

**E-85 WASTEWATER INTERGOVERNMENTAL AGREEMENT BETWEEN THE
TOWN OF CASTLE ROCK ACTING THROUGH ITS WATER ENTERPRISE AND
DOMINION WATER & SANITATION DISTRICT ACTING THROUGH ITS
STERLING RANCH WATER ACTIVITY ENTERPRISE AND THE STERLING
RANCH COMMUNITY AUTHORITY BOARD**

This INTERGOVERNMENTAL AGREEMENT (this “**Agreement**”) is made and entered into as of _____, 2023 (the “**Effective Date**”), by and between the Town of Castle Rock, a home rule municipal corporation, acting by and through the Town of Castle Rock Water Enterprise (“**Castle Rock**”), and Dominion Water & Sanitation District, a quasi-municipal corporation and political subdivision of the State of Colorado, acting through the Sterling Ranch Water Enterprise Fund (“**Dominion**”), and the Sterling Ranch Community Authority Board (“**CAB**”) (each, individually, a “**Party**” and, collectively, the “**Parties**”).

WITNESSETH:

WHEREAS, C.R.S. § 29-1-203 authorizes the Parties to cooperate and contract with one another regarding functions, services and facilities each is authorized to provide; and

WHEREAS, Dominion is a wholesale water and wastewater provider located in Northwest Douglas County organized in 2004 to provide service to the Sterling Ranch Community Authority Board (Sterling Ranch CAB) and those existing communities as of 2009 on non-renewable groundwater located within Dominion’s service area; and

WHEREAS, Castle Rock is a retail water and wastewater provider for the Town of Castle Rock and additional extra-territorial customers; and

WHEREAS, Dominion and Castle Rock have identified a need for additional wastewater conveyance and treatment capacity for existing and new developments along the E-85 Corridor for up to 0.2 Million Gallons per Day (MGD) (average daily flow or annual average flow) initially, as depicted in **Exhibit A**, attached hereto and incorporated herein by reference (the “**Service Area**”); and

WHEREAS, the Parties desire to make 0.2 MGD (average daily flow or annual average flow) of wastewater conveyance and treatment capacity in Dominion’s and CAB’s collection system available to Castle Rock on behalf of Douglas County (collectively, the “**CRDC Capacity**”) for Existing Customers (defined below) and New Customers (defined below), through the construction of wastewater conveyance infrastructure that will connect to Dominion’s and CAB’s system (the “**Existing Dominion and CAB Owned Infrastructure**”); and

WHEREAS, the Parties desire to design and construct additional wastewater capacity along the E-85 corridor from system development fees collected by Castle Rock for New Customers, as defined herein, who meet the other requirements outlined herein; and

WHEREAS, the Parties also desire to construct a new mutually beneficial wastewater treatment plant (the “**Chatfield Basin Water Reclamation Facility/CBWRF**”) to discharge Effluent & return flows to the South Platte River, Castle Rock Reservoir Numbers 1 and/or 2 (the

“CRR1”, “CRR2”), and additional future location(s) to be determined by Dominion and Castle Rock which shall be based on the ownership of the future location; and

WHEREAS, Dominion agrees to convey an apportioned share of Dominions Phosphorous Loading Credit to assist in obtaining the discharge permit associated with the CRDC Capacity to the mutual benefit of the Parties; and

WHEREAS, the Parties desire to construct a pumping facility to be located on or adjacent to the CBWRF for use to convey treated effluent or other raw water supplies to **CRR1** and/or **CRR2** and/or to the Larry D. Moore Water Treatment Plant (the “**Moore WTP**”), or future location(s) to be determined by Dominion and Castle Rock which shall be based on the ownership of the future location(s) (the “**Reuse Pump Station**”); and

WHEREAS, Castle Rock agrees to sell capacity to Dominion within the existing Ravenna pipeline, which is anticipated to be refurbished of which the reconstruction will be designed and constructed for future use by Castle Rock; and

WHEREAS, Castle Rock, at its sole discretion, agrees to treat return flows or new water supplies for Dominion at the Plum Creek Water Purification Facility (“PCWPF”) at fair and reasonable costs which may include extraterritorial surcharges should Dominion determine that said treatment would be beneficial to Dominion; and

WHEREAS, the Parties further desire to set forth Castle Rock’s rights to purchase from Dominion return flows from the communities of Louviers and Sedalia, if not already purchased by Castle Rock, should Dominion provide wholesale water services to those communities, as well as the right of first offer to purchase additional return flows from Dominion, should Dominion determine to sell its return flows and make them available for purchase; and

WHEREAS, the Parties find that there is benefit to Castle Rock, Dominion and CAB in entering into this Agreement.

NOW, THEREFORE, the Parties, in and for the consideration of the performance of the mutual promises set forth herein, the receipt and adequacy of which is hereby acknowledged, for themselves and their successors, do hereby agree as follows.

1. DEFINITIONS. Unless previously defined, the following terms, when capitalized, shall have the meanings indicated below:

a. **ARPA Funding** shall mean funds encumbered by Douglas County in accordance with Section 603(b) of the Social Security Act, as added by Section 9901 of the American Rescue Plan Act, Public Law No. 117-2 (March 11, 2021).

b. **CAB** shall mean the Sterling Ranch Community Authority Board.

c. **CAB Owned Infrastructure** shall mean the gravity sewer collection system and CAB infrastructure located within Sterling Ranch Filings No. 1, 2, 4A, 4B, 4C and 6B, and included within Sterling Ranch Metropolitan District’s Nos. 1-7, that connects to the Dominion owned wholesale wastewater infrastructure.

- d. **Carollo** shall mean Carollo Engineers, Inc.
- e. **Castle Rock Rules and Regulations** shall mean the Rules and Regulations adopted by Castle Rock Water and as amended from time to time.
- f. **CDM** shall mean CDM-Smith.
- g. **CDPHE** shall mean the Colorado Department of Public Health and Environment.
- h. **Chatfield Basin Water Reclamation Facility/CBWRF** shall mean a new mutually beneficial wastewater treatment plant located along the South Platte River (in the approximate location where the Roxborough Wastewater Treatment Facility was located) on property owned by Dominion, which upon completion, will be owned and operated by Dominion.
- i. **CMAR** shall mean Construction Manager at Risk.
- j. **County** shall mean Douglas County, Colorado.
- k. **CRDC Capacity** shall mean 0.2 MGD capacity (average daily flow or annual average flow) in the Project some of which is owned by Castle Rock and some of which is administered by Castle Rock on behalf of the owner, Douglas County, until such time as customers connect to the Project, at which time Douglas County will transfer ownership of such capacity to Castle Rock.
- l. **CRDC IGA** shall mean that certain Intergovernmental Agreement between Castle Rock and Douglas County for the Highway 85 Wastewater Collection and Treatment System dated April 25, 2023.
- m. **CRR1** and **CRR2** shall mean Castle Rock Reservoir Number 1 and Castle Rock Reservoir Number 2, respectively.
- n. **CRR Discharge Point** shall mean the discharge to CRR1 and CRR2.
- o. **Dominion Discharge Point** shall mean the discharge to the South Platte River, the Moore WTP, or other future location(s) to be determined by Dominion.
- p. **Discharge Permits** shall mean the CDPHE permits for the South Platte Discharge Point, CRR Discharge Points, or other discharge points agreed to by the Parties and required by the State to discharge treated effluent from the CBWRF.
- q. **Dominion Rules and Regulations** shall mean the Rules and Regulations adopted by Dominion, dated October 18, 2022, as amended from time to time.
- r. **Dominion Terms of Service** are defined within the Dominion Rules and Regulations.

s. **E-85 Corridor** shall mean the communities connected to the thoroughfare of United States Highway 85 East of Plum Creek from approximately Titan Road to Sedalia as depicted in **Exhibit A**.

t. **E-85 Infrastructure** shall mean the Louviers Forcemain and Louviers Lift Station, and the wastewater pipeline to extend south to Sedalia to be designed and constructed as funding allows.

u. **Effluent** shall mean any wastewater treated at the CBWRF to CDPHE standards and discharged at the South Platte River, CRRs, or another location(s) determined by Dominion or Castle Rock for future discharge.

v. **Existing Customers** shall mean those occupied residences or commercial property owners as of January 1, 2023, in the Service Area shown in Exhibit A (generally in the Louviers or Sedalia Service Areas or CORE Electric along the E-85 Corridor).

w. **Existing Dominion and CAB Owned Infrastructure** shall mean the capacity in the CAB Gravity Sewer System, Titan Road Lift Station, Roxborough O-Line, Titan Road Forcemain, the property on which the CBWRF and Reuse pump station are to be located, the existing CBWRF discharge permit (to be modified) and phosphorous loading credits.

x. **Future Titan Road Infrastructure Expansion** shall mean a possible future forcemain or gravity line to connect the Louviers Forcemain between Moore Road to the existing Titan Road Lift Station (or a potential future lift station based on design recommendations to be mutually agreed upon) to be designed, constructed, owned and operated by Dominion should capacity within the CAB Owned Infrastructure be exceeded. For the avoidance of doubt, Dominion reserves the right to request Castle Rock to charge additional System Development Fees for the Future Titan Road Infrastructure Expansion, and if Castle Rock does not charge additional System Development Fees, any wastewater conveyance in excess of the Existing Dominion and CAB Owned Infrastructure shall be prohibited.

y. **In-Kind Contributions** shall mean an estimate of the total cost (inclusive of all hard costs, soft costs, allocable overhead, and financing costs) of the Existing Dominion and CAB Owned Infrastructure to be utilized by the CRDC Capacity, to include the Titan Road Lift Station capacity, Titan Road to O-Line Forcemain capacity, O-Line gravity sewer and the Roxborough Forcemain capacity, purchase of the CBWRF and up-front design work that was completed. The In-Kind Contributions will be based on a percentage or other reasonable allocation of the CRDC Capacity to the full capacity of the Existing Dominion and CAB Owned Infrastructure. See **Exhibit B** for additional information.

z. **Louviers** shall mean the Louviers Water & Sanitation District.

aa. **Louviers Forcemain** shall mean the forcemain accompanying the Louviers Lift Station that will connect from the Louviers Lift Station to the CAB Owned Infrastructure at the Moore Road and Waterton Road intersection which upon completion will be owned and operated by Dominion.

bb. **Louviers Lift Station** shall mean a 0.2 MGD lift station, expandable to 1.0 MGD, located at or near Louviers' existing sewer lagoon which upon completion will be owned and operated by Castle Rock.

cc. **Moore WTP** shall mean the Larry D. Moore Water Treatment Plant.

dd. **New Customers** shall mean new development or redevelopment in the Service Area which seek new or additional wastewater services after January 1, 2023.

ee. **O-Line** shall mean the line that connects the Dominion wholesale wastewater facilities to the Roxborough splitter structure, owned and operated by Roxborough.

ff. **Project** shall collectively mean the Reuse Pumping Station, the CBWRF, connections and expansions to the Existing Dominion and CAB Infrastructure, the Louviers Lift Station and the Louviers Forcemain and any gravity sewer from the Louviers Lift Station running to the south that can be included under the ARPA funding or constructed with System Development Fees collected from customers in the Service Area.

gg. **Return Flows** shall mean fully consumable water that is treated Effluent that can be used to extinction.

hh. **Reuse Pump Station** shall mean a pump station at the CBWRF to convey treated effluent or other raw water supplies from the South Platte or Chatfield Reservoir to the CRR Discharge Point, to the Moore WTP, or additional future location(s) as determined by Dominion or Castle Rock, depending on the ownership of such location, which will effectively capture Return Flows that can be delivered and used for reuse water by the Parties in addition to other raw water supplies.

ii. **Roxborough** shall mean the Roxborough Water & Sanitation District.

jj. **Roxborough Forcemain** shall mean the forcemain from the Roxborough Lift Station to the South Platte Renew Facility (SPR).

kk. **Sedalia** shall mean Sedalia Water and Sanitation District.

ll. **Service Area** shall mean those regions and communities as shown on Exhibit A. For the avoidance of doubt, Castle Rock and Dominion will make available up to 0.2 MGD for Castle Rock and the County in accordance with the CRDC IGA at the Louviers Lift Station but, subject to the requirements of the CRDC IGA, Dominion and Castle Rock shall not be obligated to exceed the CRDC Capacity and all customers must comply with all Castle Rock and Dominion rules and regulations, to include SPR pre-treatment requirements, for providing such service.

mm. **South Platte Discharge Point** shall mean the discharge point for the CBWRF located on the S. Platte River to be owned by Dominion.

nn. **South Platte Diversion & Intake** shall mean Dominion's decreed point of diversion located downstream of the South Platte Discharge Point to capture Return Flows,

Dominion's contract water with Aurora, Hock Hocking water rights, Junior South Platte River rights, exchanged water from Chatfield Reservoir and other Dominion contracted or owned water on the South Platte River.

oo. **SPR** shall mean the South Platte Renew Wastewater Treatment Facility.

pp. **SPR Pre-Treatment** shall mean pre-treatment requirements enacted by the South Platte Renew in return for wastewater solids handling services.

qq. **System Development Fees** shall mean the fees established by Castle Rock, and Dominion as set forth herein, to be charged in exchange for connection to the Project.

rr. **Titan Road Lift Station** shall mean the existing Dominion owned Lift Station located at Titan Road and Elk River within the boundaries of Tract A of Sterling Ranch Filing No. 1 recorded in the real property records of Douglas County, recordation #2015080636.

ss. **Titan Road to O-Line Forcemain** shall mean the Dominion owned 12-inch forcemain located between the Titan Road Lift Station and O-Line connection point.

tt. **Wastewater System** shall mean the infrastructure and improvements, including the Project, operated by Castle Rock and Dominion to provide wastewater service to connected customers in the Service Area.

uu. **Wholesale Customer** shall mean a retail wastewater provider, such as a special district or municipality, that has applied and been approved for connection to the Wastewater System.

2. E-85 INFRASTRUCTURE.

a. Louviers Lift Station and Force Main.

i. Design and Construction. Castle Rock shall design and construct the Louviers Lift Station and the Louviers Forcemain. All plans and design will conform to the Engineering and Construction Standards of CDPHE Water Quality Control Division, Castle Rock and Dominion. Dominion will have the right to review and approve the design and construction plans, which approval will not be unreasonably withheld. The Louviers Lift Station and Louviers Forcemain will initially tie into an 8-inch gravity sewer line located near the intersection of Waterton Road and Moore Road, which gravity sewer line is owned by the CAB.

(1) **Scope of Work** – Subject to the award and execution of a contract to Carollo in accordance with requirements set forth in Castle Rock's procurement ordinance and policies, Castle Rock will use Carollo for the design of the Louviers Forcemain and the Louviers Lift Station. The scope of work shall include review by Dominion and Dominion's Wastewater Engineer to determine existing capacity and limitations, if any, in the CAB and Dominion Owned Infrastructure. The contract with Carollo shall be a tri-party agreement among Castle Rock, Dominion and Carollo and Castle Rock and Dominion shall agree to mediate any disputes between them concerning the administration and enforcement of the Carollo contract.

(2) Contract Solicitations – Castle Rock will work collaboratively with Carollo to determine the appropriate delivery method for the Louviers Forcemain and Louviers Lift Station. Dominion will review the selection process and construction schedule as it impacts existing or planned future Dominion and CAB infrastructure. Dominion and Castle Rock will work collaboratively on efficient design of the combined Louviers Forcemain and Louviers Lift Station by Carollo to coincide with the construction of Dominion’s anticipated 12” water line (which water line size is subject to change in Dominion’s sole discretion) to Louviers Water and Sanitation District.

(3) Change orders – Dominion and Castle Rock shall each have the right to review and approve all Change Orders, which approvals shall not be unreasonably withheld or delayed by either party.

(4) Easements – Castle Rock will use commercially reasonable efforts to procure easements associated with the Louviers Forcemain and Louviers Lift Station and obtain Dominion’s prior reasonable approval as to the location of all easements. Easements associated with the Louviers Forcemain will be conveyed to Dominion without cost. Upon completion of the Louviers Forcemain, Dominion will own the Louviers Forcemain. Castle Rock shall convey all title, easements, engineering reports, test reports, and any additional reports necessary for the ongoing operation of the Louviers Forcemain by Dominion.

(5) Examination of Records and Dispute Resolution – Design and construction of the Louviers Forcemain shall conform to Dominion’s Engineering and Construction Standards. Dominion shall inspect the Louviers Forcemain to determine conformance. Should Dominion determine that the Louviers Forcemain does not meet Dominion’s Design and Construction Standards or would negatively impact Dominion or CAB’s Existing Infrastructure, Dominion may elect to not accept conveyance of the Louviers Forcemain until such time that the Louviers Forcemain meets the Design and Construction Standards. Dominion may elect to take ownership of the Louviers Forcemain even if the Louviers Forcemain does not meet its Design and Construction Standards, but any decision to assume ownership does not waive the right by Dominion to recover costs associated with curing any failure of the Louviers Forcemain to meet Dominion Design and Construction Standards from the contractor responsible for the construction of the Louviers Forcemain.

(6) Costs/Escrow – Costs associated with the Louviers Forcemain and Louviers Lift Station will be paid for by the County utilizing ARPA monies as outlined in the CRDC IGA. Castle Rock will use all commercially reasonable efforts to enforce the obligations of the County pursuant to the CRDC IGA and shall timely fulfill its obligations under the CRDC IGA which are conditions to the obligations of the County thereunder, including, without limitation, the payment obligations of the County.

ii. Operation & Ownership. Following construction, the Louviers Lift Station will be owned and operated by Castle Rock and the Louviers Forcemain will be owned and operated by Dominion. Dominion and Castle Rock will develop associated monthly service fees to be charged to users for the Louviers Lift Station and the Louviers Forcemain which will include a reasonable capital replacement

component in the rates. Castle Rock agrees to abide by any SPR Pre-treatment requirements to accept wastewater at the Louviers Lift Station.

b. Capacity in Existing Dominion and CAB Infrastructure.

i. Capacity in CAB Gravity Sewer Collection System. The CAB will make the CRDC Capacity available to Castle Rock on behalf of the County within the CAB's gravity sewer collection system up to 0.2 MGD at no cost so long as Dominion and CAB's engineers expect that no impairment in the use of CAB's system will occur due to the CRDC Capacity using the CAB's system. The total amount of available average day flow capacity and peak day capacity in the CAB gravity sewer collection system that is not already allocated to existing or future development with Sterling Ranch will be identified early in the design of the E-85 Infrastructure (the "**Available CAB Capacity**"). The CRDC Capacity in the CAB gravity sewer collection system will be limited to the lesser of 0.2 MGD average day flow capacity or the Available CAB Capacity until upgrades are completed for additional capacity. If additional capacity is needed beyond the Available CAB Capacity, the funding for expanding the CAB's gravity sewer collection system or extending the Louviers force main all the way to the Titan Road Lift Station (or potential future lift station based on design recommendations to be mutually agreed upon) will come from ARPA Funding, System Development Fees from New Customers, or other sources of funding as they are available. At no time will wastewater flows from Castle Rock and/or the County exceed the Available CAB Capacity and in no event shall CAB or Dominion be obligated to pay the cost for additional capacity beyond the Available CAB capacity.

ii. Titan Road Lift Station. Dominion will make available the CRDC Capacity in its Titan Road Lift Station, the Titan Road to O-Line Forcemain, the O-Line gravity sewer and the Roxborough Forcemain at no out of pocket cost to Castle Rock as part of the Project Costs up to the amount of the CRDC Capacity. Any capacity beyond the CRDC Capacity will require the payment to Dominion, of System Development Fees for additional capacity in Dominion's infrastructure. The total amount of available average day flow capacity and peak day capacity in the Dominion and CAB Owned Infrastructure in the Titan Road Lift Station will be identified at the outset of the design process and CRDC Capacity will be limited to those values identified until such time as improvements through the Project are completed to convey wastewater to the CBWRF. Additional capacity at the Titan Road Lift Station, the Titan Road to O-Line Forcemain, and the O-Line forcemain beyond the CRDC Capacity may be purchased by Castle Rock for New Customers along the corridor in accordance with Dominion's Rules and Regulations.

iii. Emergency Capacity. Dominion will maintain adequate capacity in the Roxborough Lift Station, Roxborough Forcemain and SPR Facility to use for emergency conditions, as defined in the IGA between Dominion and Roxborough attached hereto as **Exhibit C**.

iv. Solids Handling at the SPR Facility. It is contemplated that the CBWRF construction will not include solid waste treatment as part of the Project. It is anticipated that the CBWRF will be designed and constructed as a liquids treatment facility. It is contemplated that solids generated at the CBWRF will be conveyed through the Roxborough Forcemain to SPR in perpetuity; however final terms and an executed IGA between the City of Littleton and

Dominion has not been entered into as of the effective date of this Agreement. Dominion will work diligently to secure an Intergovernmental Agreement between Dominion and the City of Littleton for solids handling at SPR by June 30, 2024. In the event that the City of Littleton will not enter into an Intergovernmental Agreement with Dominion for solid waste treatment at the SPR Facility in a financially acceptable manner to Dominion and Castle Rock, as related to the CRDC Capacity, then Dominion will advance plans for future solid waste handling and treatment at the CBWRF in cooperation with Castle Rock. For the avoidance of doubt, Castle Rock's approval of solid waste handling shall be limited to the CRDC Capacity. Dominion, Castle Rock and CAB hereby acknowledge that the Parties will be bound by SPR Pre-Treatment requirements so long as either wastewater or solid waste is conveyed to SPR.

c. Chatfield Basin Reclamation Facility.

i. Design. Castle Rock and Dominion will jointly contract for the design of the CBWRF with Carollo. The Parties will work collaboratively with Carollo to develop a Scope of Work that accounts for the future expansion of the CBWRF by Dominion for the benefit of Dominion's Retail Customers including but not limited to the full build-out of CAB's service area and the Chatfield Urban Area, as defined in the Douglas County 2040 Comprehensive Plan. Dominion will provide a three-party design contract for review and consideration as part of the initial scoping, and Dominion and Castle Rock shall agree to mediate any disputes concerning the administration or enforcement of the Carollo contract. Each Party shall have reasonable review and approval rights as the design advances. No Party will unreasonably withhold approval needed to advance the design of the CBWRF. The CBWRF will be designed to be expandable such that Dominion can continue to operate the CBWRF and, in the future, expand the CBWRF for full build out of Dominion's existing customers including the full build out of the CAB's service area and the Chatfield Urban Area. The Parties will design the CBWRF to meet permitted discharge standards imposed by CDPHE.

ii. Construction.

(1) Design will be advanced to a sufficient level to allow for the procurement of a Construction Manager at Risk ("**CMAR**") to work collaboratively with the Parties and Carollo to finalize design and construct the CBWRF and Reuse Pump Station. If the County advises the Parties that an alternative delivery approach to include CMAR is not allowed under the regulations related to the use of ARPA Funding, the Parties will work with Carollo to finalize design to a traditional Design Bid Build ("**DBB**") delivery. Should a DBB approach be mandated there is a high likelihood that ARPA Funding may not be fully expended prior to December 31, 2026. In the event that the funds cannot be expended prior to December 31, 2026, the Parties will collaboratively work with the County to determine next steps.

(2) Scope of Work – The Scope of Work for Design and Construction will be mutually developed by the Parties and Carollo. Each Party shall provide reasonable review and approval rights of the Scope of Work. No Party will unreasonably withhold approval needed to advance the design of the CBWRF.

(3) Contract Solicitations – The Parties mutually agree that Carollo has sufficient unique knowledge of the CBWRF project that is necessary to not bid the

design of the CBWRF in order to achieve Project schedule constraints associated with ARPA regulatory requirements. In addition, the County has identified sufficient funds within its County Loss Recovery balance to cover at a minimum the initial design efforts associated with the Project, as such the funds are not considered Federal in nature and do not require independent solicitation of design engineers to proceed. The Parties in collaboration with Carollo shall develop procurement documents for a CMAR for the CBWRF that will be competitively selected based on qualifications and overall responsiveness through the bidding process so long as the policies, rules and regulations governing ARPA funding allow this alternative delivery mechanism. The Parties will mutually agree on the CMAR contract documents and have the right to reasonable review and approval rights of all CMAR deliverables. No Party will unreasonably withhold approval needed to advance the construction of the CBWRF.

(4) Change Orders – The Parties mutually agree that any change orders associated with the construction of the CBWRF, to include the Reuse Pumping Station, will be mutually reviewed and approved by Dominion and Castle Rock. Each of said Party shall provide reasonable review and approval rights as the construction advances. For Change Orders that are approved by the Parties, Castle Rock will work diligently to obtain any necessary approvals from the County. In the event that the Parties disagree on a Change Order then the County shall arbitrate a dispute between the parties due to the County approval requirements for Change Orders in the CRDC IGA. In the event that the Parties agree to a Change Order and the County does not per the CRDC IGA, then the parties shall meet as soon as possible to discuss alternatives which may include, but are not limited to: the Parties funding the Change Order without ARPA Funding in their sole discretion, the Parties rejecting the Change Order, the Parties seeking alternative financing, or the Parties halting the CBWRF until a Board of County Commissioners meeting can be convened to discuss why the Change Order was rejected.

(5) Easements – Dominion owns the property for the CBWRF and Reuse Pumping Station. In addition, certain components of the Project will occur outside of the property currently owned by Dominion. As such, Dominion has been diligently working with Denver Water (“DW”), underlying fee simple owner of the property adjacent to the South Platte River and the CBWRF site, to secure an easement for the Effluent discharge location for the CBWRF on the South Platte River. Castle Rock agrees to support and work collaboratively with Dominion on these efforts.

(6) Examination of Records and Dispute Resolution – Should the CBWRF or Reuse Pumping Station not meet performance standards as specified within the CMAR procurement documents both Parties mutually agree to work collaboratively to correct any deviation. Dominion may elect to accept the CBWRF and the Parties may mutually agree to accept the Reuse Pumping Facility subject to an agreed upon list of punch list items, however said acceptance will not waive recovery of funds from the contractor needed to complete all items on the punch list or to cure.

(7) Costs/Escrow - Costs associated with the CBWRF and Reuse Pumping Station will be paid for by the County utilizing ARPA monies as outlined in the CRDC IGA, Section 3 of this IGA and fund availability. Additional funding for additional costs associated with constructing portions of the CBWRF for full build-out may come from either System Development Fees from New Users or Dominion. Dominion is under no obligation to fund

the full-build out of the CBWRF and any funding from Dominion towards the expansion of the CBWRF will be in Dominion's sole discretion. Castle Rock is not in any way responsible for the funding of any portion of the CBWRF, and any Castle Rock funding towards any part of the CBWRF will be in Castle Rock's sole discretion.

iii. Discharge. The CBWRF shall be designed with at least two Effluent discharge points, which shall be designed for the purpose of discharging Effluent and capturing Return Flows, including one to the S. Platte River (the "**South Platte Discharge Point**") and one to CRR1 or CRR2 (the "**CRR Discharge Point**").

(1) Discharge Permits. For the South Platte Discharge Point, Dominion shall take necessary action to enable the CBWRF to discharge Effluent to the South Platte River with a new CDPHE discharge permit and a proportionate share of Dominion's 2,000 pounds of phosphorous allocation in Chatfield Reservoir. The construction of the South Platte Diversion & Intake is not a part of the Project; however, Dominion will be advancing the design with Tetra Tech to include permitting strategies for the South Platte Diversion concurrently with the design and construction of the Project. The Parties agree that obtaining the Discharge Permits is a priority. Dominion and Castle Rock agree to develop a strategy to obtain the Discharge Permits and shall cooperate in good faith to obtain the Discharge Permits as quickly as possible to provide at least one discharge point for the CBWRF in the timeframe identified by ARPA Funds and the CRDC IGA. Dominion will pursue the applicable Discharge Permits under Dominion's name and Castle Rock shall participate and cooperate as necessary to expedite the permit process. The Parties will mutually agree on a strategy for addressing potential additional costs for treatment related to more stringent discharge parameters anticipated under CDPHE regulations associated with discharging Effluent directly to the CRR Discharge Point(s). Costs associated with permitting a discharge to the South Platte, the CRR Discharge Point(s) (including any additional treatment at CBWRF necessary for direct Effluent discharge to CRR), shall be paid as part of permitting, design and construction efforts. Funding for the Discharge Permits will be paid using the ARPA funds from the County.

(2) Interim Discharge and Conveyance. Prior to obtaining the Discharge Permits, Dominion will maintain adequate capacity in the current Roxborough Lift Station and Roxborough Forcemain to SPR to allow for the connection of Existing Customers to the Project using the CRDC Capacity.

(3) Discharge to CRR1/CRR2. Dominion will operate the CBWRF in a manner that causes treated effluent to meet the CRR Discharge Permit requirements. Should Castle Rock, at its sole discretion, determine that treated effluent does not meet the CRR Discharge Permit requirement and/or CRR1/CRR2 or if any subsequent part of Castle Rock's system including Plum Creek Water Purification Facility (PCWPF) cannot accept treated effluent for any reason, Castle Rock shall notify Dominion and the treated effluent shall not be delivered to CRR1/CRR2. If Castle Rock has determined in its sole discretion that it can accept treated effluent at CRR1/CRR2, Dominion may elect to deliver treated effluent from the South Platte Diversion through the Reuse Pumping Facility to CRR1/CRR2 if that water quality meets the requirements outlined by Castle Rock.

iv. Ownership of the CBWRF. After construction of the CBWRF, title and ownership of the CBWRF will be vested in Dominion and Castle Rock hereby disclaims any ownership rights in and to the CBWRF. The CRDC Capacity in the CBWRF will be owned by Castle Rock or the County in accordance with the CRDC IGA and reserved for and administered by Castle Rock.

v. Capacity. Notwithstanding the above, capacity within the Project is based on average day flows associated with the CRDC Capacity, however in no circumstance should flows exceed peak capacity within the Project, which peak capacity associated with the CRDC Capacity will be defined as part of the design process, without the express written consent of the Parties. In addition, should future regulations change, Dominion will advance plans to upgrade the CBWRF to meet these new regulations in cooperation with Castle Rock. Costs associated with regulatory required upgrades will be borne by all Parties using the Project facilities based on a reasonable allocation methodology.

vi. Interim Treatment for Existing Customers. If construction of the CBWRF shall be delayed for any reason, Dominion will make available to Existing Customers, using the CRDC Capacity to convey wastewater for treatment to the SPR Facility, subject to a limit of 0.6 MGD peak per the Roxborough and Dominion IGA. In the event that Dominion believes the CBWRF will not be completed in time and may cause harm to its service to CAB, Dominion, in its sole discretion, may elect not to provide wastewater service to any New Customers until the CBWRF is completed.

vii. Operation of the CBWRF.

(1) Dominion will operate the CBWRF to meet all regulatory discharge permit requirements. Dominion will consider contracting the CBWRF operations to Plum Creek Water Reclamation Authority ("PCWRA").

(2) Interim Use of CRDC Capacity. Dominion shall have the right to use the full capacity of the CBWRF, to include CRDC Capacity, unless and until actual flows from either Existing Customers or New Customers are realized from the Project.

(3) Notice of Connection and Disconnection. Castle Rock shall provide Dominion with not less than 12 months' notice of its intent to use the CRDC Capacity for New Customers; however, Dominion will only cease utilization of the CRDC Capacity upon realized flows. Existing Customers will be able to access the CRDC Capacity when they are connected to the Project. Castle Rock shall provide Dominion with not less than 7 days' notice of any Existing Customer's connection to allow Dominion to complete any operational modifications to allow for effective conveyance of wastewater flows to CBWRF. Such notice is not intended to provide Dominion with an opportunity to deny connection and such connections shall not be denied by Dominion in accordance with Dominion Rules and Regulations, however Dominion will reserve the right to utilize the CRDC Capacity until the CRDC Capacity is achieved through actual realized flows.

viii. CBWRF Wastewater Rates. Dominion will determine the wastewater rates and fees for the CBWRF operations, and those fees will be provided to Castle

Rock who will develop and, subject to the approval of its governing body, implement overall rates and fees, including a System Development Fee for new development for the Project. Castle Rock will administer collection of said System Development Fee and recoup those fees for the benefit of the E-85 Regional Wastewater Project. These rates will be in addition to Castle Rock's rates and fees, to include extra-territorial charges, for County users along the E-85 Corridor. Castle Rock and Dominion agree to pursue a transition period for rates to serve Existing Customers versus New Customers in the Service Area with an appropriate transition period for Existing Customers. Dominion shall update rates and fees on an annual basis in accordance with a rate study, which will include a cost-of-service analysis. Dominion shall provide notice of any increase in rates and fees when the process is initiated to all of Dominion's Wholesale Customers, to include Castle Rock and CAB. Castle Rock shall remit Dominion's proportionate share of any System Development Fees within thirty days of collection by Castle Rock. It is anticipated that Castle Rock will charge System Development Fees at the time of Final Plat Recordation or Final Site Plan Approval as defined in the Douglas County Subdivision Resolution as amended.

d. Reuse Pump Station. The Reuse Pump Station will be jointly owned and operated by the Parties. Dominion intends to provide a site for the Reuse Pump Station if there is sufficient space for it based on the design and site layout for the full build out of the CBWRF. The Reuse Pump Station will be designed and constructed in such a manner that future expansion for use by either Dominion or Castle Rock, or both Parties, can be accomplished cost effectively. Future capacity in the Reuse Pump Station will include Dominion and Castle Rock's ability to receive and deliver S. Platte River water rights, return flows and water stored in Chatfield Reservoir.

3. PROJECT FUNDING.

a. Funding of the CBWRF. Castle Rock will fund the design and permitting costs for the CBWRF solely from the funds available from Douglas County pursuant to the CRDC IGA. Funding for the CBWRF construction may also come from Dominion from the Sterling Ranch Wastewater Enterprise Fund as budgeted and appropriated by Dominion's Board, as such funding is determined in Dominion's sole discretion. The share of funding for the CBWRF construction between Dominion and the Castle Rock administered ARPA funding will be based on the percentage of the CRDC Capacity and the final built capacity of the CBWRF as part of this Project, as recommended by Carollo and mutually agreed upon by the Parties. Future capacity, if available or constructed, for the E-85 Corridor may be funded from System Development Fees based on a reasonable system development fee to be determined by Dominion based on the percentage of capacity relative to the final built capacity; however, Dominion will not be liable for the financing, including the issuance of debt to expand the facility or capacity unless it elects to do so in its sole discretion and hereby disclaims that it is under any obligation to finance future expansions.

b. ARPA Funding. The County has approved allocating \$26,800,00 of ARPA Funding towards a wastewater solution pursuant to the CRDC IGA. Castle Rock will prepare invoices for the Project, prepare a budget, and Dominion will have the right to review and approve the Project budget which approval shall not be unreasonably withheld. Dominion may agree to pay Castle Rock to increase the size of the CBWRF in Dominion's sole discretion. These payments

will be based on actual invoices. Initial estimates will be based on the project budget and projected spend for the CBWRF and the capacity ratios between the parties in the CBWRF's first phase. If Dominion elects to increase the size of the CBWRF, Dominion shall be required to certify to Castle Rock that it has sufficient funding commitments to meet all funding requirements under Colorado laws and regulations. Castle Rock may disclaim to the selected contractor that the proportionate share of the CBWRF that is Dominion's costs above and beyond the ARPA funding are disclaimed by Castle Rock and that the funding shall be derived solely from Dominion. In addition, Castle Rock may claim and clarify in the contracting that Castle Rock cannot be held liable to cover those costs beyond what the ARPA funding provides.

i. Order of Priority for ARPA Funding. The parties agree that the order of priority for funding for the ARPA funds will be as follows:

(1) Design and construction of Louviers Lift Station 0.2 MGD capacity average day flow

(2) Design and construction of Louviers Forcemain for 1.0 MGD average day flow

(3) Design and hydraulic capacity verification of the CAB gravity sewer main and Titan Road Lift Station including available average daily flow and peak capacity. This will be used for determining how much capacity can connect to the system prior to the additional upgrades

(4) Design and construction of the site improvements (demolition, grading, major piping, electrical) to allow full build out of the plant and construction of full treatment capacity for up to 0.4 MGD plant average day flow with site work and plant structures for up to 0.9 MGD

(5) Design and construction of a minimum of 0.4 MGD average day flow of Reuse Pump Station

(6) Design of up to 0.9 MGD of full treatment capacity in the CBWRF

(7) Design and construction of peaking treatment and conveyance capacity associated with the CRDC Capacity in the Dominion and CAB Owned Infrastructure

(8) Design of the gravity collection system south of Louviers

(9) Easement acquisition for the gravity collection system south of Louviers

(10) Design of a force main extension along Moore Road

(11) Procurement of easements for the force main along Moore Road A rF

(12) Design of an expansion to the Titan Road Lift Station (or a potential future lift station based on design recommendations to be mutually agreed upon).

It is agreed between the Parties that the first priority of the sizing of the plant components must be to allow for a complete and working 0.4 MGD average day flow system within the ARPA Funding that does not prevent the cost-effective expansion of the full-buildout of the CBWRF.

c. In-Kind Contributions. Dominion and CAB will provide an analysis of the existing system capacity that has been contributed to create the CRDC Capacity for the purpose of determining the In-Kind Contribution towards the Project. A reasonable allocable share of the In-Kind Contribution, as determined by the Parties, will be charged to New Customers through Castle Rock's System Development Fees and shall be invested in the infrastructure for the Project, up to the CRDC Capacity. For customers beyond the CRDC Capacity a reasonable allocable share of the In-Kind Contribution, as determined by the Parties, will be charged to New Customers through Castle Rock's System Development Fees and shall be paid to Dominion within thirty (30) days following Castle Rock's receipt of any System Development Fees.

4. NEW CONNECTIONS AND FUTURE CAPACITY CONSTRUCTION.

a. Consideration of New Connections. New Customers that exceed the CRDC Capacity may request service from Castle Rock who may agree to serve, subject to the following considerations:

i. Satisfaction of the Dominion Rules and Regulations, Castle Rock Rules and Regulations, and SPR Rules and Regulations;

ii. Satisfaction of the Dominion Terms of Service and Castle Rock Terms of Service;

iii. Payment of any System Development Fees identified by Castle Rock and Dominion as necessary for service;

iv. Completion of any additional improvements identified by Castle Rock and by Dominion where those improvements impact Dominion's System;

v. For New Customers, a source of water that is renewable as determined by the Parties (which, for the avoidance of doubt, re-used effluent with an influent Denver basin groundwater source will not be considered renewable water, alluvial groundwater is considered renewable, however, the renewable nature of such water supply will be confirmed on a case-by-case basis as determined jointly by Dominion and Castle Rock); and

vi. Determination by Castle Rock and Dominion that capacity can be made available in all aspects of the wastewater infrastructure including meeting regulatory limits and providing for phosphorus allocations. Unless regulatory requirements change, Dominion has adequate phosphorus allocations to meet the needs of Sterling Ranch and the expected buildout of the Highway 85 service area, and Dominion will make allocations available for the Highway 85 service area beyond the CRDC Capacity (but in no event greater

than 1 MGD of flows) after ensuring that allocations are available for the full buildout of the Chatfield Urban Area (as defined in the 2040 Douglas County Comprehensive Plan).

These new connection considerations may be updated at any time by agreement of both Parties.

b. Service Fees and Rates for Connections Beyond the CRDC Capacity. In the event that Castle Rock and Dominion can serve New Customers beyond the CRDC Capacity within the Service Area, rates and fees shall be determined by the Parties via a rate study which will include a cost of service analysis, subject to the approval of their respective governing bodies. Initial estimated sewer treatment costs will be co-developed by Dominion and Castle Rock during construction of the plant. These estimated treatment costs will be shared with Douglas County during the construction of the CBWRF.

c. Costs of Additional Capacity Creation. Additional costs to design and construct additional capacity in the CBWRF may be paid through the Sterling Ranch Wastewater Enterprise Fund based on identification of the additional cost beyond the construction of the CBWRF and CRDC Capacity. The determination to agree and fund those costs are solely in the discretion of the Dominion Board.

5. WASTEWATER SYSTEM DEVELOPMENT FEES

a. Pre-Purchased System Development Fees. In return for the funding of the Project, Castle Rock, for the benefit of the County and as effectuated in the IGA between Douglas County and Castle Rock, will have pre-purchased System Development Fees from Dominion for the CRDC Capacity.

b. System Development Fees for Use of CRDC Capacity. Castle Rock will not charge System Development Fees for the CRDC Capacity for Existing Customers. Castle Rock will determine the System Development Fees for use of the CRDC Capacity by New Customers in the Service Area based on the cost of the Project, which shall include some portion of the In-Kind Contribution by CAB and Dominion, as determined by the Parties. System Development Fees for the CRDC Capacity shall be reserved by Castle Rock for the capital expenditures associated with wastewater system improvements in the Service Area (i.e. the Project).

c. System Development Fees for Use Beyond the CRDC Capacity. For Existing Customers which connect after the CRDC Capacity is fully utilized, Castle Rock and Dominion will cooperate to set System Development Fees for such Existing Customers based on the availability of capacity and a rate study, which will include a cost-of-service analysis. Dominion will determine an appropriate fee to account for the use of Dominion's system by Existing Developments in the Service Area beyond the CRDC Capacity, in accordance with the Dominion Rules and Regulations (the "**Dominion SDF Portion**"). Dominion will provide Castle Rock with planning level estimates of the Dominion SDF Portion. Castle Rock will determine a System Development Fee for Existing Customers and New Customers in the Service Area that apply for and are approved by the Parties for service beyond the CRDC Capacity incorporating the Dominion SDF Portion, an appropriate fee to account for the use of assets not owned by Dominion, and an extraterritorial surcharge. Castle Rock shall pay to Dominion the portion of the

System Development Fee associated with the Dominion SDF Portion within thirty (30) days of collection.

d. Different System Development Fees. The Parties understand and agree that System Development Fees for New Customers connected under the CRDC Capacity may or may not be different than System Development Fees for New Customers that connect after the existing CRDC Capacity has been fully utilized.

e. Additional Components of the Project to Be Completed as Funding from System Development Fees Allows. System Development Fees from New Customers that are paid for as part of the CRDC Capacity will be used to help fund construction of the following project components in order of priority:

i. Design and construction of a minimum of 0.4 MGD of reuse water pump station if not already constructed with the ARPA funding.

ii. If it is estimated at any point that actual wastewater flows may approach or exceed the actual capacities that Dominion has provided in the CAB gravity sewer line or the Titan Road Lift Station, then additional capacity up to the full 0.2 MGD of average daily flow (including the associated peaking needs) will be designed and constructed as the next priority after the water pump station in item 1.

iii. Design and easement acquisition for the gravity sewer main running south past Sedalia as approximately shown in the original Diamondback studies.

iv. Construction of the gravity sewer main running south past Sedalia as approximately shown in the original Diamondback studies.

v. Expansion in capacity in the CBWRF.

vi. Preliminary design for future construction, if warranted, to connect the Louviers lift station force main directly to the Titan Road lift station. Easements will also be acquired for this forcemain alignment along Moore Road. If this line is the answer used to address capacity issues in the CAB gravity line to get to the full 0.2 MGD of average day flow capacity, then this item would move to item 2.

vii. Preliminary design of an expansion to the Titan Road Lift Station (or a potential future lift station based on design recommendations to be mutually agreed upon) be constructed in the future as warranted. If this item is needed to get to 0.2 MGD of average day flow (to include associated peaking) for the CRDC Capacity, then this item will move to item number 2.

6. RETURN FLOWS

a. In the event Dominion is the wholesale water provider to a Wholesale Customer within the Dominion Service Area, Dominion shall own and retain all return flows generated by such Wholesale Customer's use of Dominion's System. If Dominion is not the provider of water services, Castle Rock shall retain the return flows as a condition of service to

County users. If Louviers and/or Sedalia are Wholesale Customers of Dominion, then Dominion will sell the return flows from Sedalia and/or Louviers to Castle Rock at a fair market price to be negotiated by the Parties, to the extent that Castle Rock has not previously purchased such return flows. Dominion will give Castle Rock a right of first offer if Dominion ever elects to sell its return flows to other retail water providers (for the avoidance of doubt, Dominion using return flows to provide service to Wholesale Customers does not constitute selling return flows). If Dominion elects to sell its return flows to other retail or wholesale water providers, it will give Castle Rock 90 days prior notice and a summary of the material terms and conditions of such sale. If Castle Rock elects to agree to the material terms and conditions of the sale, then Dominion and Castle Rock shall complete such sale. If Castle Rock does not elect to agree to the proposed terms and conditions, Dominion shall have the right to complete such sale to the other retail water or wholesale provider on such terms as Dominion negotiates in its sole discretion.

b. In the interim period, Dominion may elect to lease excess return flows to Castle Rock until such time as Dominion requires return flows to meet demands of its customers. Should Castle Rock elect not to lease such excess return flows, Dominion reserves the right to lease such excess return flows to other retail water providers. Dominion shall provide Castle Rock with 90 days notice of such proposed lease of excess return flows and if Castle Rock elects to timely agree to the material terms and conditions of such lease, then Dominion and Castle Rock shall complete such lease. If Castle Rock does not elect to agree to the proposed leasing terms and conditions, Dominion shall have the right to complete such lease to the other retail water or wholesale provider on such terms as Dominion negotiates in its sole discretion.

c. Until Dominion builds its South Platte Diversion, and as capacity in Castle Rock's system is available, and in Castle Rock's sole discretion, Castle Rock will be willing to provide treated reuse water back to Dominion at a cost to be developed based on a reasonable cost of service plus extraterritorial charges.

d. Castle Rock will provide Dominion with the opportunity to purchase capacity in the Ravenna line that will be used to convey return flows for reuse within Douglas County to CRR2/CRR1. If Dominion purchases capacity in the Ravenna line, Castle Rock will work with Dominion to identify a future connection point to the Ravenna line that works from an engineering standpoint that will take Dominion's reuse water to the Moore WTP or other future location determined by Dominion, said infrastructure beyond the connection point to be owned by Dominion. Castle Rock may also choose to add additional future location(s) to be determined by Castle Rock which will be owned by Castle Rock.

e. Castle Rock will maintain ownership of the Ravenna line and will also use capacity to convey return flows to CRR2 and/or CRR1 or any other purpose as determined in Castle Rock's sole discretion.

7. SOUTH PLATTE DIVERSION

a. Castle Rock will support Dominion's permitting process and easement acquisition for a diversion structure on the S. Platte River (the "**South Platte Diversion**"). Castle Rock will be given the opportunity, but is not required, to fully partner with Dominion in the design, construction, and capacity of the South Platte Diversion. If Castle Rock does not partner

with Dominion in the design and construction of the South Platte Diversion, Dominion will have the option, in its sole discretion, to deliver Castle Rock's portion of available return flow volumes, the treated effluent volume, either directly from the CBWRF or from the South Platte Diversion.

8. **INSURANCE REQUIREMENTS.** The Parties agree to require each Project contractor to obtain and maintain in full force and effect each of the following insurance coverages with each policy to be issued to include each party, its officers and employees, as an additional name insured:

a. Commercial General Liability Insurance, including coverage for bodily injury, broad form property damage (including for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations with minimum combined single limits of \$1,000,000 for each occurrence and \$1,000,000 aggregate.

b. Comprehensive Automobile Liability Insurance, including coverage for each of the contractor's owned, hired and/or non-owned vehicles assigned to, or used in performance of the services, with minimum combined single limits for bodily injury and property damage of not less than \$1,000,000 for each occurrence and \$1,000,000 aggregate.

c. Workers' Compensation Insurance to cover obligations imposed by the Workers Compensation Act of Colorado and any other applicable laws for any employee engaged in the performance of work under the contract, and Employer's Liability insurance with minimum limits of \$500,000 disease-policy limit, and \$500,000 disease-each employee.

d. Builder's Risk or Installation Floater Policy, at Castle Rock's discretion, in an amount equal to the value of the Project where the possibility exists of loss or damage to the Project (for the construction contract only).

e. Professional Liability Insurance, including coverage for damages or claims for damages arising out of the rendering, or failure to render, any professional services, with minimum combined single limits of \$1,000,000 for each occurrence and \$1,000,000 aggregate (for the design contract only).

9. **DEFAULT/REMEDIES.** In the event a Party deems the other Party to be in default, it shall provide written notice indicating the event of default. The defaulting Party shall have thirty (30) days from the date of the notice to cure the stated default or, if such default is not capable of being cured within thirty (30) days, cure of such default shall commence and be diligently pursued. In no event shall the cure period exceed thirty (30) days for monetary defaults, or sixty (60) days for non-monetary defaults, except by written consent of the non-defaulting Party. In the event the defaulting Party has failed to cure in accordance with this Section, the non-defaulting Party may pursue all available remedies at law or equity.

10. **MISCELLANEOUS.**

a. Governing Law and Venue. The Parties hereto agree that exclusive jurisdiction and venue for the resolution of any dispute relating to this Agreement shall lie in the District Court for Douglas County, State of Colorado.

b. Entire Agreement. This Agreement constitutes the entire agreement between the Parties relating to the subject matter thereof, and there are no prior or contemporaneous agreements, either oral or written, relating to the subject matter hereof except as expressly set forth herein.

c. Agreement Modification. The Agreement may not be amended, altered, or otherwise changed except by a written agreement between the Parties.

d. Counterpart Execution. The Agreement may be executed in one or more counterparts, each of which when executed shall be deemed an original, all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by electronic delivery and, upon receipt, shall be deemed originals and binding upon the parties hereto.

e. Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the Parties or their officials, employees, contractors, or agents, or any other person acting on behalf of the Parties and, in particular, governmental immunity that may be afforded or available to the Parties pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10, Part 1 of the Colorado Revised Statutes.

f. Assignability. This Agreement and the capacity granted herein may not be assigned, pledged or transferred, in whole or in part, without the express written consent of the other Party which consent shall not be unreasonably withheld.

g. No Public Dedication/No Third-Party Beneficiary. Nothing contained herein shall be deemed to be a grant or dedication of any rights or use to the public in general, and no third-party beneficiary interests are created nor intended to be created by this Agreement.

h. Headings for Convenience. The headings and captions in this Agreement are intended solely for the convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

i. Notice. Any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by certified mail or registered mail, postage and fees prepaid, addressed to the Party to whom such notice is to be given, at the address set forth below, or at such other address as has been previously furnished in writing, to the other Party. Such notice shall be deemed to have been given when deposited in the United States mail.

If to Dominion: Dominion Water & Sanitation District
9250 E. Costilla Ave., Ste. 400
Greenwood Village, CO 80112
Attn: Andrea Cole, District Manager

Email: Andrea.Cole@Dominionwsd.com

with copy to: WHITE BEAR ANKELE TANAKA & WALDRON
2154 E. Commons Ave., Suite 2000
Centennial, CO 80122
Attn: Blair M. Dickhoner
Phone: (303) 858-1800
E-mail: bdickhoner@wbapc.com

If to Castle Rock: Town of Castle Rock
Attn: Director of Castle Rock Water
175 Kellogg Court
Castle Rock, CO 80109

with copy to: Town of Castle Rock
Attn: Town Attorney
100 N. Wilcox Street
Castle Rock, CO 80104

j. No 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.

k. Binding Agreement. The benefits and burdens of this Agreement shall inure to and be binding upon on the successors and assigns of the Parties.

l. Definitions and Interpretations. Except as otherwise provided herein, nouns, pronouns and variations thereof shall be deemed to refer to the singular or plural, and masculine or feminine, as the context may require. Any reference to a policy, procedure, law, regulation, rule or document shall mean such policy, procedure, law, regulation, rule or document as it may be amended from time to time.

m. Survival of Representations. Each and every covenant, promise, and payment contained in this Agreement shall survive each and be binding and obligatory upon each of the Parties and shall not merge into any deed, assignment, covenant, escrow agreement, easement, lease or any other document.

n. Non-Severability. Each Section of this Agreement is intertwined with the others and is not severable unless by mutual consent of the Parties.

o. Effect of Invalidity. If any portion of this Agreement is held invalid or unenforceable for any reason by a court of competent jurisdiction as to either Party or as to both Parties, the Parties will immediately negotiate valid alternative portion(s) that as near as possible give effect to any stricken portion(s).

p. Force Majeure. Each Party shall be excused from performing its obligations under this Agreement during the time and to the extent that it is prevented from performing by a cause beyond its control, including, but not limited to: any incidence of fire, flood, or strike; acts of God; action of the government (except the parties hereto); war or civil disorder; violence or the threat thereof; severe weather; commandeering of material, products, plants or facilities by the federal, state or local government (except the parties hereto); and national fuel shortage, when satisfactory evidence of such cause is presented to the other Party, and provided further, that such nonperformance is beyond the reasonable control of, and is not due to the fault or negligence of, the Party not performing.

IN WITNESS WHEREOF, Castle Rock and Dominion have executed this Agreement as of the date(s) set forth below.

[Signature Pages Follow]

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Michael J. Hyman, Town Attorney

Mark Marlowe, Director Castle Rock Water

DOMINION WATER & SANITATION DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

President

ATTEST:

Secretary

APPROVED AS TO FORM:

WHITE BEAR ANKELE TANAKA & WALDRON
Attorneys at Law

General Counsel to the District