of, but not be limited to, periodic inspection of the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW including reinstallation of knocked down fiber location markers and replacement of damaged or missing fiber location markers within the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW, clearing and cleaning debris from the CDOT SH 24 Pull Boxes and the County SH 24 Pull Boxes so that they are visible, and performing locates within three (3) business days from receipt of UNCC notice unless Force Majeure, severe weather, highway closures or extreme safety hazards exist; except that CDOT shall not be responsible to perform locates on any lateral conduit or fiber optic cable that the County installs in the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW. CDOT shall supply materials such as, but not limited to, fiber location markers at its own expense and shall perform all necessary Routine Preventative Maintenance at its own expense and shall not seek reimbursement from the County for any and all cost associated with Routine Preventative Maintenance performed by CDOT on the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW.

2. Registering the CDOT SH 24 Multipath Conduit: CDOT shall register or cause to be registered the CDOT SH 24 Multipath Conduit with the Utility Notification Center of Colorado (UNCC). CDOT shall be solely responsible to pay all costs to repair and/or replace the County SH 24 Fiber Optic Cable in the CDOT SH 24 Green Micro Duct Conduit due only to failure to perform locates, or to perform locates in a timely manner, resulting in damage and/or cutting or severing the County SH 24 Fiber Optic Cable in the CDOT SH 24 Green Micro Duct Conduit. CDOT shall not be responsible to register or cause to be registered any lateral conduit or fiber optic cable that the County installs in the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW, neither shall CDOT be responsible to pay for any costs to repair and/or replace any lateral conduit or fiber optic cable that the County installs in the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW.

3. Emergency and Extraordinary Repairs: The Parties shall be solely responsible to perform or cause to be performed Emergency and Extraordinary Repairs throughout the entire term of this Agreement. Emergency and Extraordinary Repairs shall mean repairs required as a result of the fiber optic cables in

the CDOT SH 24 Multipath Conduit have been damaged, cut, or severed and repairs required as a result of pull boxes being crushed or damaged. CDOT shall perform and be solely responsible to pay for all necessary Emergency and Extraordinary Repairs including splicing and reconnecting of the fibers in the CDOT SH 24 Multipath Conduit; except that the County shall be solely responsible to reimburse CDOT for all costs incurred by CDOT regarding splicing and reconnecting the fibers in the County SH 24 Fiber Optic Cable in the CDOT SH 24 Green Micro Duct Conduit notwithstanding paragraph 2 above in this same Section. The County shall perform and be solely responsible to pay for all necessary Emergency and Extraordinary Repairs; including splicing and reconnecting of any lateral conduit or fiber optic cable that the County installs in the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW, and repairs and/or replacement of the County SH 24 Pull Boxes.

4. Notification: In the event that the County performs Emergency and Extraordinary Repairs identified in paragraph 3 above in this same Section, the County shall notify CDOT as soon as is reasonable and practicable, and shall make reasonable effort to notify CDOT while such Emergency and Extraordinary Repair is in progress. The County's notification shall include, to the extent practicable, the nature, location and duration of the emergency and extraordinary repair, and shall be to the CDOT representative identified in Section XIII below (CONTACTS AND NOTICE ADDRESS). A telephone call followed by an email with an electronic receipt shall constitute acceptable notification as required in this same paragraph 4.

5. Entering The Parties Pull Boxes: For safety and security reasons pertaining to the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW, neither Party including, but limited to, its employees, sub-contractors, agents, entities, affiliates, etc. shall not enter the other Party's pull boxes without receiving written permission, which shall be acceptable in the form of email with an electronic receipt from the representative identified in Section XIII below (CONTACTS AND NOTICE ADDRESS), except where entry is necessary to perform Emergency and Extraordinary Repairs identified in paragraph 3 above in this same Section and in accordance with the notification provision pertaining to Emergency and Extraordinary Repairs identified in paragraph 4 above in this same Section.

6. Leaving Area of Maintenance and Repair in Good Condition: The County shall, with respect to any and all Routine Preventative Maintenance and/or Emergency and Extraordinary Repairs performed on the County SH 24 Fiber Optic Cable, any lateral conduit or fiber optic cable that the County installs and the County SH 24 Pull Boxes in the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW, restore the affected area, including but not limited to, landscaping, trees, sod, sprinkler systems and pathways, to the same or better condition as before. Failure by the County to comply with this provision shall provide basis for CDOT to seek restitution from the County for all damages and any and all other remedies that are afforded CDOT within this Agreement. The County shall maintain the SH 24 Corridor – I-25 to Woodland Park Facility in the SH 24 ROW in good repair and in tenantable condition free of trash and debris during the term of this Agreement.

7. Compliance with the CDOT Region 2 Maintenance Permit The County shall comply with all terms, conditions and provisions contained in the CDOT Region 2 Maintenance Permit regarding performance of all Routine Preventative Maintenance activities and Emergency and Extraordinary Repairs including, but not limited to, acceptable days and hours to access the SH 24 Corridor – I-25 to Woodland Park Facility,

submittal of method of handling traffic (MHT) while performing Routine Preventative Maintenance activities and Emergency and Extraordinary Repairs, CDOT approval of MHT, safety, insurance requirements, etc.

8. Relocation: Each Party recognizes that from time to time due to highway and/or transportation projects in the SH 24 ROW, it may become necessary to relocate either a portion, or all, of the infrastructure installed as part of the SH 24 Corridor – I-25 to Woodland Park Facility. If such relocation becomes necessary for whatever reason, CDOT shall be solely responsible for all costs incurred to relocate all CDOT infrastructure identified in Section IV.1.a and c above (OWNERSHIP OF THE CDOT SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE) in the SH 24 Corridor – I-25 to Woodland Park Facility, except that CDOT shall not be responsible for any costs incurred to relocate the County infrastructure identified in Section V.1.a and b above (OWNERSHIP OF THE COUNTY SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE) in the SH 24 Corridor – I-25 to Woodland Park Facility. To accomplish relocation of the County infrastructure for which the County is solely and entirely responsible, the County shall have the following two (2) options:

a. Hire a contractor to relocate the County infrastructure identified in Section V.1.a and b above (OWNERSHIP OF THE COUNTY SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE) in the SH 24 Corridor – I-25 to Woodland Park Facility in accordance with CDOT construction plans and schedules. The County shall direct such contractor to coordinate with the contractor CDOT hires to perform construction and relocation of the CDOT infrastructure identified in Section IV.1.a and c above (OWNERSHIP OF THE CDOT SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE) in the SH 24 Corridor – I-25 to Woodland Park Facility to ensure that the County infrastructure is relocated in a coordinated manner and that the project is successfully completed.

b. Authorize the contractor hired by CDOT to relocate the County infrastructure identified in Section V.1.a and b above (OWNERSHIP OF THE COUNTY SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE) in the SH 24 Corridor – I-25 to Woodland Park Facility in accordance with CDOT construction plans and schedules. The County shall be solely responsible to pay for all cost associated to relocate the County infrastructure. Due to the vested interest that the County has in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW, CDOT shall use commercially reasonable efforts to give the County notice of relocation as soon as CDOT becomes aware of such relocation and CDOT shall keep the County well informed throughout the entire relocation process, including but not limited to, development of relocation project plans and schedules. Also, CDOT shall give the County an official notice that identifies the date on which the relocation project is scheduled to begin at least one hundred twenty (120) days prior to the commencement of such relocation project.

9. Right of Access: It is understood and agreed that the County intends to use the County SH 24 Corridor Fiber Optic Infrastructure in the SH 24 Corridor – I-25 to Woodland Park Facility only for the installation and operation of equipment to operate the County SH 24 Corridor Fiber Optic Infrastructure in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW. The County shall have the right to access

the SH 24 Corridor – I-25 to Woodland Park Facility to perform Routine Preventative Maintenance activities and Emergency and Extraordinary Repairs pursuant to this Agreement and in accordance with the terms and conditions identified in the CDOT Region 2 Maintenance Permit.

CDOT shall, at all times have the right to access and inspect all equipment and infrastructure within the SH 24 Corridor – I-25 to Woodland Park Facility to ensure that it complies with environmental regulations, the terms and conditions of this Agreement and the CDOT Region 2 Utility Permit and the CDOT Region 2 Maintenance Permit. The County shall not use the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW for any purposes other than those identified in this Agreement and the CDOT Region 2 Utility Permit and the CDOT Region 2 Maintenance Permit without the express written consent of CDOT.

10. Loss of Use: Either Party's loss of use of the SH 24 Corridor – I-25 to Woodland Park Facility shall not entitle such Party to any damages or loss from the other Party, in any manner whatsoever, for loss of use, which loss of use could be attributed, but not limited to, as a result of any Routine Preventative Maintenance, Registering the CDOT SH 24 Multipath Conduit with UNCC, Emergency and Extraordinary Repairs or any other activity described in this same Section or any other unforeseen circumstance that may result in such loss of use, and such loss of use does not relieve either Party from any obligations assumed by this Agreement, or from complete and proper fulfillment of the terms and conditions of this Agreement, neither does it entitle either Party to any compensation for damages or loss from the other Party, in any manner whatsoever, for such loss of use.

X. TERM OF AGREEMENT

The term of this Agreement shall be from the date of full execution by the Executive Director of the Colorado Department of Transportation, or his Designee, for an initial term of twenty (20) years. This Agreement may be renewed for an additional twenty (20) year term upon written agreement by both Parties. If the County does not seek another twenty (20) year term, CDOT shall immediately rescind grant of non-exclusive access to the County for the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW, and CDOT shall immediately cancel IRU the CDOT SH 24 Green Micro Duct Conduit. The County shall be permitted to assign the County SH 24 Corridor Fiber Optic Infrastructure to a third party as identified, and notwithstanding anything to the contrary, in Section XIV.10 below (Assignment) or the County's decision to abandon the County SH 24 Corridor Fiber Optic Infrastructure in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW in place and transfer ownership of the County SH 24 Corridor Fiber Optic Infrastructure in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW to CDOT. The Parties decision not to renew this Agreement shall have no effect whatsoever on all or any portion of the CDOT infrastructure identified in Section IV above (OWNERSHIP OF THE CDOT SH 24 CORRIDOR FIBER OPTIC INFRASTRUCTURE AND OTHER INFRASTRUCTURE) in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW. The County must give written notice of its intent to renew this Agreement, in accordance with and to the address identified in Section XIII below (CONTACTS AND NOTICE ADDRESS), at least one (1) year prior to expiration of initial term; however, this Agreement shall terminate if the Parties decide not to renew this Agreement.

XI. DISPUTES

Resolution of disputes or disagreements on any matter relating to the Work shall be subject to a three-step process. Upon written notification of either Party to the other Party that a dispute exists, the matter shall first be submitted jointly to the representatives identified in Section XIII below (CONTACTS AND NOTICE ADDRESS). These Parties shall collaborate to resolve the dispute. If a resolution cannot be achieved within thirty (30) days' time, the matter shall be submitted jointly to the County's Chief Information Officer and CDOT's Director of Transportation Systems Management & Operations. If a resolution cannot be achieved within thirty (30) days' time at this level, the matter shall be submitted jointly for final resolution of the dispute to the County's County Administrator and CDOT's Executive Director. The Parties agree that participation in each of these administrative procedures shall be a condition precedent to initiation of litigation, except in the case of emergency or other conditions that entitle either Party to injunctive or emergency relief from a court of competent jurisdiction, in which event no participation in the foregoing alternative dispute resolution process shall be required.

XII. PERSONNEL/COMPENSATION

Neither Party to this Agreement shall be required to pay any compensation to the other Party for any services of Party personnel rendered hereunder. Nothing in this Agreement shall be construed to place the personnel of either Party under the control or employment of the other 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 either Party waive its immunities at law, including immunity granted under the Colorado Governmental Immunity Act.

XIII. CONTACTS AND NOTICE ADDRESS

All notices, demands and requests required or permitted to be given under this Agreement (collectively the "Notices") must be in writing and shall be deemed to have been given as of the date such Notice is:

(i) certifiably delivered to the Party intended,

(ii) delivered to the Notice Address provided in this same Section or the then designated address of the Party intended,

(iii) rejected at the then designated address of the Party intended, provided such Notice was sent prepaid,

(iv) sent by nationally recognized overnight courier or by United States Certified Mail, return receipt requested, postage prepaid and addressed to the then designated address of the Party intended, or

(v) sent via email to the email address specified in this same Section, with an electronic receipt. The initial notice address designated for each Party shall be as listed below. Upon at least ten (10) days' prior written notice, each Party shall have the right to change its address to any other address within the United States of America.

Regarding the Work to be performed as outlined in this Agreement and subsequent issues throughout this Agreement term, persons to be contacted that represent the Parties include:

For CDOT – Transportation Management Center:

Colorado Department of Transportation

425C Corporate Circle

Golden, CO 80401

303-512-5800

Attn: ITS Branch Manager

With a copy to:

Colorado Department of Transportation

425C Corporate Circle

Golden, CO 80401

303-512-5800

Attn: ITS Business Development and Planning Manager

For the County:

El Paso County Information Technology Department

325 S. Cascade Ave.

Colorado Springs, CO 80903

With a copy to:

El Paso County Administrative Services

200 S. Cascade Ave.

Colorado Springs, CO 80903

XIV. GENERAL AGREEMENT PROVISIONS

1. Termination for Cause: If any Party shall fail to fulfill, in a timely and proper manner, its material obligations under this Agreement, or if any Party shall violate any of the material covenants, agreements, or stipulations of this Agreement, the other Party shall thereupon have the right to terminate for cause by giving written notice of such termination and specifying the effective date thereof, at least twenty (20) days prior to the effective date of such termination, provided that the provisions identified in Section XI above (DISPUTES), have been mutually satisfied, and further provided that the defaulting Party shall have thirty (30) days after receipt of written notice of the default in which to cure its failure or violation, in which case this Agreement shall not terminate, and further provided that the cure period shall be extended if the nature of the cure is such that it reasonably requires more than thirty (30) days to cure, and the defaulting Party commences the cure within the thirty (30) day period and thereafter continuously

and diligently pursues the cure to completion in which case this Agreement shall not terminate. Notwithstanding anything to the contrary in this Agreement, including but not limited to the exhibits, CDOT shall not have the right to terminate this Agreement for any reason other than an uncured default by the County pursuant to this same Section XIV.1 (Termination for Cause).

2. Termination for Convenience: If at any time during the term of this Agreement, it becomes economically, technologically, or legally advisable in the County's business judgment for the County to discontinue utilizing the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW, the County may terminate this Agreement on thirty (30) days written notice to CDOT.

3. Default: Either Party may terminate this Agreement by giving written notice of breach or default if the other Party (a) becomes insolvent, unable to pay debts when due, or the subject of bankruptcy proceedings not terminated within thirty (30) days of any filing; or makes a general assignment for the benefit of creditors; or if a receiver is appointed for substantially all of its property; or (b) breaches or defaults on its obligations under this Agreement, and in either case fails to cure the breach or default within thirty (30) days after receipt of written notice, provided however, that the cure period shall be extended if the nature of the cure is such that it reasonably requires more than thirty (30) days to cure, and the defaulting Party commences the cure within the thirty (30) day period and thereafter continuously and diligently pursues the cure to completion in which case this Agreement shall not terminate. Notwithstanding anything to the contrary in this Agreement, including but not limited to the exhibits, in no event shall the cure period for either Party to cure any breach or default be less than the cure period set forth in this same paragraph 3. Furthermore, notwithstanding anything to the contrary in this Agreement, including but not limited to the exhibits, in no event may either Party terminate this Agreement as the result of an uncured breach or default unless the requirements identified in paragraph 1 above in this same Section have been satisfied.

4. Effect of Termination: Notwithstanding the County SH 24 Corridor Fiber Optic Infrastructure and any lateral conduit or fiber optic cable that the County installs in the SH 24 Corridor – I-25 to Woodland Park Facility CDOT, in its sole discretion and authority, may require the County to remove certain County SH 24 Corridor Fiber Optic Infrastructure and any lateral conduit or fiber optic cable that the County installs in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW and restore the affected area to its condition prior to the beginning of this Agreement, normal wear and tear excluded, at the County's sole cost and expense, no later than ninety (90) days following the termination date. If such County SH 24 Corridor Fiber Optic Infrastructure and any lateral conduit or fiber optic cable that the County installs in the SH 24 Corridor – I-25 to Woodland Park Facility is not removed from the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW within this period of time, CDOT shall have the right to have the County SH 24 Corridor Fiber Optic Infrastructure and any lateral conduit or fiber optic cable that the County installs in the SH 24 Corridor – I-25 to Woodland Park Facility removed from the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW at the County's expense.

5. Severability: To the extent performance of the obligations of the Party may be accomplished within the intent of this Agreement, the terms of this Agreement are severable, and should any term or provision hereof be declared invalid or become inoperative for any reason, such invalidity or failure shall not affect

the validity of any other term or provision hereof. The waiver of any breach of a term hereof shall not be construed as a waiver of any other term, or the same term upon subsequent breach.

6. Complete Agreement: This Agreement, including all exhibits, supersedes any and all prior written or oral agreements. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or affect whatsoever, unless embodied herein by writing. No subsequent novation, renewal, addition, deletion or other amendment hereto shall have any force or effect unless embodied in a written contract executed and approved pursuant to the State of Colorado Fiscal Rules.

7. Waiver: No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed a waiver of any subsequent default hereunder. The Parties do not waive any of the provisions of the Governmental Immunity Act, C.R.S. 24-10-101, et seq.

8. Appropriation of Funds: In accord with the Colorado Constitution, Article X, Section 20, performance of the Parties' obligations under this Agreement is expressly subject to annual appropriation and availability of funds for that purpose.

9. Taxes, Utilities, Maintenance and other Expenses: It is understood and agreed that except as otherwise provided by law, all taxes, assessments, insurance, utilities and other operating costs and the cost of all maintenance, repairs, and improvements, and all other direct costs, charges and expenses of any kind whatsoever respecting the County's use and occupancy of the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW shall be solely borne by the County and not by CDOT.

10. Assignment: This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns. Neither Party shall assign, sublet, delegate, or transfer any of its rights or obligations hereunder without the prior written consent of the other Party; provided, however, that notwithstanding anything to the contrary in this same Section or this Agreement, including but not limited to the exhibits, the County shall be allowed to assign this Agreement, in whole or in part, upon thirty (30) days written notice to CDOT, to other State of Colorado governmental entities including counties, cities, and including institutions of higher educations, political subdivisions or private partners. In the event that the County assigns this Agreement, the County shall use a written agreement to make that assignment, and the County shall include language in that agreement that expressly requires any assignee to assume all of the County's obligations and duties under this Agreement to CDOT for the term of this Agreement. Furthermore, the County shall provide CDOT, within fifteen (15) days of executing such assignment, a copy of the assignment agreement.

11. No Third Party Beneficiary: It is expressly understood and agreed that the enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the Parties hereto, and nothing contained in this Agreement shall give or allow any such claim of right of action by any other or third person or entity on such Agreement. It is the express intent of the Parties hereto that any person or entity, other than the Parties to this Agreement, receiving services or benefits under this Agreement shall be deemed incidental beneficiaries only.

12. Insurance Requirements:

(a) General. The County shall require its contractors, sub-contractors, agents and entities in any performance of the Work as identified in this Agreement obtain and maintain, at all times during the duration of this Agreement, insurance in the kinds and amounts detailed below or in the kinds and amounts identified on the CDOT Utility/Special Use Permit Application for the CDOT Region 2 Utility Permit or the CDOT Region 2 Maintenance Permit, whichever is greater and to provide an endorsement naming CDOT on all required insurance policies identified below.

The following insurance requirements must be in effect during the entire term of this Agreement. The County or its contractor shall, at its sole cost and expense, obtain insurance on the County SH 24 Corridor Fiber Optic Infrastructure and any lateral conduit or fiber optic cable that the County installs in the SH 24 Corridor – I-25 to Woodland Park Facility including its inventory, equipment and all other personal property located on the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW against loss resulting from fire, theft or other casualty. All policies evidencing the insurance coverage required hereunder shall be issued by insurance companies licensed to do business in the State of Colorado with a minimum A.M. Best financial rating of A. If CDOT or the State Controller changes its insurance requirements at any time during the term of this Agreement, the County shall update its policy to comply with these requirements. The County shall update such policy to become effective upon the date provided by CDOT regarding such change to CDOT or the State Controller insurance requirements. CDOT shall notify the County of any changes to its insurance requirements no later than sixty (60) days prior to such change.

(b) Worker's Compensation. Worker's Compensation Insurance, as required by State statute, and Employer's Liability Insurance covering all employees acting within the course and scope of their employment and work on the activities authorized by this Agreement.

(c) General Liability. Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, including self-insurance to the levels noted in the Colorado Governmental Immunity Act (if applicable), covering the County SH 24 Corridor Fiber Optic Infrastructure and any lateral conduit or fiber optic cable that the County installs in the SH 24 Corridor – I-25 to Woodland Park Facility, operations, fire damage, liability arising from acts of independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:

1. $1,000,000 each occurrence;

2. $1,000,000 general aggregate;

3. $1,000,000 products and completed operations aggregate; and

4. $50,000 any one fire.

If any aggregate limit is reduced below $1,000,000 because of claims made or paid, the County's contractor shall immediately obtain additional insurance to restore the full aggregate limit and

furnish to CDOT a certificate or other document satisfactory to CDOT showing compliance with this provision.

(d) Automobile Liability. Automobile Liability Insurance covering any auto (including owned, hired and on-owned autos) with a minimum limit of $1,000,000 each accident combined single limit, including self-insurance to the levels noted in the Colorado Governmental Immunity Act (if applicable).

(e) Pollution Legal Liability. If any operations are anticipated that might in any way result in the creation of a pollution exposure, the County shall also require its contractors, sub-contractors, agents and entities in any performance of the Work as identified in this Agreement obtain, maintain, and provide Pollution Legal Liability Insurance with minimum limits of liability of $1,000,000 Each Claim and $1,000,000 Annual Aggregate. CDOT shall be named as an Additional Insured to the Pollution Legal Liability policy of any contractors or sub-contractors. The Policy shall be written on a Claims Made form, with an extended reporting period of at least two-year following finalization of this Agreement.

(f) Umbrella or Excess Liability. Umbrella or Excess Liability Insurance with minimum limits of $1,000,000. This policy shall become primary (drop down) in the event the primary Liability Policy limits are impaired or exhausted. The Policy shall be written on an Occurrence form and shall be following form of the primary. The following form Excess Liability shall include CDOT as an Additional Insured of any contractors or sub-contractors.

(g) Additional Insured. CDOT shall be named as Additional Insured on the Commercial General Liability and Automobile Liability Insurance policies (leases and construction contracts require additional insured coverage for completed operations on endorsements CG 2010 11/85, CG 2037, or equivalent) required of any contractors or sub-contractors hereunder.) Primacy of Coverage. Coverage required of any contractor by this Agreement shall be primary over any insurance or self-insurance program carried by the State of Colorado and/or CDOT.(i) Cancellation. The County shall provide notice to CDOT at least ten (10) days prior to cancellation by certified mail to the CDOT representatives identified in Section XIII above (CONTACTS AND NOTICE ADDRESS). This subsection (i) shall supersede any cancellation notice requirements in the CDOT Utility/Special Use Permit Application or the CDOT Region 2 Utility Permit and the CDOT Region 2 Maintenance Permit.

(j) Subrogation Waiver. All insurance policies related in any way to this Agreement and secured and maintained by the County or contractor or sub-contractor as required herein shall include clauses stating that the County and contractor shall waive all rights of recovery, under subrogation or otherwise, against CDOT and the State of Colorado, its agencies, institutions, organizations, officers, agents, employees and volunteers.

(k) Certificates. In order for this Agreement to be executed, the County, or as applicable, its contractors and sub-contractors, shall provide certificates showing insurance coverage required by this Agreement to CDOT within seven (7) business days of the execution date of this Agreement. Upon renewal of any policy, the County or contractor or sub-contractor shall deliver

to the CDOT representatives identified in Section XIII above (CONTACTS AND NOTICE ADDRESS) certificates of insurance evidencing renewals thereof. At any time during the term of this Agreement, CDOT may request in writing, and the County or contractor or sub-contractor shall thereupon within ten (10) days supply to CDOT, evidence satisfactory to CDOT of compliance with the provisions of this same Section. Insurance coverage must be in effect or this Agreement is in default.

13. Applicable Law: The laws of the State of Colorado and rules and regulations issued pursuant thereto shall be applied in the interpretation, execution and enforcement of this Agreement, and any legal action concerning the provisions hereof shall be brought in the City and County of Denver, State of Colorado. Any provision of this Agreement, whether or not incorporated herein by reference, which provides for arbitration by any extra-judicial body or person or which is otherwise in conflict with said laws, rules and regulations shall be considered null and void. Nothing contained in any provision incorporated herein by reference which purports to negate this or any other special provision in whole or in part shall be valid or enforceable or available in any action at law whether by way of complaint, defense or otherwise. Any provision rendered null and void by the operation of this provision will not invalidate the remainder of this Agreement to the extent that this Agreement is capable of execution.

14. Caption, Construction, and Agreement Effect: The captions and headings used in this Agreement are for identification only, and shall be disregarded in any construction of the Agreement provisions. All of the terms of this Agreement shall inure to the benefit of and be binding upon the respective heirs, successors, and assigns of both CDOT and the County. If any provision of this Agreement shall be determined to be invalid, illegal, or without force by a court of law or rendered so by legislative act then the remaining provisions of this Agreement shall remain in full force and effect.

15. No Violation of Law: The County shall not commit, nor permit the commission of, any act or thing which shall be a violation of any ordinance of the municipality, City, County, or of any law of the State of Colorado or the United States. The signatories hereto aver that they are familiar with 18-8-301, et seq., (Bribery and Corrupt Influences) and 18-8-401, et seq., (Abuse of Public Office), C.R.S., as amended, and that to their knowledge no violation of such provisions is present. The signatories aver that to their knowledge, no state employee has any personal or beneficial interest whatsoever in the service or property described herein.

16. Hazardous Materials: With respect to any County contractor, sub-contractor, agent or entity that will be performing Work in the SH Corridor – I-25 to Woodland Park Facility within the SH 24 ROW, the County agrees and shall include in its contract with such contractor, sub-contractor, agent or entity provisions requiring the contractor, sub-contractor, agent or entity to defend, indemnify and hold harmless CDOT and any employees, agents, contractors, and officials of CDOT against any and all damages, claims, liability, loss, fines or expenses, including attorney's fees and litigation costs, related to the presence, disposal, release or clean-up of any contaminants, hazardous materials or pollutants on, over, under, from or affecting the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW subject to this Agreement, which contaminants or hazardous materials the County contractor, sub-contractor, agents or entities has caused to be located, disposed, or released on the SH 24 Corridor – I-25 to Woodland Park

Facility within the SH 24 ROW. Such contracts shall also require the County contractors, sub-contractors, agents or entities to be responsible for all damages, claims and liability to the soil, water, vegetation, buildings or personal property located thereon as well as any personal injury or property damage related to such contaminants or hazardous materials. Notwithstanding, neither the County nor its contractors, sub-contractors, agents or entities shall be responsible, and have no obligation to indemnify CDOT for hazardous materials existing or installed or released by others, including CDOT, on or in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW. Failure by the County to include in any of its agreements with its contractors, sub-contractors, agents and entities performing any work in the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW the requirement to comply with this same Section XIV.16 (Hazardous Materials) in its entirety shall impute to the County the responsibility to perform this same Section XIV.16 (Hazardous Materials) in its entirety.

17. Indemnification and Hold Harmless: With respect to any County contractors, sub-contractor, agents or entities in the performance of the Work on the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW, the County agrees and shall include in its contract with such County contractors, sub-contractors, agents or entities to indemnify, save, and hold harmless CDOT and the State of Colorado, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred as a result of any act or omission by the contractor, or its employees, agents, sub-contractors, or assignees pursuant to the terms of this Agreement except to the extent caused by the negligence or willful misconduct of CDOT or the State of Colorado; however, the provisions hereof shall not be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the Colorado Governmental Immunity Act, CRS 24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. 2671 et seq., as applicable, as now or hereafter amended.

18. Additional Provisions: The County shall also comply with the following:

(a) Any construction or maintenance related activity MAY NOT commence regarding this Agreement until the County has obtained, as applicable, the CDOT Region 2 Utility Permit and the CDOT Region 2 Maintenance Permit;

(b) Perform all work in a safe and workmanlike manner consistent with generally accepted construction standards;

(c) Perform all work in such a way to minimize, as is reasonably practical, any interference with the operations of CDOT;

(d) Obtain, prior to the commencement of any work, the necessary federal, state, and local permits, licenses and approvals;

(e) Comply with all terms and conditions of the CDOT Region 2 Utility Permit and the CDOT Region 2 Maintenance Permit, as applicable, including regarding the times and places for the performance of the work;

(f) Not pledge or cause a lien or encumbrance of any kind to be created on the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW or on any other CDOT property or facilities or have a right to pledge or cause such a lien or encumbrance unless a lien or encumbrance of any kind on the County SH 24 Corridor Fiber Optic Infrastructure is expressly permitted elsewhere in this Agreement and agreed to in writing by CDOT.

19. Independent Contractor: The County shall perform its duties hereunder as an independent contractor and not as a CDOT employee of CDOT or the State of Colorado. Neither the County nor any agent or employee of County shall be deemed to be an agent or employee of CDOT or the State of Colorado. The County and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through CDOT or the State of Colorado and CDOT shall not pay for or otherwise provide such coverage for the County or any of its agents or employees. Unemployment insurance benefits shall be available to the County and its employees and agents only if such coverage is made available by the County or a third party. The County shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Agreement. The County shall not have authorization, express or implied, to bind CDOT to any agreement, liability or understanding, except as expressly set forth herein. The County shall:

(a) Provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law,

(b) Provide proof thereof when requested by CDOT, and

(c) Be solely responsible for its acts and those of its employees and agents.

20. Order of Precedence: In the event conflicts or inconsistencies between this Agreement and its exhibits, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

(a) This Agreement.

(b) **Exhibit A** – County Resolution described in Section I.12 above (FACTUAL RECITALS).

(c) **Exhibit B** – The County Unsolicited Proposal, dated October 22, 2018 as described in Section I.5 above (FACTUAL RECITALS).

(d) **Exhibit C** – Sample ITS Specifications as identified in Section II.3.b above (STATEMENT OF WORK), or as approved in the field by the CDOT Project Engineer. All sections labeled BASIS OF PAYMENT within the Sample ITS Specifications only apply insofar that the item identified under Pay Item is required.

(e) CDOT's 2017 version of Standard Specifications for Road and Bridge Construction as identified in Section II.2 above (STATEMENT OF WORK).

21. Force Majeure: Neither Party shall be considered to be in default in performance of any obligation hereunder if failure of performance is due to forces beyond the control of the Party affected, including, but not limited to, flood, earthquake, storm, fire, lightning, epidemic, war, riot, civil disturbance, labor disturbance,

power outage, sabotage, and restraint by court order or public authority, or by any other cause beyond the control of a Party hereto, except where by exercise of due foresight the Party could have reasonably avoided or where by exercise of due diligence the cause could have been overcome.

22. Ownership of the ROW: CDOT represents that CDOT owns or is responsible to manage the use of the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW and the County specifically understands that CDOT owns or is responsible to manage the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW at all times relevant to this Agreement.

23. Limitation on Damages: In no event shall either Party be liable to the other Party for consequential, indirect, exemplary, special, incidental, or punitive damages in connection with, arising under, or in relation to this Agreement or use of the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW however caused and regardless of the theory of liability. This Limitation on Damages clause does not exclude or limit the County's liability for death, bodily injury, damage to State tangible property, or data loss resulting from its negligence or willful acts or the negligence or willful acts of its employees or agents. This Limitation on Damages clause does not apply to any insurance required under Section 12 of this Agreement.

24. Third Party Approval: CDOT represents that CDOT owns the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW and that no third-party consents or approvals are required for the construction and operation of the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW.

25. No New Permanent Structures: Except as authorized by this Agreement, no permanent structures or

facilities of any kind shall be erected or moved upon or within the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW by the County without the express written prior permission of CDOT. Any such structure/facilities erected or moved upon or within the SH 24 Corridor – I-25 to Woodland Park Facility within the SH 24 ROW without the express written consent of CDOT may be immediately removed by CDOT at the expense of the County.

26. Modification of Terms and Conditions: CDOT and the County hereby reserve the right to alter, amend or modify the terms and conditions of this Agreement upon written agreement by both Parties. Notice of the requested modification shall be given to the representatives identified in Section XIII above (CONTACTS AND NOTICE ADDRESS) at least thirty (30) days prior to instituting any alteration, amendment or modification of the terms or conditions of this Agreement. Any amendment fully executed by the Parties to this Agreement in accordance with this same Section shall be incorporated herein, made part of and attached to this Agreement. Such notice shall be acceptable in the form of email, with an electronic receipt.

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27. Signature Authority: Each Party represents and warrants that it has taken all actions that are necessary or that are required by its respective procedures and applicable law to legally authorize the undersigned signatory for that Party to execute this Agreement on behalf of the Party and to bind the Party to its terms.

THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT

Each person signing this Agreement represents and warrants that he or she is duly authorized to execute this Agreement and to bind the Party authorizing his or her signature.

COUNTY El Paso County By: Name & Title of Person Signing for County Date: 6/27/19	**STATE OF COLORADO** Jared S. Polis, Governor Department of Transportation Shoshana M. Lew, Executive Director Paul Jesaitis By: Joshua Laipply, P.E., Chief Engineer Date: 7/2/19
2nd State or Contractor Signature if Needed Signature By: (Print Name and Title) Date:	**LEGAL REVIEW** Philip J. Weiser, Attorney General Assistant Attorney General By: (Print Name and Title) Date:
In accordance with §24-30-202, C.R.S., if this Contract is for a Major Information Technology Project, this Contract is not valid until signed and dated below by the Chief Information Officer or an authorized delegate. **STATE OF COLORADO** **Governor's Office of Information Technology** **Theresa M. Szczurek, Ph.D.** **Chief Information Officer & Executive Director** By: ☐ Brenda Berlin, Deputy Chief Information Officer and Chief Financial Officer ☑ Laura Calder, Deputy Chief Financial Officer Date: 7/19/19	In accordance with §24-30-202, C.R.S., this Contract is not valid until signed and dated below by the State Controller or an authorized delegate. **STATE CONTROLLER** **Robert Jaros, CPA, MBA, JD** By: Office of the State Controller, Controller Delegate Effective Date: 7/24/2019

EXHIBIT A – EL PASO COUNTY RESOLUTION

EXHIBIT B – EL PASO COUNTY UNSOLICILITED PROPOSAL

Exhibit B

EL PASO COUNTY

COLORADO

October 22, 2018

Bob Fifer
Business Development & Planning Manager
ITS Branch
Colorado Department of Transportation
425C Corporate Circle
Golden, CO 80401

Mr. Fifer:

The City of Manitou Springs, Colorado Springs Utilities and El Paso County (local agencies) hereby request a partnership opportunity with CDOT for the installation of conduit and fiber on Highway 24 from I-25 to Woodland Park. The local agencies wish to install a second 144 count fiber optic cable when CDOT installs their 144-count fiber. The project partnership is envisioned as follows:

El Paso County proposes:

- El Paso County will provide CDOT the following materials for the project:
  1. All of the 144 count fiber cables needed by the local agencies for the project
  2. All of the 144 count CDOT fiber for the project
  3. Pull boxes for 9 locations where the County fiber will have splice points
- CDOT will over pull for the local agencies:
  1. 144 strand fiber cable from US 24 and Eighth Street to the west end of the project near the Walmart entrance in Woodland Park,
- El Paso County and Manitou will provide 6 upgrade kits for the variable message signs located on
  1. US 24 and I-25
  2. Exact sign locations to be detailed in the IGA
- Manitou Springs will provide access to the 30-inch water line if CDOT wishes to use it at a later date
- El Paso County will provide CDOT access to their conduit that runs from downtown Colorado Springs to Marksheffel Road. Figure 2 is a map of the conduit route.

Proposed uses for the local agency fiber will include:

- Intelligent Transportation Projects
- The connection of government, public safety, library, hospital and school facilities.
- Any other use approved by the respective agencies governing body.

The public benefits of this partnership include the following:

- The connection of local agency emergency management commands to the state-wide emergency management network. Specifically, both Manitou Springs Police and Fire will be connected with this project.
- The addition of communications infrastructure on Business 24 in Manitou Springs
- The improved communication infrastructure of all agencies in the US 24 corridor.
- 11 miles of access to County conduit from Cascade Ave to Marksheffel Road that provides alternate access to Powers Blvd. and US 24 east of Colorado Springs.

Figure 1 details the areas of intersection between the CDOT and the local agencies.

Figure 1

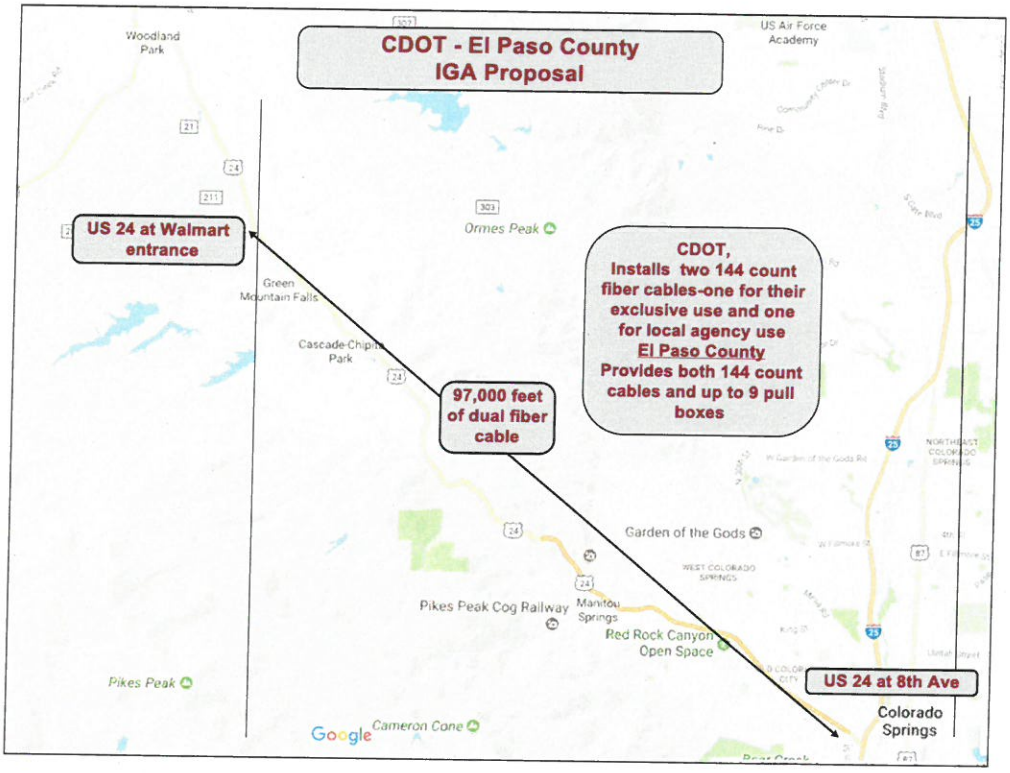
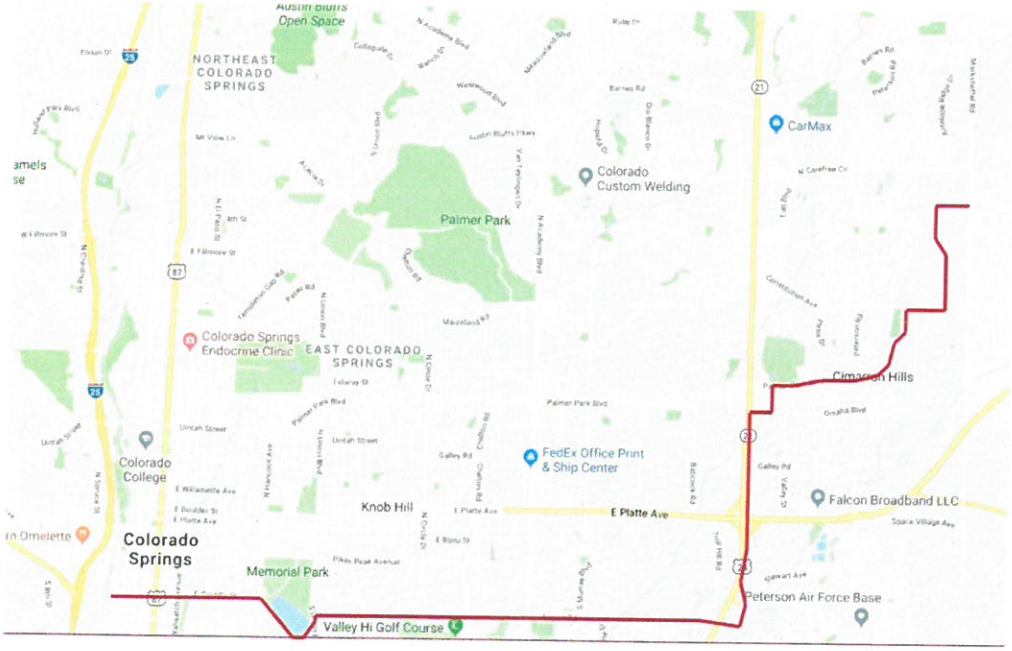


Figure 2 details the route of El Paso County conduit that CDOT will have access.

Figure 2



Summary

To summarize the above proposed agreement with CDOT, El Paso County and Manitou Springs will provide:

- **Materials to cover CDOT costs of installation**

144 count cable	97,000 ft

- **Materials to compensate CDOT for access to their conduit**

VMS repair kits	6 kits
Access to El Paso conduit	11 miles
Manitou Springs water pipe access	1 mile

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Jeff Eckhart
Chief Information Officer
El Paso County, Colorado
719-520-6346

EXHIBIT C – SAMPLE ITS SPECIFICATIONS

Exhibit C

Sample ITS Specifications

All Sections labeled BASIS OF PAYMENT within the Sample ITS Specifications only apply insofar that the item(s) identified under Pay Item is required.

1
REVISION OF SECTION 614
FIBER OPTIC CABLE (SINGLE MODE)

Section 614 of the Standard Specifications is hereby revised for this project to include the following:

DESCRIPTION

This work consists of furnishing and installing backbone and lateral single mode fiber optic cables as indicated on the project plans.

MATERIALS

All fiber optic cables shall be suitable for outdoor conduit installation.

All fiber optic cable shall have compatible characteristics with other proposed and existing fiber optic cables. All optical cables furnished on this project shall meet the following fiber optic industry standards:

(1) International Telecommunications Union – Telecommunications Standardization Sector - Recommendation G.652.D
(2) Telecommunications Industry Association (TIA) - 598-D Optical Fiber Cable Color Coding
(3) International Organization for Standardization (ISO) - 9001
(4) Rural Utilities Service (RUS)- Specification for filled fiber optic cables

All cables shall be new and unused non-armored outdoor cable consisting of non-dispersion shifted, low water peak single-mode fiber strands free of surface imperfections and inclusions. Each single mode fiber strand shall consist of a doped silica core surrounded by a concentric silica cladding. The fiber shall be of matched clad design.

(a) Fiber Strands

Fiber strands shall meet the following minimum characteristics:

(1) Typical core diameter of 9.0µm ± 1 µm
(2) Cladding Diameter of 125 µm ± 1 µm
(3) Core concentricity error: ≤ 0.6 µm
(4) Cladding Noncircularity: ≤ 1.0 %
(5) Coating Diameter (Colored): 245 ± 5 µm
(6) Maximum Attenuation (Loose Tube): 0.35 dB//km at 1310 nm wavelength and 0.22 dB/km at 1550 nm wavelength
(7) Mode-Field Diameter: 9.20 ± 0.30 µm at 1310 nm wavelength and 10.40 ± 0.50 µm at 1550 nm wavelength
(8) Attenuation at the Water Peak: 0.32 to 0.34 dB/km at 1383 ± 3 nm wavelength
(9) Cutoff Wavelength: ≤1260 nm
(10) Zero Dispersion Wavelength: 1300 nm to 1324 nm
(11) Zero Dispersion Slope: ≤ 0.092 ps / (nm^2 * km)
(12) Polarization Mode Dispersion: ≤ 0.06 ps/ $\sqrt{km}$
(13) Maximum Polarization Mode Dispersion at 0.01% distribution (PMDq): 0.20 ps/$\sqrt{km}$
(14) Maximum Fiber Dispersion: ≤ 18 ps/(nm*km) at 1550 nm.

(15) Fiber Curl: ≥ 4.0 m
(16) Proof Tensile Test: 100 kpsi (0.69 GN/m^2)

The fibers shall not adhere to the inside of the buffer tube.

The coating shall be a dual layered, UV cured acrylate applied by the fiber manufacturer. The coating shall be capable of being mechanically stripped with a force of 0.3 to 2.0 lbf.

Each single mode fiber strand shall be color coded with distinct and recognizable colors in accordance with the TIA-598-D *Optical Fiber Cable Color Coding*.

(b) Buffer Tubes

Each buffer tube shall contain 12 fiber strands, except each 12 strand lateral fiber cable shall have two buffer tubes with six fiber strands in each.

Optical fibers shall be placed inside a loose buffer tube.

Each buffer tube shall be color coded with distinct and recognizable colors in accordance with TIA-598-D

If fillers are required, they shall be placed in the inner layer of the fiber optic cable. The color sequences of the buffer tubes shall begin from the inside layer of and progress outward.

For backbone fiber cables containing more than 12 buffer tubes, the buffer tube black stripe shall be inlaid in the buffer tube material by means of co-extrusion.

In buffer tubes containing multiple fibers, the coloring shall be stable during temperature cycling and shall not be subjected to fading or smearing onto each other or into the buffer tube gel filling material if the fiber cable is supplied with gel filling for water blocking. Colorings shall not cause fibers to stick together.

Each buffer tube shall contain water blocking swellable yarns to prevent water from entering the individual buffer tubes. Swellable water blocking material shall be non-nutritive to fungus, electrically non-conductive and homogeneous. It shall be free from dirt and foreign matter and not require cleaning prior to splicing and placement into the splice closure tray. All fiber strands shall be thoroughly cleaned prior to fiber splicing. All water blocking material shall be uniformly distributed throughout the buffer tubes.

Buffer tubes shall be stranded around a central member of the cable using a reverse oscillation stranding process.

The buffer tubes shall be resistant to external forces and shall meet the buffer tube cold bend and shrinkback requirements of Code of Federal Regulations (CFR) 7 CFR 1755.900 – *RUS Specification for filled fiber optic cables*.

(c)Fiber Cable

Fillers may be included in the cable core to lend symmetry to the cable cross-section where needed and shall not be placed to interrupt the consecutive positioning of the buffer tubes. Fillers shall nominally match the outer diameter of fiber filled buffer tubes.

3
REVISION OF SECTION 614
FIBER OPTIC CABLE (SINGLE MODE)

The central anti-buckling member of the cable shall consist of all dielectric, glass reinforced plastic (GRP) rod.

For single layer cables, a water swellable, (blocking) tape shall be applied longitudinally around the outside of the buffer tubes and fillers. The tape shall be held in place by a single polyester binder yarn. The water swellable tape shall be non-nutritive to fungus, electrically non-conductive, and homogenous. It shall also be free from dirt and foreign matter. Water blocking material shall be applied uniformly throughout the fiber cable to inhibit the ingress of water into the cable. Gel filled water-blocking compound shall not be allowed in the cable core interstices of the fiber optic cables.

When the fiber cable is provided with dual layer buffer tubes, both the inner and outer layer shall be provided with water swellable tape.

Binders shall be applied with sufficient tension to secure the buffer tubes to the central member without crushing the buffer tubes. The binders shall be non-hygroscopic, non-wicking (or rendered so by the flooding compound), and dielectric with low shrinkage.

The cable shall contain at least one ripcord under the sheath for easy sheath removal.

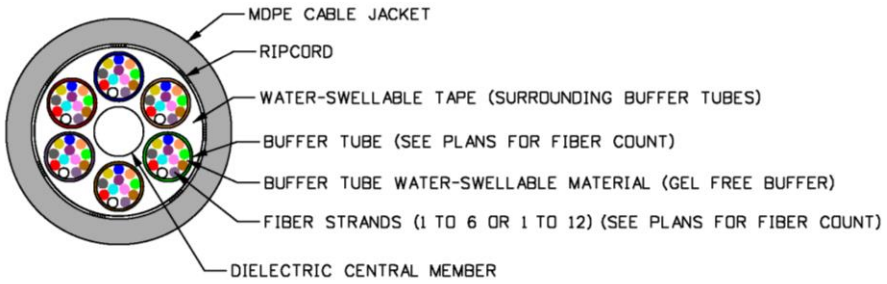
Outer cable jacket shall have a consistent thickness throughout the entire cable length and shall be sheathed with medium density polyethylene (MDPE). Jacketing material shall be applied directly over the tensile strength members and water blocking tape. The MDPE jacket material shall be as defined by ASTM D1248, Type II, Class C, Category 4 and Grades J4, E7 and E8 and shall contain carbon black to provide ultraviolet light protection and shall not promote the growth of fungus.

The cable jacket shall be free of holes, splits and blisters and be of a consistent thickness.

Cable jackets shall be marked with the manufacturer’s name, sequential foot markings, fiber type and count, month and year of manufacture and a telecommunication handset symbol, as required by Section 350G of the National Electrical Safety Code (NESC). The actual length of the cable shall be within 0 to 1 percent of the length markings. The marking shall be in contrasting color to the cable jacket. The height of the marking shall be a minimum of easily readable.

The Contractor shall submit to the Project Engineer a detailed fiber optic cable specification sheet from the manufacturer for approval. The specification sheet shall be highlighted describing the water blocking material used for both the cable interstices and buffer tubes, the size of the cable and whether the cable is used for backbone or lateral fiber optic cable runs. Failure to fully describe the type of water blocking material, cable size, and cable usage shall result in the submittal being rejected. The submittal shall be resubmitted with all of the required highlighted information.

4
REVISION OF SECTION 614
FIBER OPTIC CABLE (SINGLE MODE)



Specification Detail 1
Typical Cross Section of Fiber Optic Cable to Be Provided Per This Specification

(d) Environmental Parameters

The following minimum environmental parameters shall be met:

(1) Shipping, storage and operating temperature range of the cable shall be; -40°F to +158°F (-40°C to +70°C)
(2) Operating temperature range of the cable shall be; -40°F to 158°F (-40°C to +70°C)
(3) Installation temperature range of the cable shall be; -22°F to +140°F (-30°C to +60°C)

(e) Quality Assurance

The following minimum quality assurance requirements shall be met:

(1) All optical fibers shall be 100 percent attenuation tested in accordance with Revision of Section 614 – Test Fiber Optic Cable. The attenuation of each fiber shall be provided with each cable reel.
(2) The cable manufacturer shall be ISO 9001or TL 9000 registered.

(f) Packaging

The following minimum packaging parameters shall be met:

(1) The complete cable shall be packaged for shipment on new wooden reels.
(2) Top and bottom ends of the cable shall be available for testing.
(3) Both ends of the cable shall be sealed to prevent the ingress of moisture.
(4) Each reel shall have a weatherproof reel tag attached identifying the reel and cable.
(5) Each cable shall be accompanied by a cable data sheet that contains significant information on the cable.
(6) The cable reels shall not be stored nor shipped on their sides.

5
REVISION OF SECTION 614
FIBER OPTIC CABLE (SINGLE MODE)

CONSTRUCTION REQUIREMENTS

Fiber optic cable shall be used for either main backbone cable or lateral cables that connect to communications cabinets. The main backbone cable shall be terminated in a traffic management system building or network facility. Splicing shall be conducted at cable end splice locations and device splice locations shown on the project plans or as approved by the Project Engineer.

A minimum of one week prior to fiber optic work, the Contractor shall give the Project Engineer a detailed installation and splicing Method Statement and schedule. All installation, splicing, termination, and testing shall be listed on the schedule and Method Statement and revisions shall be re-submitted to the Project Engineer immediately. Installation of the fiber optic cable shall not be permitted until the Method Statement and schedule has been approved by the Engineer.

The Contractor shall keep the Project Engineer apprised of all coordination activities it performs with third parties as it pertains to this project. The Contractor shall be responsible for coordinating with third parties when installing and splicing proposed fiber optic cable adjacent to existing third party owned fiber optic infrastructure and when splicing proposed fiber optic cable to existing third party owned fiber optic cable.

The Contractor shall conform to the requirements included in Revision of Section 614 -Test Fiber Optic Cable.

The Contractor shall provide the Engineer with two copies of the cable manufacturer's installation instructions for all fiber optic cable. All installations shall be in accordance with the manufacturer's recommendations except as otherwise directed by the Engineer. All additional costs including fiber optic cable associated to damages caused by the Contractor's neglect of recommended procedures shall be the Contractor's responsibility.

The Contractor's Installation technician shall have a minimum certification in International Municipal Signal Association (IMSA) Fiber Optics for ITS, Traffic, Fire Alarm, and Communications Systems or equivalent or better fiber optics certification.

Fiber optic cable including both backbone cables and lateral cables shall be installed in continuous runs as shown on the project plans. If cable end splices are not shown on the project plans, the Contractor shall include a detailed installation plan with the Method Statement showing cable installation lengths and cable end splice points. The fiber cable shall be installed in reel lengths that minimize the quantity of cable end splices. Under no conditions shall fiber optic cable be cut or spliced at intermediate points without express written direction from the Engineer.

The new fiber cable shall be installed in a manner which will not interfere with the integrity of existing cable and equipment and shall be installed in a manner which will not interfere with the maintenance of the traffic signal cable, wiring or equipment.

6
REVISION OF SECTION 614
FIBER OPTIC CABLE (SINGLE MODE)

Blowing cable is an acceptable alternative to pulling cable. If the Contractor chooses to use this method, submittals for cable installation shall be submitted along with complete information on fiber installation equipment.

The maximum pulling tension shall be 600 pounds (2700 N) during installation (short term) and 200 pounds (890 N) long term installed.

All cables shall have a minimum bending radius based on the diameter of the cable and shall meet the following;

(1) Under max pulling tension – 15 (Fifteen times the cable outside diameter)
(2) Unloaded, not under tension – 10 (Ten times the cable outside diameter)

The fiber optic cable shall be installed in the conduit with a split-mesh cable grip to provide a firm hold on the exterior covering of the cable.

The manufacturer's recommended maximum allowable pull tension for cable pull lengths shall not be exceeded. The Contractor shall use a pulley system with a numerical readout indicating the cable tension. The pulley system shall be capable of alerting the installer when the cable pulling tension approaches the manufacturer's maximum allowable tension. The Contractor may supplement this procedure with a breakaway tension limiter set below the lowest recommended tensile limit of the cables being pulled. Intermediate pulleys shall be used at all pull boxes or manholes along the installation run to prevent cable damage.

During cable installation, the contractor shall insure no damage to cable occurs due to friction conduit and cable jacket. This may require installing temporary sweeps on the ends of HPDE conduit during cable installation.

If the entire reel length cannot be installed completely from one end of the run, the installation shall be performed from the mid-point of the run. The Contractor shall first pull one-half of the cable from the reel at the mid-point through the conduit to one end of the run. The other half of the cable shall be removed from the reel and carefully placed on the ground in a figure eight pattern with a minimum loop diameter of 10 feet. While installing the remaining cable, care shall be taken to avoid dragging against the ground resulting in damage or excess bending of the cable. The Contractor shall not kink, twist or bend the cable during installation coiling and uncoiling.

The cable shall be continuously lubricated as it enters the conduit. The Contractor shall only use pulling lubricants recommended by the cable manufacturer. Liquid detergent shall not be used.

The Contractor shall furnish and install a pre-lubricated pull tape and tracer wire in the same conduit as the fiber is being installed. The pull tape and tracer wire shall conform with and be paid for under Revision of Section 613 – Electrical Conduit.

7
REVISION OF SECTION 614
FIBER OPTIC CABLE (SINGLE MODE)

If the Contractor must install new cable in conduits that contain existing fiber optic cable or electrical wiring, the Contractor shall be responsible for all damage to the existing cables and wires. All costs associated with equipment testing and repairs shall be included in the cost of the fiber optic cable.

If an existing fiber optic cable is damaged during construction, it shall be removed from both points of termination and replaced, at no cost to the project.

In no case shall the conduit fill ratio of new conduit exceed the requirements of the National Electrical Code.

Lateral cables shall be installed in continuous runs from the backbone splice location to the communications cabinet. Odd length cables and reel ends are acceptable for lateral cables provided they are pre-tested and free of defects and are of sufficient lengths to achieve continuous runs.

Installation of lateral fiber optic cables shall include slack coil and a minimum of three strain relief locations within all communications cabinets and traffic signal cabinets. Strain relief shall ensure that the connectors are not subjected to the weight of the lateral cable.

All fiber optic cables shall include identification labels attached to the cable in each pull box, manhole or communications cabinet. The label shall be provided with information as shown on the Plans.

The Contractor shall coil 50 feet of each fiber cable in pull boxes and 100 feet in manholes.

At locations of Coarse Wavelength Division Multiplexing (CWDM) network equipment, the Contractor shall install and coil two separate 100-foot lateral fiber optic cables in the splice manholes. Refer to the fiber optic splicing details for more information.

Splicing of CWDM lateral fiber cables by the Contractor shall be as shown in the project plans.

Backbone and lateral buffer tubes and fiber strands shall be labeled on the splice tray prior to sealing of the closure. In the CWDM splice closure, the optical filter wavelengths shall also be labeled.

The Contractor shall ensure that all cable coils and splice canisters are attached separately to the cable management hardware inside manholes in a manner which will allow for all splice closures to be removed for future maintenance purposes, including when there are multiple splice canisters in the same manhole. In Pull Boxes, all cable coils shall be attached separately to the cable management hardware in a manner which will allow for fiber optic cable to be removed separately.

The Contractor shall terminate the lateral cable at the communications cabinet and backbone cable in a network facility in accordance with the Revision of Section 614 – Fiber Optic Termination Panel.

The Contractor shall submit a final documentation package. The final documentation package shall include the cable manufacturer's installation procedures, technical support documentation and material documentation. These documents shall match the original submittals provided to the Engineer.

8
REVISION OF SECTION 614
FIBER OPTIC CABLE (SINGLE MODE)

METHOD OF MEASUREMENT

Fiber Optic Cable shall be measured by the linear foot for both backbone and lateral cable and shall include all labor and materials required to install, splice and terminate the cable to make a complete and operational system and shall include the following items:

(1) All splice closures and all associated materials
(2) All splicing at designated locations shown in the plans or as directed by the Project Engineer
(3) All termination of backbone and lateral fiber optic cables at locations shown on Plans.
(4) Identification labels for both backbone and lateral fiber cables in each pull box, manhole, communications cabinet and network facility
(5) As Built Documentation

BASIS OF PAYMENT

Payment will be made under:

Pay Item	Pay Unit
Fiber Optic Cable (Single Mode) (144 Strands)	Linear Foot

Testing Fiber Optic Cable shall be measured and paid for separately. See Revision of Section 614 - Test Fiber Optic Cable project special provision.

1
REVISION OF SECTION 614
TEST FIBER OPTIC CABLE

CHANGES TO ITS PROJECT SPECIAL PROVISION

Section 614 of the Standard Specifications is hereby revised for this project to include the following:

614 – TEST FIBER OPTIC CABLE

DESCRIPTION

Test Fiber Optic Cable shall include Optical Time Domain Reflectometer (OTDR) tests, Coarse Wave Division Multiplexor (CWDM) OTDR tests, spectrum analysis of CWDM fiber, and optical power meter tests of all installed fiber and modified existing fiber on the project.

MATERIALS

The Contractor shall use equipment that is calibrated biennially. A copy of the most recent certificate of calibration and all out-of-tolerance conditions shall be provided to the Project Engineer prior to the initiation of testing activities. The following equipment and information is required to perform fiber optic cable tests:

(1) an OTDR (submit certification to Project Engineer)

(2) A Coarse Wave Division Multiplexor OTDR (submit certification to Project Engineer)

(3) An optical spectrum analyzer (submit certification to Project Engineer)

(4) Optical Power Meter Equipment capable of measuring optical power in dBm (submit certification to Project Engineer)

(5) a launch box (min length – 1000 feet)

(6) a light source at the appropriate wavelength

(7) Test jumpers shall be 3 feet to 12 feet long with connectors that are compatible with the light source and power meter and shall have the same fiber construction as the link segment being tested.

CONSTRUCTION REQUIREMENTS

Prior to splicing and testing on the project the Contractor shall submit a detailed Method Statement to the Project Engineer describing the splicing plan and testing schedule and methods. No fiber optic splicing shall begin until the Method Statement is submitted and approved. Once the splicing and testing begins, the Method Statement shall be updated if necessary to address any required changes in the original planned and approved procedures.

The contractor shall conduct fiber optic testing at the following stages:

(1) Pre-installation testing – bi-directional OTDR test of every fiber on every reel after delivery of the reel

(2) Post installation and pre-splicing test – bi-directional OTDR test of every fiber of every cable after fiber is installed in the ground
(3) Post-splicing tests, pre-CWDM filter splicing tests
   i) Optical Power meter test from all fiber terminated in communications cabinets to a network facility for all fiber that is not used for CWDM on the project.
   ii) Bi-directional OTDR test of all fiber between termination point in a network facility and cable end and between termination point in a network facility and communications cabinets for fiber that is not used for CWDM on the project
   iii) Bi-directional CWDM OTDR test of all fiber between termination point in a network facility and cable end and between termination point in a network facility and communications cabinets for all fiber that is used for CWDM on the project
(4) Post-CWDM filter splicing tests
   i) Spectrum analysis of all terminated fiber used for CWDM after filters have been spliced
   ii) CWDM-OTDR
   iii) Optical Power meter test
(5) Re-testing of all stages above if initial test fails and after corrective action is taken

The guidelines for fiber optic cable testing include:

(1) Launch box and test jumpers must be of the same fiber core size and connector type as the cable system: Single mode fiber 9.0μm (nominal) /125 μm
(2) The light source and OTDR must operate within the range of 1310±10 nm and 1550±20 nm single mode nominal wavelength for testing in accordance with Telecommunications Industry Association (TIA) TIA-526-7 Measurement of Optical Power Loss of Installed Single-Mode Fiber Cable Plant.
(3) The power meter and the light source must be set to the same wavelength during testing.
(4) The OTDR and power meter must be calibrated at each of the nominal test wavelengths and traceable to the National Institute for Standards and Technology (NIST) calibration standards.
(5) The calibration of the OTDR and power meter shall conform to the requirements set forth in Telecommunications Industry Association/Electronic Industries Alliance (TIA/EIA) TIA/EIA-455-226 Calibration of Optical Time-Domain Reflectometers and TIA-455-231 Calibration of Fiber Optic Power Meters, respectively.

The contractor shall document jacket length measurements for lateral and backbone cable at each end including splice enclosures and patch panels.

The Contractor shall document bare fiber slack not accounted for in jacket length.

All system connectors, adapters and jumpers shall be cleaned per manufacturer's instructions before measurements are taken.

At locations of new lateral fiber optic cable installation and at locations that require the re-installation of existing lateral fiber optic cable, the Contractor shall conduct testing from the termination panel mounted in the communications cabinet to the splicing manhole. The bi-directional test shall be conducted from the

termination panel towards the splicing manhole and from the splicing manhole to the communications cabinet termination panel.

Final splicing will not begin until such time that the Contractor submits OTDR test results to the Project Engineer and the Project Engineer reviews the results.

Final OTDR testing from the communications cabinet to the corresponding traffic management system building shall be conducted after their splicing work has been completed. All issues with communications related to Contractor installation and workmanship shall be remediated by the Contractor at no additional cost to the project.

A functional test shall be made in which it is shown that each and every part of the system functions as specified or intended herein.

(a) Optical Fiber Cable Testing with OTDR

The Contractor shall perform an OTDR test of all fibers in all tubes on the reel prior to installation of the fiber. The test results shall be supplied to the Project Engineer prior to installation of the cable.

Fiber testing shall be performed on all terminated fibers from patch panel to patch panel and unterminated fibers from end to end. Additionally, mid entry splices into mainline cables require testing of all strands in the mainline cable before and after installation. Testing shall consist of a bi-directional end-to-end OTDR trace.

Loss numbers for the installed link shall be calculated by taking the sum of the bi-directional measurements and dividing that sum by two.

The Contractor shall use an OTDR that is capable of storing traces electronically and shall save each final trace.

The Contractor shall use a test reel of minimum length identified in the Materials section of this Special Provision. The Contractor shall indicate the length of the test reel, in feet, for all test results.

If the fiber designation is not indicated on the trace itself, the Contractor shall provide a cross-reference table between the stored trace file name and the fiber designation.

The Contractor shall record the following information during the test procedure:

(1) Name and contact information of person conducting the test
(2) Type of test equipment used (manufacturer, model, serial number, calibration date and valid certification of calibration)
(3) Date test is being performed
(4) Optical source wavelength and spectral width
(5) Fiber identification
(6) Start and end point locations

(7) Test direction
(8) Launch conditions
(9) Method of calculation for the attenuation or attenuation coefficient
(10) Acceptable link attenuation
(11) Cable manufacturer stated index of refraction for cable being tested
(12) Jacket readings in and out of each splice vault and each pull box

(b) Optical Fiber Cable Testing with Optical Power Meter

The Contractor shall conduct an Optical Power Meter Test of each fiber installed.

Single mode segments shall be tested in one direction at both the 1310 nm and 1550 nm wavelength.

The following information shall be recorded during the test procedure:

(1) Names of personnel conducting the test
(2) Type of test equipment used (manufacturer, model, serial number, calibration date and a valid certification of calibration)
(3) Date test is being performed
(4) Optical source wavelength and spectral width
(5) Fiber identification
(6) Start and end point locations
(7) Test direction
(8) Reference power measurement (when not using a power meter with a Relative Power Measurement Mode)
(9) Measured attenuation of the link segment
(10) Acceptable link attenuation

(c) Acceptable Attenuation Values

The Contractor shall calculate acceptable attenuation values for each fiber tested. These values represent the maximum acceptable test values.

The general attenuation equation for all single mode link segments is as follows:

Acceptable Link Attenuation = Cable Attenuation + Connector Attenuation + Splice Attenuation.

8.3 μm (nominal) Single-mode Attenuation Coefficients:

(1) Cable Attenuation=Cable Length (km) x (0.35 dB/km at1310 nm and 0.22 dB/km at1550 nm)
(2) (No. of Mated Connections x 0.50 dB)
(3) Splice Attenuation = Splices x 0.30 dB

(d) Test Procedures

The single mode Optical Power Meter fiber test shall be conducted in accordance with TIA-526-7.

The single mode OTDR test shall be conducted in accordance with TIA-526-7.

Testing for CWDM single wavelength filters (CWDM filter) shall be conducted in the following manner to ensure that the filter Pass, Reflect and Common pigtails are spliced to proper lateral fiber strands. Testing procedures and CWDM data flow information is included on the plans. Testing shall be

conducted for all CWDM wavelengths applicable to each fiber strand used for data communications. CWDM wavelengths on this project include 1430 nm, 1450 nm, 1470 nm, 1490 nm, 1510 nm, 1530 nm, 1570 nm, 1590 nm, and 1610 nm. Industry standard wavelengths (e.g. 1430 nm = 1431 nm) shall be observed.

After completion of fiber optic cable installation and prior to the CWDM filter splicing, all backbone cable to lateral cable splices shall be completed in the individual Ethernet switch sub-rings. Required steps shall include:

(1) The backbone end of Lateral Cable 1 shall be spliced to the fiber optic backbone cable in Splice Closure 1. Once this splice is complete no future access to Splice Closure 1 shall be made unless a re-splice is required.
(2) The opposite end of Lateral Cable 1 shall be spliced to itself in Splice Closure 2 in a manner to achieve continuity in the backbone strands from the beginning of the sub-ring (first traffic management system building) to the far end of the sub-ring (next traffic management system building).
(3) An OTDR test shall be conducted on the sub-ring from building to building to ensure proper splicing of Lateral Cable 1 in Splice Closure 1.

Once the OTDR test is complete the results shall be submitted to the Project Engineer for approval. After approval the splicing of CWDM filters in Splice Closure 2 may begin.

The Contractor shall be required to break the Lateral Cable 1 splices in Splice Closure 2 used in the continuity test and conduct the CWDM filter splicing per the project fiber splice plans. This will include splicing of Lateral Cable 1 and Lateral Cable 2 in Splice Closure 2 and the termination of Lateral Cable 2 in the communications cabinet.

After CWDM filter splicing, the Contractor may use one of the following methods to ensure the proper CWDM filter splicing.

(1) By using a fiber identifier, testing of the incoming signal from either the upstream or downstream CWDM location, the Contractor shall show the Project Engineer that proper CWDM filter pigtail splicing has been achieved.
(2) By using a spectrum analyzer to test the incoming wavelength to ensure proper splicing and wavelength of the CWDM signal.

Once all splicing of the individual sub-ring is complete the Contractor shall conduct the CWDM-OTDR and spectrum analyzer testing and submit the results to the Project Engineer. At the acceptance of these tests, the Contractor shall determine the proper optical attenuator to install at both the communications termination panel and the communications node building termination panel. After installation one final test of optical power shall be conducted to determine if the proper signal strength is being achieved by the Ethernet switch CWDM optic.

6
REVISION OF SECTION 614
TEST FIBER OPTIC CABLE

At that point the Colorado Department of Transportation, Colorado Transportation Management Center personnel along with Ciena network engineers will configure the sub-ring into the overall CDOT ITS network. If network communications cannot be achieved, a review of the CWDM testing materials will be begin.

(e) Test Acceptance

The Contractor shall demonstrate that the tests result in acceptable attenuation values.

The Contractor, solely at the Contractor's expense, shall re-splice all fusion splices and re-terminate all terminations that have test results exceeding acceptable attenuation values. The Contractor, solely at the Contractor's expense, shall retest all fiber links that have been re-spliced and shall retest all fiber links that have been re-terminated.

The Contractor, solely at the Contractor's expense, shall bring all links not meeting the requirements of this specification into compliance.

(f) Submittals

The Contractor shall submit test result documentation as both a hard copy and electronic copy.

After each reel test, the Contractor shall submit one hard copy of the OTDR trace for every fiber on the reel.

After installation, the Contractor shall submit two hard copies and one electronic copy of the following tests:

(1) Continuity OTDR trace for every spliced fiber which the CWDM optical network will utilize.
(2) OTDR trace for every fiber the high speed DWDM optical network will utilize.
(3) CWDM-OTDR trace for every fiber which the CWDM optical network will utilize.
(4) Spectrum analyzer test results for every fiber which the CWDM optical network will utilize.
(5) OTDR traces and power meter results for all "dark" unused fiber strands in the backbone fiber optic cable from traffic management system buildings.

Hard copy traces shall be organized and bound in logical order in an 8 ½ inch x 11 inch hard cover binder.

The Contractor shall submit, after approval of the hard copy traces, electronic copies of all traces (pdf and native file format) and appropriate software, if needed, to allow reading the traces.

The Contractor shall submit one copy of the complete contract Plans, including additional drawings issued as part of all change orders, with all deviations clearly marked in color. Deviations to be noted shall include at a minimum, but not be limited to, the following:

(1) Fiber Splice location

7
REVISION OF SECTION 614
TEST FIBER OPTIC CABLE

(2) Fiber Splice configuration
(3) Termination layout

METHOD OF MEASUREMENT

Testing of fiber optic cable will be measured by all fiber optic testing, retesting, including all labor, materials, and document submittals necessary to complete the work.

BASIS OF PAYMENT

Payment will be made under:

Pay Item:	**Pay Unit:**
Test Fiber Optic Cable	Lump Sum

Payment will be full compensation for all labor, materials and equipment required to complete the work.

CONFIDENTIAL ADDENDUM 1

This Confidential Addendum contains details of Critical Infrastructure Information

RESOLUTION NO. _____ - 26

A RESOLUTION APPROVING AN INTERGOVERNMENTAL AGREEMENT BETWEEN EL PASO COUNTY AND THE CITY OF COLORADO SPRINGS, ON BEHALF OF ITS ENTERPRISE COLORADO SPRINGS UTILITIES, FOR THE SHARING OF FIBER OPTIC CABLE IN COLORADO DEPARTMENT OF TRANSPORTATION CONDUIT ON STATE HIGHWAY 24 RIGHTS-OF-WAY

WHEREAS, the City of Colorado Springs, on behalf of its enterprise Colorado Springs Utilities ("Utilities"), is authorized to enter into intergovernmental agreements with other Colorado governmental entities for the provision of any function or service with the approval of the City Council of the City of Colorado Springs ("City Council"); and

WHEREAS, Utilities is a four-service municipally owned utility with a mission to provide safe, reliable, competitively priced electric, natural gas, water, and wastewater services to its citizen owners and customers; and

WHEREAS, El Paso County ("County") is a statutory county and political subdivision of the State of Colorado authorized to enter into intergovernmental agreements with other Colorado governmental entities for the provision of any function or service; and

WHEREAS, County previously entered into an Intergovernmental Agreement with the Colorado Department of Transportation ("CDOT"), dated July 24, 2019 ("2019 County CDOT IGA"); and

WHEREAS, under the 2019 County CDOT IGA, County owns for its exclusive use, a one hundred sixty-eight (168) strand single mode fiber optic cable from I-25 (mile point 303.8) to Sundial Drive in Woodland Park (mile point 287.2) ("County SH 24 Fiber Optic Cable") and pull boxes/handholes along the route ("County SH 24 Pull Boxes") (collectively referred to as "County SH 24 Corridor Fiber Optic Infrastructure") and may assign excess capacity within the County SH 24 Fiber Optic Cable to other governmental entities; and

WHEREAS, Utilities' service to its customers is improved if it can utilize a portion of the County SH 24 Corridor Fiber Optic Infrastructure; and

WHEREAS, County and Utilities can maximize limited public resources and provide enhanced benefit, functionality, and economy of scale consistent with the 2019 County CDOT IGA in an effective and efficient manner if they cooperate; and

WHEREAS, County and Utilities desire to enter into an Intergovernmental Agreement to memorialize County's transfer to Utilities of 24 fiber strands, including the buffer tubes in which these fiber strands are located, in the County SH 24 Fiber Optic Cable, and County's grant of access to the County SH 24 Pull Boxes in exchange for Utilities' monetary contribution that facilitated County's obligations under the 2019 County CDOT IGA.

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

Section 1. The City Council hereby finds that the Intergovernmental Agreement is in the best interests of the citizens of the City of Colorado Springs and the ratepayers of Colorado Springs Utilities, and hereby approves the attached Intergovernmental Agreement.

Section 2. The Chief Executive Officer of Colorado Springs Utilities is authorized to enter into the Intergovernmental Agreement in a form substantially similar to that attached hereto.

Section 3. This Resolution shall be in full force and effect immediately upon its adoption.

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

_____
Lynette Crow-Iverson, Council President

ATTEST:

_____
Sarah B. Johnson, City Clerk

Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Bryan English, Projects Development Manager IV
Subject:	Long-Term Regional Wastewater Service Agreement with Falcon Area Water and Wastewater Authority
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	The Falcon Area Water and Wastewater Authority (FAWWA) is a Colorado statutory water and wastewater authority formed in 2017 to serve approximately 2,560 acres in unincorporated El Paso County, located northeast of Colorado Springs near Woodmen Road and Powers Boulevard. FAWWA provides wastewater collection service within its service area and receives wastewater treatment service from Colorado Springs Utilities for flows of up to 0.29 million gallons per day (MGD) under a May 2024 agreement. FAWWA has requested additional wastewater treatment capacity from Colorado Springs Utilities. Colorado Springs Utilities has negotiated a regional Wastewater Treatment Agreement that would increase FAWWA's maximum available wastewater treatment capacity from 0.29 MGD to 0.59 MGD. The additional capacity is intended to support continued development within FAWWA's service area. The Wastewater Treatment Agreement would replace the May 2024 agreement and requires approval by both the Utilities Board and City Council. If approved by the Utilities Board, the Wastewater Treatment Agreement is expected to be presented to City Council for consideration at its November 10, 2026, regular meeting. The proposed agreement supports regional wastewater service coordination while establishing the terms under which Colorado Springs Utilities will provide expanded treatment capacity to FAWWA.
Benefits:	The long-term (99-year) regional Wastewater Service Agreement will be consistent with current regional policy and tariffs and will provide a positive revenue benefit to customers.
Board Policy: If this impacts one of the board policies, indicate that here.	I-7, Water Supply Management/Regional Water and Wastewater Service
Cost / Budget: Include the projected cost or budget here.	Gross revenue under the proposed agreement will be approximately an additional $580,000 per year.
Affected Parties:	Colorado Springs Utilities and Falcon Area Water and Wastewater Authority

This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.			
Alternatives:	FAWWA pursues other service alternatives.		
Submitter:	Bryan English	Email Address:	benglish@csu.org
Division:	System Planning and Projects	Phone Number:	719-338-8119
Department:	Customer Utilities Connections	Date Submitted:	September 28, 2026
SPG Staff Use Only:	Consent Calendar ☐ Yes ☒ No	Item Number 11	
ITEMS SUBMITTED AFTER THE DEADLINE WILL BE POSTPONED UNTIL THE NEXT UTILITIES BOARD MEETING			

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Long-Term Regional Wastewater Service Agreement

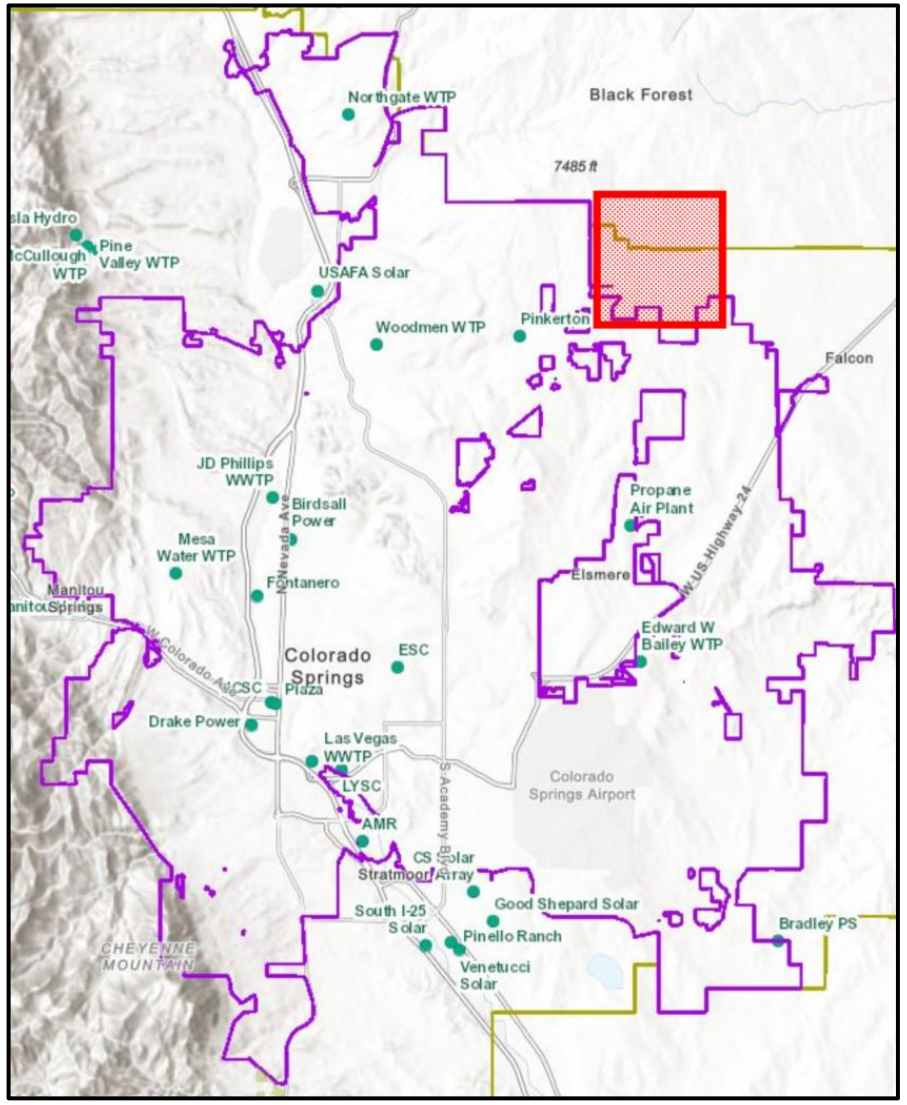
October 21, 2026

Bryan English, PMP, Development Projects Manager

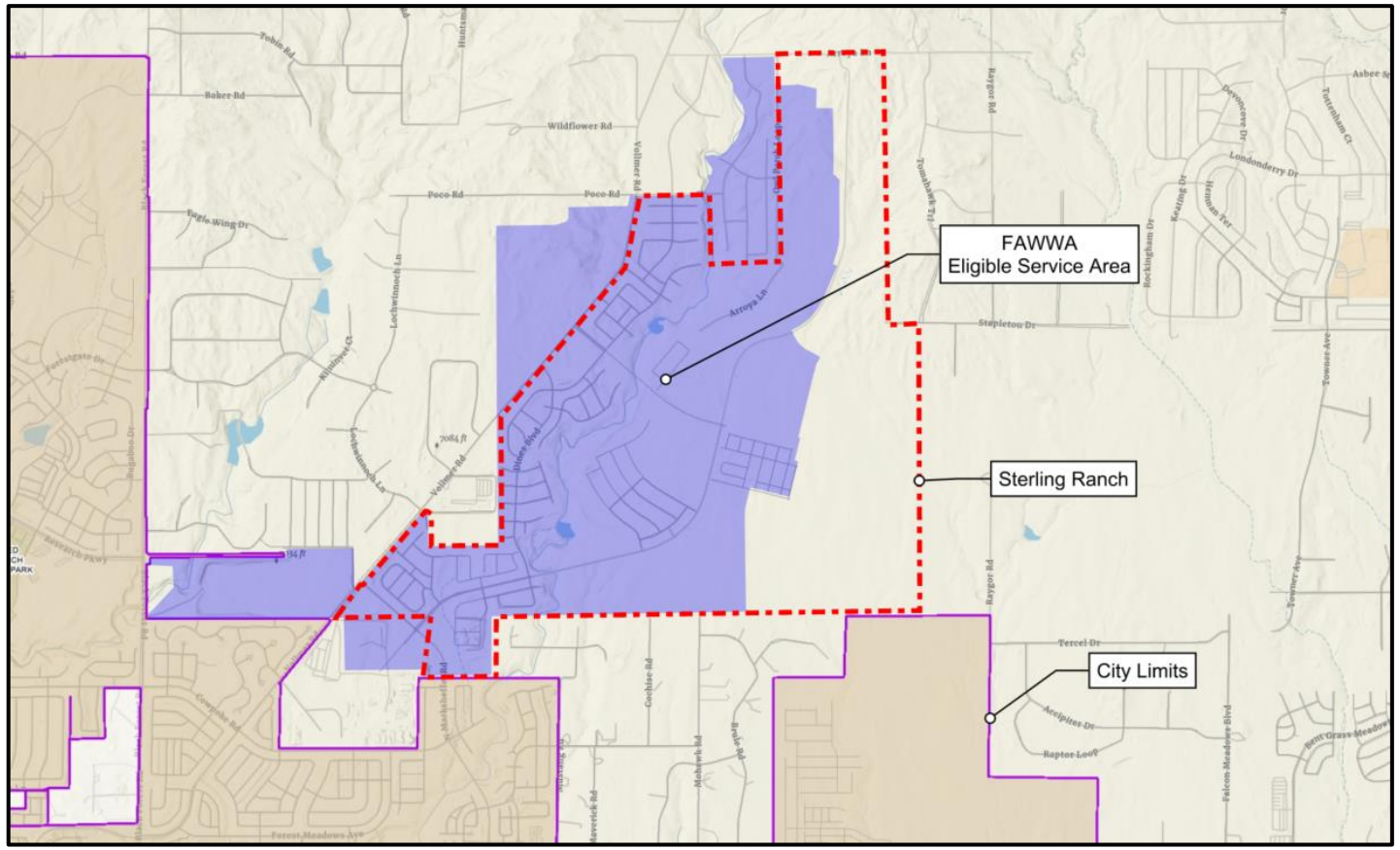
Jesse Hillman, PE, Development Projects Manager

Customer Utilities Connections

Vicinity Map



- Falcon Area Water & Wastewater Authority (FAWWA) has requested continued wastewater service for Sterling Ranch
- FAWWA has a planned service area of approximately 2,560 acres located north of Colorado Springs boundaries



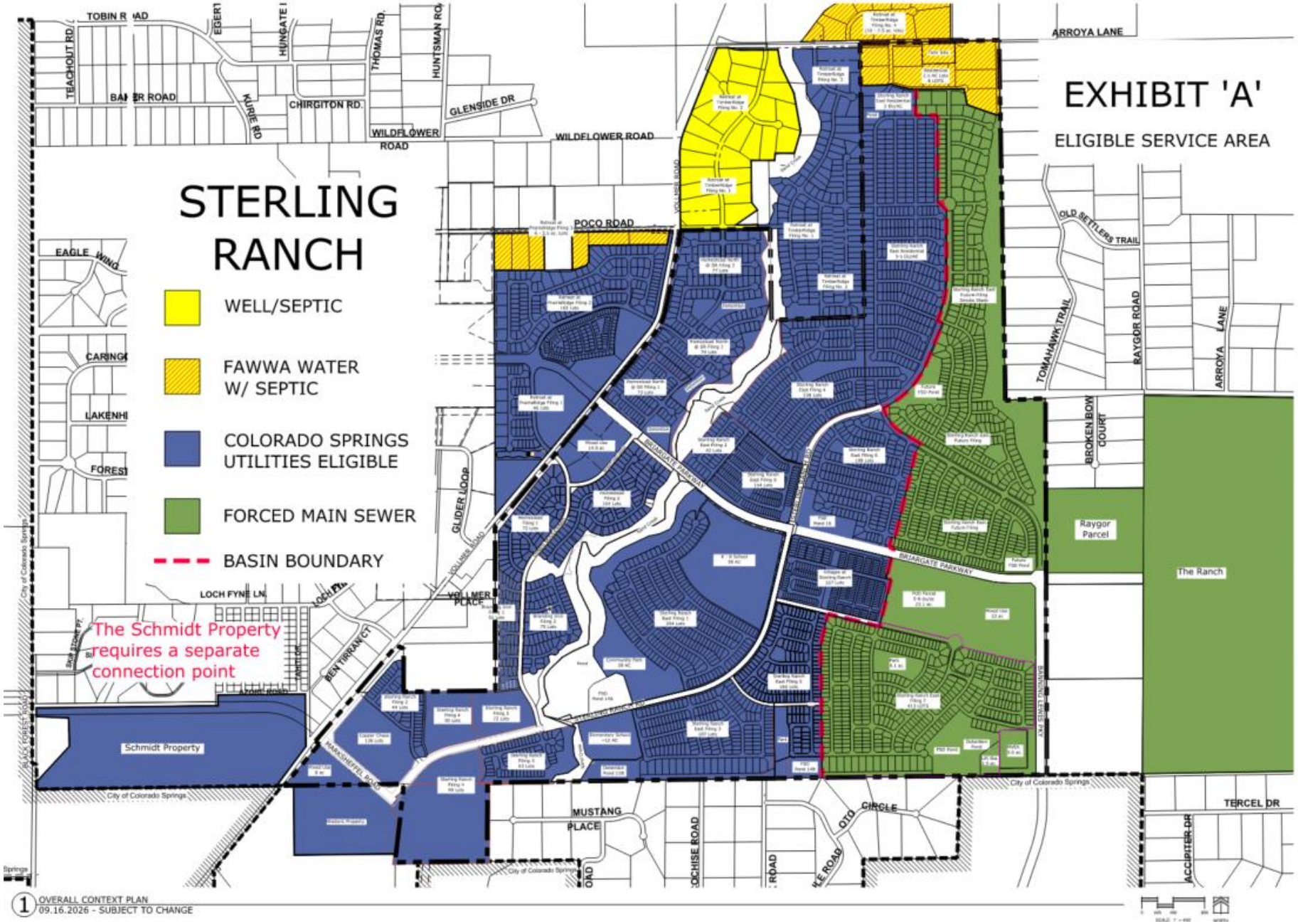


EXHIBIT 'A'
ELIGIBLE SERVICE AREA
STERLING RANCH
WELL/SEPTIC
FAWWA WATER W/ SEPTIC
COLORADO SPRINGS UTILITIES ELIGIBLE
FORCED MAIN SEWER
BASIN BOUNDARY
The Schmidt Property requires a separate connection point
Schmidt Property
Raygor Parcel
The Ranch
TOBIN ROAD
BAKER ROAD
CHIRGITON RD.
WILDFLOWER ROAD
GLENSIDE DR
POCO ROAD
ARROYA LANE
OLD SETTLERS TRAIL
TOMAHAWK TRAIL
RAYGOR ROAD
BROKEN BOW COURT
BRIARGATE PARKWAY
GLIDER LOOP
VOLLMER PLACE
LOCH FYNE LN.
BEN TIRRAN CT
MARKSHEFFEL ROAD
MUSTANG PLACE
OTO CIRCLE
TERCEL DR
ACCIPITER DR
City of Colorado Springs
1 OVERALL CONTEXT PLAN
09.16.2026 - SUBJECT TO CHANGE

History Overview

May 2024

Regional Service Agreement executed between FAWWA and Springs Utilities for an allowable maximum wastewater flow of 0.29 MGD

April 2026

Springs Utilities staff received request from FAWWA representatives to increase allowed wastewater flows from 0.29 MGD to 0.59 MGD

Today – Oct 2026

Springs Utilities presents proposed Regional Service Agreement with FAWWA for an increased allowable maximum flow of up to 0.59 MGD to Utilities Board for consideration

Board Policy I-7 & City Code 12.5.304.C

- Revised March 2025 (revision 6)
- All regional service contracts must be approved by the Utilities Board and City Council
- Requirements for Special Contract Wastewater Service (City Code 12.5.304.C)
    1. Wastewater system must be capable of meeting current and future needs for all users, including those under special contracts.
    2. Special contracts must not interfere with wastewater service to in-City customers or existing obligations.
    3. Customers must pay all applicable wastewater system availability and Utilities' fees.
    4. Special contracts shall comply with all applicable restrictions in this Code and applicable permits and agreements.
    5. Customers must secure all necessary contracts, permits, & approvals without impairing Utilities' operations.
    6. Contracts shall comply with discharge prohibitions and limitations.
    7. Contracts may provide for acceptance by Utilities of only normal domestic strength wastewater.

Agreement Terms and Conditions

- 99-year term to accept and treat wastewater
- Maximum Allowable Flow
  - 0.59 MGD (590,000 gallons per day)
- Pay applicable wastewater cost recoveries ($3.74 million total)
  - $3.42 million for Wastewater System Expansion (WSE)
- Pay applicable Wastewater Regional System Availability Fee (WWRSAF)
- No negative impact to Utilities
- Springs Utilities may terminate agreement if:
  - Flows exceed allowable limits in agreement
  - Breach of the agreement

Rate and Revenue

- Consistent with Regional Tariffs and URRs
- Contract Service – Regional (S9C) Rate
  - $0.0396 per cubic foot
  - Changes consistent with tariffs

Approximately $580,000 in additional revenue each year if Agreement is executed (flow increase from 0.29 MGD to 0.59 MGD)*

Next Steps

- Submit agreement to City Council for consideration at November 10, 2026, regular City Council meeting.

- If vote is unanimous, staff requests that item be placed on the Consent Calendar.

Colorado Springs Utilities

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RESOLUTION NO. _____ - 26

A RESOLUTION AUTHORIZING THE CHIEF EXECUTIVE OFFICER OF COLORADO SPRINGS UTILITIES TO ENTER INTO AN AGREEMENT FOR REGIONAL WASTEWATER SERVICE BETWEEN COLORADO SPRINGS UTILITIES AND FALCON AREA WATER AND WASTEWATER AUTHORITY

WHEREAS, City Code § 12.5.304 allows Colorado Springs Utilities ("Springs Utilities") to provide by contract for the use of or connection to its wastewater system by institutions, plants, districts, governments, municipal corporations, or other similar users; and

WHEREAS, The Falcon Area Water and Wastewater Authority ("FAWWA") is a Colorado statutory water and wastewater authority that was formed in 2017 with a planned service area of approximately two thousand five hundred sixty (2,560) acres located twenty (20) miles northeast of downtown Colorado Springs in unincorporated El Paso County with close proximity to Woodmen Road and Powers Boulevard, outside the Colorado Springs' city limits; and

WHEREAS, FAWWA and Springs Utilities entered into a Wastewater Service Agreement dated May 31, 2024 ("2024 Wastewater Service Agreement") under which Springs Utilities agreed to provide regional wastewater treatment service for wastewater generated within FAWWA's Service Area at average maximum flows of 0.29 million gallons per day ("MGD"); and

WHEREAS, FAWWA now desires to obtain wastewater treatment service for wastewater generated within FAWWA's Service Area at average maximum flows of 0.59 MGD; and

WHEREAS, Springs Utilities currently has sufficient infrastructure capacity in its wastewater system to provide wastewater treatment service to FAWWA and is willing to enter into a new wastewater services agreement that will replace the 2024 Wastewater Service Agreement under which it will treat wastewater generated within FAWWA's Service Area at average maximum flows of up to 0.59 MGD; and

WHEREAS, in exchange for such wastewater treatment service, FAWWA has agreed to pay the rates and fees set forth in Springs Utilities' Tariffs for such service; and

WHEREAS, Springs Utilities requests that City Council authorize the Chief Executive Officer of Springs Utilities to enter into a new long-term agreement for regional wastewater treatment service with FAWWA; and

WHEREAS, City Council recognizes that approving an agreement for regional wastewater service with FAWWA does not set precedent for future requests for regional wastewater service.

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

Section 1. City Council finds and determines that Springs Utilities' provision of regional wastewater treatment service to FAWWA will benefit the public health, safety and welfare of the surrounding community and is in the best interest of Springs Utilities and the City of Colorado Springs.

Section 2. The Chief Executive Officer of Springs Utilities is authorized to enter into an agreement for regional wastewater service with FAWWA that will replace the 2024 Wastewater Service Agreement in a form substantially similar to that attached hereto.

Section 3. This Resolution shall be in full force and effect immediately upon its adoption.

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

_____
Lynette Crow-Iverson, Council President

ATTEST:

_____
Sarah B. Johnson, City Clerk

Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Nicholas Peters, Chief System Planning and Projects Officer
Subject:	Clean Energy Plan Revision – Senate Bill 26-182
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	Senate Bill 26-182 updated the Clean Energy Plan, extending coal plants and the 80% emissions reduction target from December 31, 2029, to December 31, 2032 for a municipal utility encountering challenges achieving the original plan. Colorado Springs Utilities' new Clean Energy Plan achieves the new target via the endorsed 2026 Electric Integrated Resource Plan (EIRP).
Benefits:	Extending the Ray Nixon Power Plant mitigates reliability risks and long-term cost exposure by allowing enough time to procure and interconnect clean energy resources. The additional time also allows implementation of the observed strategic benefits of joining Southwest Power Pool's Regional Transmission Organization and the 2026 EIRP recommended resource mix in a cost-effective manner.
Board Policy: If this impacts one of the board policies, indicate that here.	I-6, Infrastructure & I-12, Environmental Stewardship
Cost / Budget: Include the projected cost or budget here.	The Net Present Value of the recommended Clean Energy Plan portfolio is discussed in the Electric Integrated Resource Plan.
Affected Parties: This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.	Customers, employees, and community groups
Alternatives:	The alternative is maintaining the current Clean Energy plan, which requires Colorado Springs Utilities to close Nixon and comply with the 80% emissions reduction by Dec. 31, 2029.

Submitter:	David Longrie	Email Address:	dlongrie@csu.org
Division:	SPP	Phone Number:	719-668-8776
Department:	Resource Planning	Date Submitted:	September 28, 2026

SPG Staff Use Only:	Consent Calendar ☐ Yes ☒ No	Item Number 12

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

Colorado Springs Utilities
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Clean Energy Plan

October 21, 2026

David Longrie – Manager Energy Resource Planning and Innovation
Troy Bass – Supervisor Energy Resource Planning

Senate Bill 26-182

May 2026

Signed into Colorado law May 2026

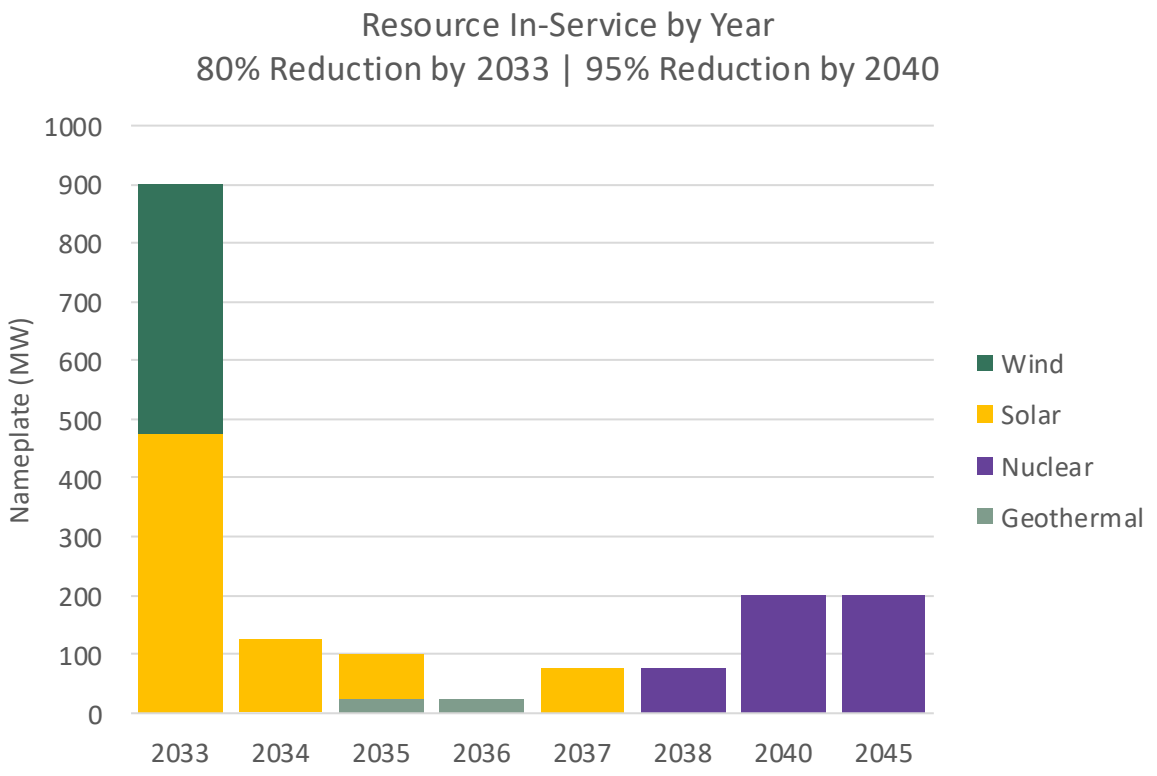
End of 2026

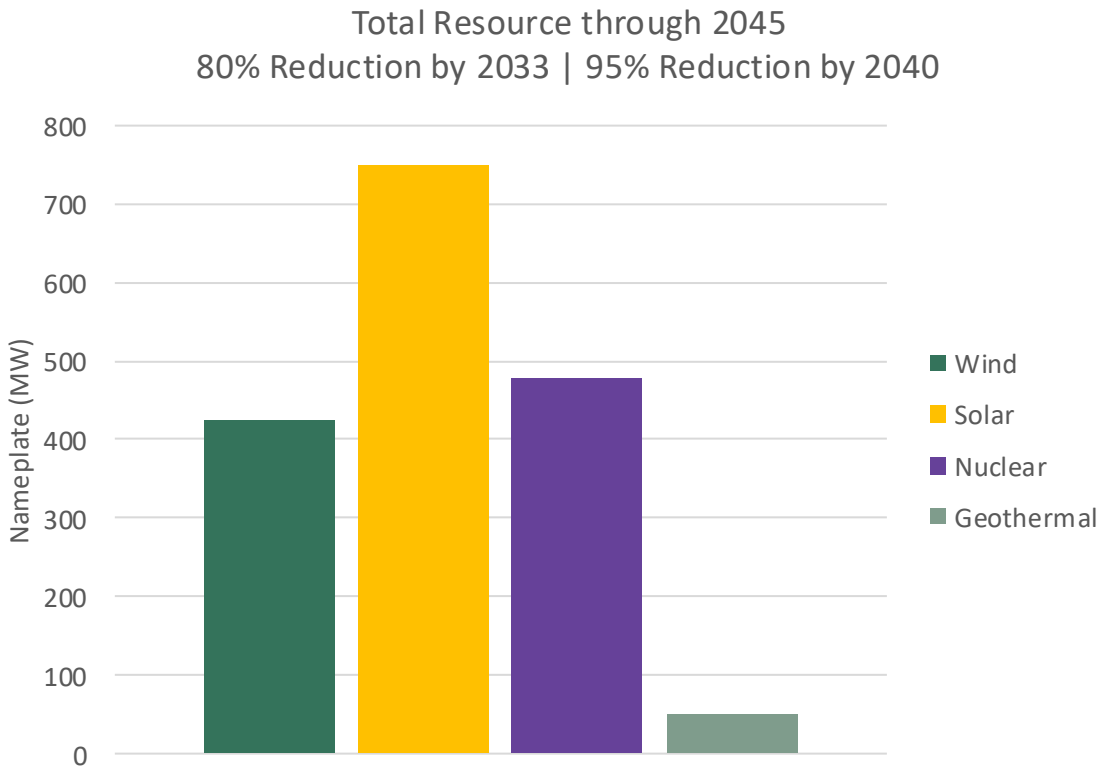
Municipally-owned utilities can file a revised Clean Energy Plan at the end of 2026 to extend the deadline to meet the 80% reduction of greenhouse gas emissions from 2030 to 2033 and seek to achieve 95% reduction by 2040

2032

Allows for the operation of the Ray Nixon Unit 1 coal plant through 2032

EIRP: New Resources Required





Summary of Customer Comments

- Clearly explain the drivers of forecasted load growth and new resource needs
- Protect existing customers from inappropriate growth-related costs
- Give greater visibility to efficiency, demand response, distributed solar, and storage
- Apply rigorous cost, schedule, and risk evaluation to nuclear
- Maintain transparency and community involvement through implementation

Status

2026 Integrated Resource Plan, unanimously endorsed by the Utilities Board, incorporated 80% by 2033 and seeking 95% by 2040 CEP targets

Received customer feedback from multiple community engagement channels and events

Awaiting the updated verification workbook from CDPHE

Actions

September 14	Working Committee
October 21	UB Resolution Approval
December 31	Submit to CDPHE

Colorado Springs Utilities

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RESOLUTION NO. 26-17

A RESOLUTION APPROVING COLORADO SPRINGS UTILITIES' REVISED AND RESTATED CLEAN ENERGY PLAN

WHEREAS, the Colorado General Assembly passed S.B. 19-236 and H.B.19-1261 which recognize that it is a matter of statewide importance to promote the development of cost-effective clean energy and new technologies and reduce the carbon dioxide emissions from the Colorado electric generating system and those bills were subsequently updated by S.B. 26-182; and

WHEREAS, S.B. 19-236 defined a "Clean Energy Plan" in part as a plan filed by a qualifying retail utility as part of its electric resource plan to reduce the qualifying retail utility's carbon dioxide emissions associated with electricity sales to the qualifying retail utility's electricity customers by eighty percent (80%) from 2005 levels by 2030; and

WHEREAS, S.B. 19-236 stated that a municipal utility, which is not classified as a qualifying retail utility, may voluntarily file a Clean Energy Plan by July 1, 2022; and

WHEREAS, H.B. 19-1261 provided that the Colorado Air Quality Control Commission (AQCC) shall not mandate any further emissions reductions by 2030 than are required under an approved Clean Energy Plan, or impose any direct, non-administrative cost on the public utility directly associated with quantities of greenhouse gas emissions caused by the utility's Colorado retail electricity sales that remain after the reductions are achieved and the Colorado Air Pollution Control Division (APCD) has verified those reductions; and

WHEREAS, the Colorado General Assembly also adopted H.B. 21-1266, which established additional procedural steps for filing a voluntary Clean Energy Plan; and

WHEREAS, S.B. 26-182 provides that a municipally owned utility that has encountered challenges in achieving the 2030 emission reductions may submit to the division, no later than December 31, 2026, an updated Clean Energy Plan that demonstrates the municipally owned utility will achieve an eighty percent reduction in greenhouse gas emissions caused by the municipally owned utility's Colorado retail electricity sales, relative to 2005 levels, by the earliest date possible on or after December 31, 2029, but no later than December 31, 2032; and

WHEREAS, Colorado Springs Utilities, an enterprise of the City of Colorado Springs, Colorado, a Colorado home rule city and municipal corporation (Utilities) provides electric service to its ratepayers; and

WHEREAS, Utilities met the requirements of S.B. 19-236 and H.B. 19-1261 in establishing its prior, June 26, 2020 Electric Integrated Resource Plan; and

WHEREAS, Utilities considered the requirements of S.B. 26-182 in developing its Electric Integrated Resource Planning process, which concluded with the Utilities Board of Directors' endorsement of Utilities' current Electric Integrated Resource Plan on June 17, 2026; and

WHEREAS, though Utilities' Electric Integrated Resource Plan establishes Utilities' expected plan and strategy for its energy resource mix, Utilities' actual energy mix is the product of, and takes into consideration, a variety of factors including, but not limited to, legal and regulatory requirements (including required permits and related approvals), actual operational needs for resiliency and reliability, availability of energy resources (including non-carbon resources), and energy market conditions; and

WHEREAS, Utilities filed a written Notice of Intent to File a Clean Energy Plan with the Colorado Air Pollution Control Division (the "Division") on August 1, 2021; and

WHEREAS, on December 17, 2021, Utilities filed its Clean Energy Plan Workbook with the Division including all information requested by the Division, so that the Division could evaluate and verify the emissions reductions claimed through the year 2030; and

WHEREAS, in April 2022, the Division issued Utilities its Clean Energy Plan Verification Report; and

WHEREAS, pursuant to Resolution No. 22-02, the Utilities Board unanimously approved Utilities' Final Verified Clean Energy Plan on May 18, 2022; and

WHEREAS, pursuant to Resolution No. 22-04, the Utilities Board further authorized and directed Utilities' Chief Executive Officer (as already contemplated by the Colorado Springs City Code and Utilities Board policy governance and subject to Utilities' need to ensure the safety, reliability, and resiliency of Utilities' electric grid) to proceed with obtaining and implementing the energy resources needed to meet the emissions reductions contemplated in Utilities' Clean Energy Plan and to make all modifications to such energy resources needed to ensure that Utilities' Clean Energy Plan remains in the public interest; and

WHEREAS, pursuant to Resolution No. 23-08, the Utilities Board approved further modifications to energy resources to ensure Utilities' Clean Energy Plan remained in the public interest; and

WHEREAS, due to actual operational needs for resiliency and reliability, availability of energy resources (including non-carbon resources), and energy market conditions, Utilities, in accordance with S.B. 26-182, determined that a revised and restated Clean Energy Plan is necessary to ensure applicable greenhouse gas emissions will be reduced to the mandated levels "by the earliest date possible on or after December 31, 2029, but no later than December 31, 2032"; and

WHEREAS, Utilities prepared its Revised and Restated Clean Energy Plan in accordance with S.B. 26-182 and seeks Utilities Board's approval; and

WHEREAS, the Utilities Board approves Utilities' Revised and Restated Clean Energy Plan and directs Utilities to submit it to the Division no later than December 31, 2026 in accordance with S.B. 26-182.

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

Section 1. The Colorado Springs Utilities Board of Directors hereby approves Utilities' Revised and Restated Clean Energy Plan and directs Utilities to submit it to the Division no later than December 31, 2026 in accordance with S.B. 26-182. Furthermore, the Colorado Springs Utilities Board of Directors authorizes and directs Utilities' Chief Executive Officer to proceed with implementing the Revised and Restated Clean Energy Plan and to make all modifications to such energy resources needed to ensure Utilities' Revised and Restated Clean Energy Plan remains in the public interest.

Section 2. This Resolution shall take effect as of the date and time of its approval.

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

_____
Dave Donelson, Utilities Board Chair

ATTEST:

_____
Travas Deal, Secretary

Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Tristan Gearhart, Chief Planning and Finance Officer
Subject:	Ordinance amending the size limitation of consumer owned and operated solar generating equipment
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	At the September 22, 2026, City Council regular meeting, City Council approved modifications to Springs Utilities' Electric Rate Schedules to increase the allowable system size of Renewable Energy Systems from 120% to 200% of the customer's average annual consumption of electricity as proposed in the July 2026 Net Metering Rate Case. City Code § 12.1.111 (Exclusivity) currently limits sizing of retail distributed generation by consumers on their property to no more than 120%. Consistent with the approved changes to Utilities' Electric Rate Schedules, the proposed change would increase the limit to 200%, effective as of April 1, 2027. Both the existing limit and the proposed change meet the requirements of state statute (C.R.S. §§ 40-2-124). Approval of this Ordinance will provide alignment of City Code exclusivity provisions with Springs Utilities' Electric Rate Schedules.
Benefits:	Supports the 2027 Annual Operating and Financial Plan
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.	Electric customers
Alternatives:	Utilities Board to provide alternative direction

Submitter:	Scott Shirola	Email Address:	sshirola@csu.org
Division:	Planning and Finance	Phone Number:	(719) 668-8661
Department:	Pricing and Rates	Date Submitted:	October 1, 2026

SPG Staff Use Only:	Consent Calendar ☐ Yes ☒ No	Item Number 13

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

Colorado Springs Utilities
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Ordinance Amending the Size Limitation of Consumer Owned Solar

October 21, 2026

Scott Shirola, Pricing and Rates Manager

Consumer Owned Solar Size Limitation

- Background
  - July 2026 Net Metering Rate Case proposed increasing the size limitation applicable to net metering from 120% to 200%, effective April 1, 2027
    - Approved by City Council on September 22, 2026
  - City Code § 12.1.111 (Exclusivity) currently limits sizing of consumer owned and operated solar generating equipment to 120%
- Proposed
  - Ordinance to provide alignment of City Code exclusivity provisions with approved Electric Rate Schedules

Next Steps

- Ordinance readings at City Council
  - November 10, 2026, City Council Regular Meeting
  - November 24, 2026, City Council Regular Meeting
- If passed, the ordinance would go into effect on April 1, 2027

Colorado Springs Utilities

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ORDINANCE NO. 26-_____

AN ORDINANCE AMENDING SECTION 111 (EXCLUSIVITY) OF ARTICLE 1 (GENERAL PROVISIONS) OF CHAPTER 12 (UTILITIES) OF THE CODE OF THE CITY OF COLORADO SPRINGS 2001, AS AMENDED, REGARDING EXCLUSIVITY OF UTILITY SERVICES

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

Section 1. Section 111 (Exclusivity) of Article 1 (General Provisions) of Chapter 12 (Utilities) of the Code of the City of Colorado Springs 2001, as amended, is amended to read as follows:

12.1.111: EXCLUSIVITY:

* * *

(D**)** Electric utility service may be provided within the corporate limits of the City:

(1**)** By an owner or operator of solar generating equipment: a) that is located on the property of the consumer of the electric service, and b) that is sized to supply no more than ~~one hundred twenty~~ **two hundred** percent ~~(120%)~~ **(200%)** of the average annual electric consumption of the consumer at that site. The measurement of the average annual consumption of the consumer of electricity at the site of the solar generating equipment may include any electric consumption utilized in alternative fuel vehicle recharging at the time of the installation of the solar generating equipment.

* * *

Section 2. This Ordinance shall be in full force and effect as of April 1, 2027, and after its final adoption and publication as provided by Charter.

Section 3. Council deems it appropriate that this Ordinance be published by title and summary prepared by the City Clerk and that this Ordinance be available for inspection and acquisition in the office of the City Clerk.

Introduced, read, passed on first reading and ordered published this 10th day of November 2026.

Finally passed: November 24, 2026 _____
Lynette Crow-Iverson, Council President

ATTEST:

_____
Sarah B. Johnson, City Clerk

CAO: _____
COS: _____

Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Tristan Gearhart, Chief Planning and Finance Officer
Subject:	Annual Transmission Revenue Requirement Update
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	Colorado Springs Utilities, as a Transmission Owner and participant in the Southwest Power Pool Regional Transmission Organization-West, is required to update its Annual Transmission Revenue Requirement (ATRR). In accordance with Utilities' Formula Rate Template and associated Protocols approved by the Federal Energy Regulatory Commission (FERC), Utilities calculated the ATRR and underlying rates to be accepted at the City Council meeting on November 10, 2026, with a proposed effective date of January 1, 2027. Details of proposed transmission rate adjustments were provided to Utilities Board Working Committee on October 19, 2026.
Benefits:	Supports the 2027 Annual Operating and Financial Plan
Board Policy: If this impacts one of the board policies, indicate that here.	Pricing of Services (I-1)
Cost / Budget: Include the projected cost or budget here.	Timely adjustment of transmission related rates supports Colorado Springs Utilities' annual budget and maintains adequate recovery of transmission-related costs.
Affected Parties: This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.	Certain Utilities' Electric Transmission Customers
Alternatives:	Utilities Board to provide alternative direction

Submitter:	Scott Shirola	Email Address:	sshirola@csu.org
Division:	Planning and Finance	Phone Number:	(719) 668-8661
Department:	Pricing and Rates	Date Submitted:	October 1, 2026

SPG Staff Use Only:	Consent Calendar ☐ Yes ☒ No	Item Number 14

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

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Annual Transmission Revenue Requirement (ATRR)

October 21, 2026

Scott Shirola, Pricing and Rates Manager

ATRR Background

- Transmission owner's cost of building, maintaining, and operating transmission facilities is established in the ATRR
- Preparing to enter Southwest Power Pool (SPP) on April 1, 2026
  - October 28, 2025, City Council approved Transmission proposals as part of Springs Utilities 2026 Rate Case including:
    - Withdrawal of Open Access Transmission Tariff (OATT)
    - Establishment of Formula Rate Template (Template) and Implementation Protocols (Protocols) collectively, (Formula Rate) – used to calculate and update the ATRR on an annual basis
  - Formula Rate later submitted to SPP and filed with Federal Energy Regulator Commission (FERC) on behalf of Springs Utilities
    - FERC accepted Formula Rate under Attachment H of SPP's OATT

ATRR Summary

- Current ATRR
  - 2026 projected ATRR - $34,281,960
- Annual Update of Formula Rate
  - 2027 projected ATRR - $38,751,091

2027 Annual Update Timeline

✓ September 1, 2026	• Annual Update Publication
✓ September 10	• Annual Customer Meeting
✓ October 19	• Utilities Board Working Committee Presentation
October 21	• Utilities Board Presentation
November 10	• City Council Regular Session
November 15	• End of Information Exchange Period
December 18	• ATRR Update Final Submittal to SPP
Jan 1 - Dec 31, 2027	• Projected Rate Year
January 15, 2027	• Informational Filing to FERC

Next Steps

- November 10, 2026, City Council Regular Session

Colorado Springs Utilities

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Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Tristan Gearhart, Chief Planning and Finance Officer
Subject:	Municipal Government Street Lighting
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	The street lighting infrastructure operated by Colorado Springs Utilities within the City of Colorado Springs is part of the system of utilities owned and operated for the convenience and necessity of the residents of the City. Colorado Springs City Code § 12.9.103 authorizes Colorado Springs Utilities to assess and collect a street lighting service charge from the City for the provision of street lighting services. Additionally, City Code § 12.9.105 requires Colorado Springs Utilities to annually prepare a revenue requirement setting forth the amount that must be recovered for street lighting service pursuant to City Code § 12.9.103. At the November 10, 2026, regular City Council meeting, Utilities will be requesting that City Council set the 2027 Street Lighting Revenue Requirement in the amount of $5,605,055.
Benefits:	Supports the 2027 Preliminary Budget and Annual Operating and Financial Plan.
Board Policy: If this impacts one of the board policies, indicate that here.	Pricing and Services (I-1)
Cost / Budget: Include the projected cost or budget here.	The 2027 Municipal Government Street Lighting Revenue Requirement is consistent with amounts included in the 2027 Preliminary Budget.
Affected Parties: This could include community groups, specific City Council Districts, other utilities, nonprofit organizations, certain neighborhoods, Colorado Springs Utilities employees, etc.	City of Colorado Springs
Alternatives:	Utilities Board to provide alternative direction

Submitter:	Scott Shirola	Email Address:	sshirola@csu.org
Division:	Planning and Finance	Phone Number:	(719) 668-8661
Department:	Pricing and Rates	Date Submitted:	October 2, 2026

SPG Staff Use Only:	Consent Calendar ☐ Yes ☒ No	Item Number 15

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

Colorado Springs Utilities
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Municipal Government Street Lighting

October 21, 2026

Scott Shirola, Manager of Pricing and Rates

Background

- Two distinct Street Lighting services
  - Municipal Government (MG) Street Lighting service
    - Established by City Code as a separate service of Colorado Springs Utilities
    - Cost of Service based MG Street Lighting Revenue Requirement calculation
  - Electric Contract Service – Street Light (Tariff E7SL)
    - Tariff rate available in Colorado Springs Utilities' Electric service territory

2027 Revenue Requirement

Line No.	Description	2026	2027	Difference
(a)	(b)	(c)	(d)	(e)
1	**Direct Functional Expenditures**			
2	Operation and Maintenance	$ 1,298,777	$ 1,164,548	$ (134,228)
3	Administrative and General	1,164,125	1,279,741	115,616
4	Debt Service	481,051	527,934	46,882
5	Cash Funded Capital	759,618	1,081,022	321,404
6	Additions to Cash	(303,476)	(596,815)	(293,339)
7	Less: Revenue Credits	45,563	17,342	(28,221)
8	**Total Direct Functional Expenditures**	**$ 3,354,532**	**$ 3,439,087**	**$ 84,556**
9	**Allocated from Electric Cost of Service Study**	1,270,383	1,440,901	170,518
10	**Subtotal**	**$ 4,624,914**	**$ 4,879,988**	**$ 255,074**
11	**Fuel**	**816,887**	**725,067**	**(91,820)**
12	**Total Street Lighting**	**$ 5,441,801**	**$ 5,605,055**	**$ 163,254**

Next Steps

- November 10, 2026 – City Council Meeting
  - Propose a resolution setting the Municipal Government Street Lighting Revenue Requirement

Colorado Springs Utilities

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Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Tristan Gearhart, Chief Planning and Finance Officer
Subject:	2027 Draft Budget
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	The 2027 Draft Budget provides an overview of the proposed budget and financial metrics. Colorado Springs Utilities will submit the 2027 Budget and appropriation ordinances to City Council on November 10, 2026, for first reading and November 24, 2026, for second reading.
Benefits:	The 2027 Preliminary Budget supports the Annual Operating and Financial Plan
Board Policy: If this impacts one of the board policies, indicate that here.	Pricing of Services (I-1), Financial Planning and Budgeting (I-3)
Cost / Budget: Include the projected cost or budget here.	Overview of 2027 Preliminary Budget
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:	Utilities Board to provide alternative direction

Submitter:	John Hunter	Email Address:	jhuntercsu.org
Division:	Planning and Finance	Phone Number:	(719) 668-8661
Department:	Pricing and Rates	Date Submitted:	October 6, 2026

SPG Staff Use Only:	Consent Calendar ☐ Yes ☒ No	Item Number 16

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

Colorado Springs Utilities
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2027 Proposed Budget

John Hunter, Financial Planning and Risk Manager

Utilities Board
October 21, 2026

What This Budget Supports

Colorado Springs Utilities Overview

Colorado Springs Utilities is the largest four-service utility in the nation

Electric
- 264,000 Service Points
- 4,000 Miles of Power Lines
- 55 Substations
- 7 Power Plants
- 99.99% Reliability
- 41 Minute Average Interruption

Natural Gas
- 230,000 Service Points
- 2,800 Miles of Gas Pipe Mains
- 5 Local Gate Stations
- 1 Propane Air Plant

Water
- 161,000 Service Points
- 2,600 Miles of Water Mains
- 43 Treatment Tanks
- 5 Treatment Plants
- 25 Reservoirs
- 17 Minute Average Interruption

Wastewater
- 156,000 Service Points
- 1,900 Miles of Wastewater Mains
- 3 Treatment Plants
- 1 Solids Handling Facility

Current Challenges to Utilities Budget

- Cost for materials and labor continue to rise
- Interest rates since 2023 are at levels unseen since the 2007 financial downturn
- Aging infrastructure and regulatory requirements require replacement or upgrades
- Growth is driving capacity increases in all four services
- Water rights continue to be an issue in the West
  - Colorado River compact
  - Competition for water resources
  - Available water is far from the city
- **Non-fuel Operations and Maintenance (O&M) increase is only 2.7% vs CPI forecast of 3.6%**

Category	Cost Increase (since 2019)
Large Power Transformers	**Up 77%**
Steel Structures and Pipe	**Up 75%**
Conductor Cable	**Up 57%**
Solar PV Modules	**Up 50%**
Construction Labor	**Up 30%**
Battery Energy Storage System	**Up 28%**
Water & Wastewater Pumps & Valves	**Up 15%**

2026 Wins for Customers

- SPP membership has saved approximately $7 million through June
  - Savings are passed on to customers
- Identified operational efficiencies have helped to keep costs down
- Property, Liability, & Cyber Insurance policy premiums were renewed at a savings of $0.5 million
  - Wildfire and cyber attacks drove premium increases in the market
- We had no additional watering restrictions during a record drought due to our infrastructure and management
- Typical bills are still lower than regional average (more details on later slide)

Budget Overview

Proposed 2027 Budget vs 2026 AOFP

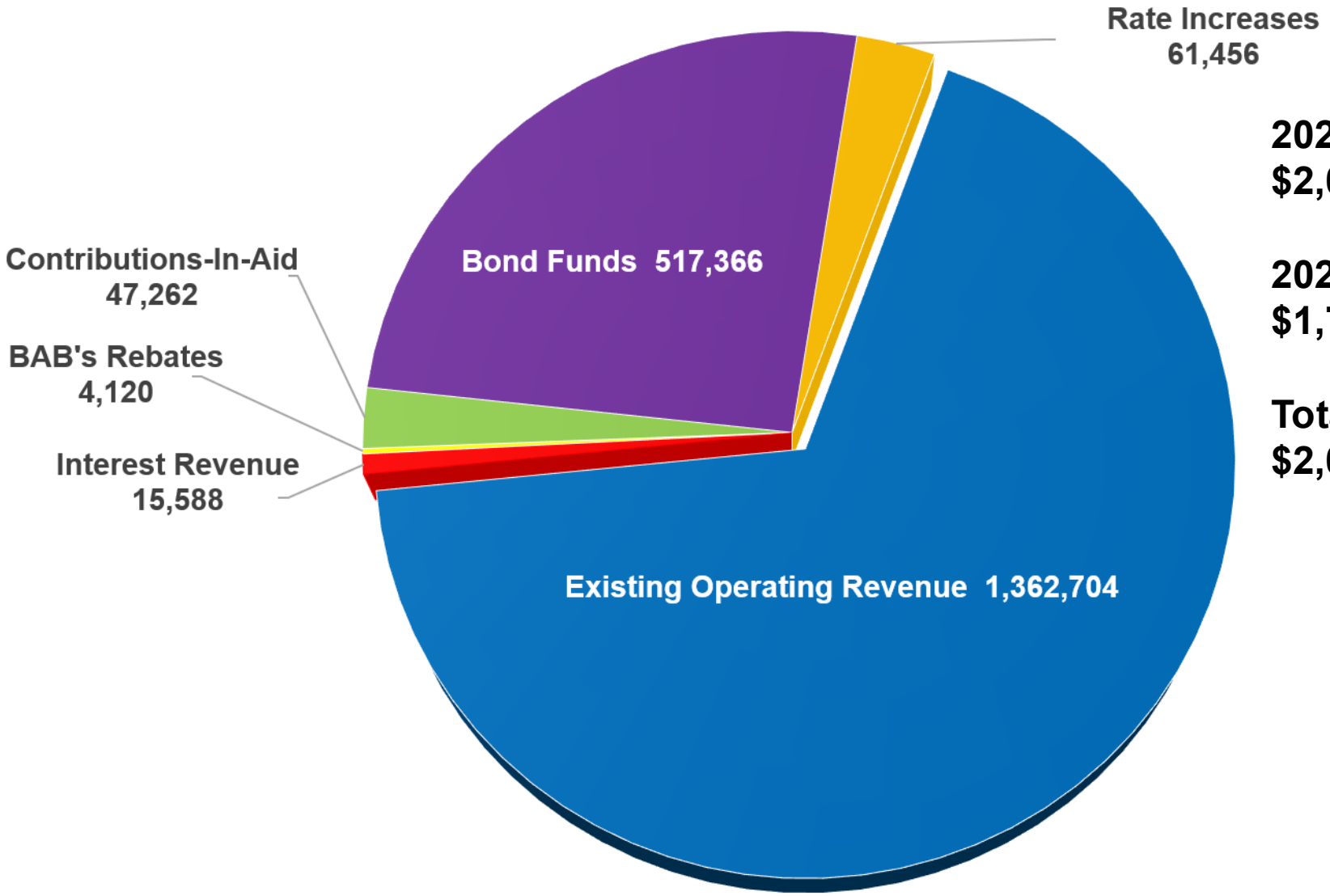
Budget Summary (in thousands)

	2027 Proposed Budget	2026 Approved Budget	Increase / (Decrease)	% Change
Capital Projects	$ 777,088	$ 948,201	$ (171,113)	-18.0%
Fuel Operations & Maintenance	304,046	337,775	(33,729)	-10.0%
Fuel Commodity - Increased Cost Scenario	155,099	196,918	(41,819)	-21.2%
Non-Fuel Operations & Maintenance	465,358	452,909	12,449	2.7%
Debt Service	271,123	266,425	4,698	1.8%
Transfers - Surplus Funds to City	37,134	36,543	591	1.6%
Other	428	365	63	17.3%
TOTAL	**$ 2,010,276**	**$ 2,239,136**	**$ (228,860)**	**-10.2%**

Ten Largest Projects in 2027 Budget

Service	Project Name	2027 Total ($M)
Electric	Williams Creek Generating Station	78
Electric	Operational Fiber Network	73
Wastewater	Northern Monument Creek Interceptor	40
Water	Penrose Water Supply	32
Water	WOLF Pressure Zone Interconnection Project	30
Electric	SEP Midway-Kelker Transmission Line	29
Wastewater	LVSWRRF Influent Junction Box Replacement	25
Electric	SEP Kelker Substation Rebuild-Expansion	19
Natural Gas	DIMP Accelerated Work	19
Electric	SEP Kelker-South Plant Transmission Line	16

Funding 2027 Appropriation (in thousands)



2027 Total Source of Funds
$2,008,496

2027 Cash from Metrics
$1,780

Total Funds
$2,010,276

Metric & Rate Outlook

Financial Metrics for 2027 and 5-Year

Proposed Metrics	2027	3 Year Average (2027-2029)	Original 5-Year Average
Adjusted Debt Service Coverage	1.95	1.94	1.90
Debt Ratio	56.7%	58.0%	57.0%
Days Cash on Hand	190	190	152

- Strong financial metrics help maintain AA bond rating
- A bond rating down grade would cost Colorado Springs Utilities customers $100 to $200 million over 30 years
- Maintained or improved the financial metrics from the original 5-year with no additional increases

Colorado Springs Utilities Rates

Proposed Rate Increases Needed	2024 Typical Bill	2025 Rate Increases	2026 Rate Increases	2027 Rate Increases	2028 Rate Increases	2029 Rate Increases	2029 Typical Bill
Electric (Base Rates)	$75.63	6.5%	6.5%	6.5%	6.5%	6.5%	$103.30
Gas (Base Rates)*	$23.23	4.0%	4.0%	4.0%	4.0%	4.0%	$28.00
Water	$80.14	6.5%	6.5%	6.5%	6.5%	6.5%	$109.06
Wastewater	$34.22	9.0%	9.0%	9.0%	9.0%	9.0%	$52.65
Total Non-Fuel Bill	$213.22	6.5% $227.12	6.5% $241.99	6.6% $257.94	6.5% $274.81	6.6%	$293.01

Customer Class	% Below Front Range
Residential 4-Service Bill	**4.1% Below**
Small Commercial 4-Service Bill	**13.0% Below**
Large Commercial 4-Service Bill	**11.1% Below**
Industrial Heavy Electric 4-Service Bill	**20.9% Below**

- No new base rates planned through 2029
- All customer class bills are currently below the Front Range average

Next Steps

November 10: City Council –
- 2027 Budget - 1st Reading

November 24: City Council –
- 2027 Budget – 2nd Reading

Colorado Springs Utilities

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Board Memo Agenda Item
Staff Report

Date: (Date of Utilities Board Meeting)	October 21, 2026
To:	Utilities Board
From:	Nick Peters, Chief System Planning and Projects Officer
Subject:	UPAC Assignment Scope
NARRATIVE:	
Desired Action: Choose only one	☒ Approval ☐ Discussion ☐ Information
Executive Summary:	The Utilities Policy Advisory Committee (UPAC) is a Utilities Board directed advisory committee that reviews, analyzes, and provides recommendations to the Utilities Board on specific issues or policies. The Utilities Board has the authority to direct UPAC to study specific issues or policies and provide recommendations to the Utilities Board. UPAC's last assignment was completed in January 2026. At the October 19, 2026, Working Committee meeting, Chair Donelson brought forward a potential scope on Distributed Energy Resources as UPAC's next assignment. The Utilities Board is responsible for approving the scope, timeline, and topic of a future assignment.
Benefits:	UPAC's recommendations provide valuable insight for the Utilities Board to consider on specific policy or research-based issues.
Board Policy: If this impacts one of the board policies, indicate that here.	Operational Resources P-5
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.	Utilities Board members, Utilities Policy Advisory Committee members, Colorado Springs Utilities staff and customers
Alternatives:	Approve an alternative assignment or deny proposal.

Submitter:	Bethany Schoemer	Email Address:	bschoemer@csu.org
Division:	Administration and Human Resources	Phone Number:	719-668-3811
Department:	Public Affairs	Date Submitted:	October 1, 2026

SPG Staff Use Only:	Consent Calendar ☐ Yes ☒ No	Item Number 17

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 (UPAC) Assignment Scope

October 2026

What are Distributed Energy Strategies?

Distributed Energy Strategies are the coordinated use of customer- and utility-sited energy solutions to optimize the electric system, reduce costs, enhance reliability and resilience, and defer or avoid traditional infrastructure investments while maintaining customer choice.

Assignment Objective and Purpose

Assignment Objective:

Recommend policy principles for how distributed energy resources (DERs), distributed energy strategies (DES) and other customer or utility-sited solutions should support Colorado Springs Utilities' future energy system.

Purpose:

Evaluate the policy choices Colorado Springs Utilities should consider as distributed resources become a larger part of system planning and operations. The assignment should establish community priorities, decision criteria, roles, and governance principles rather than select specific technologies, vendors, projects, or tariffs.

Question 1: What policy principles should guide how customers, facilities, and communities are prioritized?

UPAC should recommend fair and transparent principles for determining where programs or investments should be focused to ensure mutual benefit. Considerations may include:

- Criticality of the facility or service
- Existing reliability or resilience needs
- Potential systemwide and community benefits
- Cost-effectiveness and alternatives
- Customer interest and ability to participate
- Equitable access to benefits and avoidance of undue cost shifts
- Potential to support military installations, emergency services, water infrastructure, commercial areas, neighborhoods, and residential customers

The recommendation should establish a prioritization framework, not identify specific projects or locations.

Question 2: What policy principles should guide CSU's approach?

UPAC should evaluate the appropriate balance among utility investments, customer-led solutions, market-based approaches, and operational strategies. Considerations may include:

- When CSU should invest directly versus enable customer- or third-party-led solutions
- What role rates, incentives, standards, and market signals should play
- How CSU should compare distributed solutions with centralized resources and traditional grid investments
- How non-energy benefits, such as resilience, emergency preparedness, and military readiness, should be considered
- What criteria should support decisions to pilot, expand, modify, or discontinue a program

The recommendation should provide durable decision principles that can be applied as technologies and markets evolve.

Question 3: What customer participation, governance, and regulatory principles are needed?

UPAC should recommend principles that protect customers and system reliability while enabling useful participation. Topics may include:

- Voluntary participation, customer choice, and the ability to opt out
- Data access, privacy, cybersecurity, and informed consent
- Utility, customer, and third-party roles and accountability
- Interconnection, interoperability, measurement, verification, and program transparency
- Alignment with applicable retail, wholesale market, and resource adequacy requirements

The recommendation should focus on governance and consumer protections rather than detailed tariff design.

Question 4: What DER and DES policies have peer utilities adopted, and which policy approaches should CSU consider?

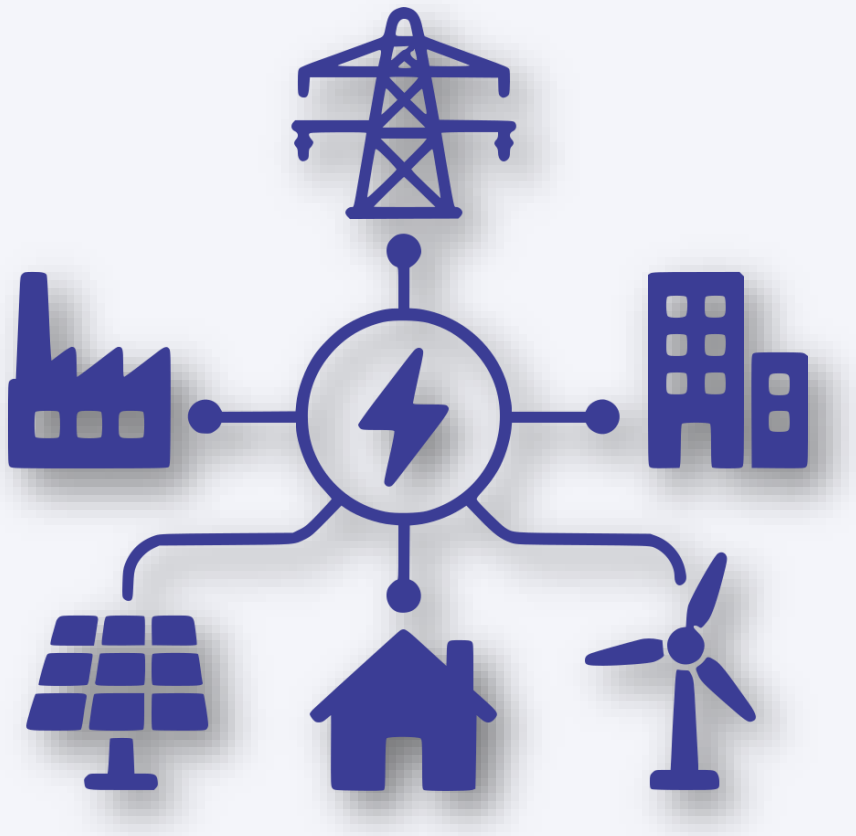
UPAC should review a representative group of municipal, cooperative, and investor-owned utilities, with emphasis on utilities facing similar growth, affordability, resilience, military, and grid-integration considerations. The review should compare:

- Policy objectives and governing principles
- Utility ownership, customer ownership, and third-party participation models
- Program eligibility, customer protections, and equity provisions
- Compensation, incentives, cost recovery, and cost-allocation approaches
- Treatment of VPPs, demand response, managed charging, storage, microgrids, and non-wires alternatives
- Integration with resource planning, distribution planning, resilience planning, and wholesale market participation
- Performance measures, lessons learned, and conditions that made policies transferable or non-transferable

UPAC should identify leading practices and explain which approaches appear suitable for CSU, which would require modification, and which should not be pursued.

Requested Deliverables

1. A recommended policy framework defining the role of DER and DES in Colorado Springs.
2. A prioritization framework for customer segments, facilities, and community needs.
3. A peer-utility policy review with leading practices and applicability to CSU.
4. Recommended principles for investment, customer participation, governance, cost allocation, consumer protection, and program evaluation.
5. A phased roadmap identifying recommended policy actions, including appropriate pilot or program opportunities.
6. Key risks, implementation barriers, and issues requiring additional technical, legal, financial, or regulatory analysis.



Scope Boundaries

- UPAC should provide policy guidance and community perspective, not detailed engineering design.
- The assignment should not select vendors, approve projects, establish specific tariffs, or predetermine technology choices.
- Where technical or regulatory questions require specialized analysis, UPAC should identify the issue and the policy decision it informs.

Next Steps

- Vote on the UPAC assignment scope (approve as drafted or recommend revisions).
- Assignment recommendation must be submitted by March 2027.
- UPAC will begin development at the November 4, 2026 meeting.

Colorado Springs Utilities

It's how we're all connected

UPAC Distributed Energy Strategies Assignment

Policy Framework for Colorado Springs Utilities

What are Distributed Energy Strategies

Distributed Energy Strategies are the coordinated use of customer- and utility-sited energy solutions to optimize the electric system, reduce costs, enhance reliability and resilience, and defer or avoid traditional infrastructure investments while maintaining customer choice.

Assignment Objective

Recommend policy principles for how distributed energy resources (DERs), distributed energy strategies (DES) and other customer- or utility-sited solutions should support Colorado Springs Utilities' future energy system.

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