

**AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT FOR WATER
SERVICE BETWEEN DOMINION WATER AND SANITATION DISTRICT, ACTING IN ITS
CAPACITY AS A WATER ACTIVITY ENTERPRISE AND THE TOWN OF CASTLE ROCK
ACTING THROUGH THE TOWN OF CASTLE ROOK WATER ENTERPRISE**

(FIRMING AGREEMENT)

THIS AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT (“Amended & Restated IGA”) is executed this 3rd day of February, 2026, by and between Dominion Water and Sanitation District, acting in its capacity as a Water Activity Enterprise (“Dominion”), and the Town of Castle Rock, a Colorado home rule municipal corporation by and on behalf of the Town of Castle Rock Water Enterprise (the “Town”) (jointly “Parties”).

RECITALS

WHEREAS, Dominion is a quasi-municipal corporation and political subdivision of the State of Colorado formed and organized pursuant to Title 32 of the Colorado Revised Statutes; and

WHEREAS, the Town is a home rule municipal corporation; and

WHEREAS, Dominion is authorized, pursuant to its service plan, to provide water services to customers located both within and outside of its boundaries for multiple uses, including for municipal and household use, commercial, irrigation, industrial and other uses; and

WHEREAS, Dominion provides wholesale water service to the Sterling Ranch development northwest of the Town; and

WHEREAS, Dominion may provide wholesale water service to other retail customers per Dominion’s Rules and Regulations and contractual agreements; and

WHEREAS, pursuant to its municipal charter, Title 31, C.R.S. and the Castle Rock Municipal Code, the Town is authorized to provide water services to customers located both within and outside of its boundaries; and

WHEREAS, pursuant to the Colorado Constitution, Article XIV, Section 18(2)(a) and Section 29-1-203, local governments may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each; and

WHEREAS, the Town and Dominion support regional water supply projects, recognizing such projects benefit participants by reducing duplication of facilities and operations, thereby reducing the costs to the Town’s citizens and Dominion’s customers; and

WHEREAS, Dominion has opportunities to acquire water from various sources, which can be incorporated into the Town’s potable water system, including surface and ground water rights in various locations; and

WHEREAS, both the Town and Dominion are members of the South Metro WISE Authority and participants in the WISE Project under the South Metro WISE Authority Formation and Organizational Intergovernmental Agreement (“South Metro WISE IGA”) and the Amended and Restated WISE Partnership – Water Delivery Agreement (“WDA”), a cooperative regional water supply project; and

WHEREAS, the Town and Dominion entered into the Intergovernmental Agreement for Water Service dated January 7, 2014 as amended on May 21, 2019 (1st amendment) and on April 15, 2025 (2nd amendment) (collectively “2014 IGA”), attached as **EXHIBIT A**, which allows Dominion to transmit any water, including but not limited to water from the WISE Project, directly through the Town’s water system; and

WHEREAS, the 2014 IGA allows for the Town to wheel water for Dominion using the Town’s water infrastructure, subject to the approval of the Town as defined in the 2014 IGA; and

WHEREAS, the Town may wheel up to 4.2 million gallons per day (MGD) for Dominion per the 2014 IGA;

WHEREAS, the 2014 IGA allows Dominion to take delivery of wheeled water at the Dominion Delivery Point defined below up to 4.2 MGD (less a 5% imputed loss) and 4,500 acre-feet per Water Year; and

WHEREAS, Dominion connected its regional infrastructure to the Town’s System at the Dominion Delivery Point defined below and is accepting water deliveries pursuant to the 2014 IGA; and

WHEREAS, the Town and Dominion desire to amend certain provisions of the 2014 IGA, while the other terms of the 2014 IGA remain in full force and effect; and

WHEREAS, the Town and Dominion entered into the Intergovernmental Agreement for Water Service dated November 22, 2016 (“2016 Firming Agreement”), under which the Town provides firming and retiming capacity within the Town’s system for up to 700 acre-feet of Dominion’s WISE Subscription at the Dominion Delivery Point and as further defined below; and

WHEREAS, Dominion agrees that Other Direct Deliveries, as defined below, are not to be retimed through the Town’s system, and the Town agrees that Other Direct Deliveries are not subject to the additional imputed 10% loss for said deliveries at the Dominion Delivery Point; and

WHEREAS, the Town and Dominion acknowledge that deliveries to the Town’s Inflow Point, as defined below, through the WISE System are variable and managed by others, and as such, this agreement provides flexibility with monthly tracking and an annual reconciliation of accounting to reduce the risk of unanticipated billing; and

WHEREAS, the Town and Dominion desire to amend and restate the 2016 Firming Agreement by this Amended & Restated IGA; and

WHEREAS, wheeling water through the Town’s System and cost sharing results in expanded conjunctive use opportunities for the Town and Dominion, additional infrastructure capacity available to the Town, additional renewable water to the Town, reduced capital for required infrastructure, and lower operating costs to both parties; and

WHEREAS, pursuant to the 2016 Firming Agreement, Dominion conveyed Dedicated Water defined below to the Town and paid for the design and construction of Well CR-226 and Well CR-227 as production wells and the installation of aquifer storage equipment for a total value to the Town of approximately \$6,642,045.00.

WHEREAS, the Town agrees to maintain supplies and capacity in its water system sufficient to enable it to meet its commitments under this Amended & Restated IGA and Dominion agrees to meet all of its commitments under this Amended & Restated IGA; and

WHEREAS, both the Town and Dominion are committed to providing an adequate water supply in terms of quality, quantity, and dependability through the conjunctive use of water combining renewable supplies with Denver Basin ground water, supported by aggressive demand management, conservation and reuse; and

WHEREAS, this Amended & Restated IGA - in conjunction with the 2014 IGA - will supplement and firm Dominion's WISE 700; and

WHEREAS, this Amended & Restated IGA provides the Town with additional renewable water supplies as compensation for firming service and a first right of refusal for WISE deliveries that Dominion may not elect to take; and

WHEREAS, the Parties' systems will be interconnected, giving them the ability by future agreement to participate in additional mutually beneficial cooperative activities.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises and benefits described herein, the adequacy and sufficiency of which are hereby acknowledged, Dominion and the Town hereby agree as follows:

1. **Definitions.** The following capitalized words are defined in this Amended & Restated IGA.
 - 1.1. **2014 Wheeled Water** – Water wheeled by the Town through the Town's System for Dominion pursuant to the 2014 IGA.
 - 1.2. **700 WISE Direct Deliveries** – Direct deliveries of 700 WISE Water to Dominion within the same month as it was delivered to the Town by WISE.
 - 1.3. **700 WISE Water** – Deliveries to Dominion of up to the first 700 acre-feet of Dominion's WISE Subscription, whether directly or retimed.
 - 1.4. **Other Direct Deliveries** – Direct deliveries to Dominion of renewable or non-renewable supplies owned by Dominion, other than the 700 WISE Direct Deliveries and Other Dominion WISE Deliveries, delivered to Dominion within 24 hours of it being delivered to the Town.¹
 - 1.5. **Other Direct Water** – Water delivered to Dominion from renewable or non-renewable supplies, other than the 700 WISE Water and Other Dominion WISE Water, delivered to the Town for benefit of Dominion and delivered to Dominion within the 24 hours of it being delivered to the Town.

¹ Currently approved Other Direct Deliveries include Dominion's water from: Aurora in the amount of 250 acre-feet through October 31, 2031; Dominion's South Platte Diversion; and/or water delivered from Aurora in the amount of 570 acre-feet through January 31, 2028.

- 1.6. **700 WISE Re-Timed Deliveries** – Deliveries to Dominion of 700 WISE Water through the Town’s System after delivery to the Town’s System from WISE, but within the same Water Year.
- 1.7. **Remaining 700 WISE Re-Timed Water** – Any 700 WISE Re-Timed Water in the Town’s System on May 31 of any Water Year.
- 1.8. **FSC Firming Water** – Any water owned or controlled by the Town and used to make FSC Firming Water Deliveries.
- 1.9. **FSC Firming Water Deliveries** – Water delivered to Dominion by the Town through the Town’s System in excess of 700 WISE Re-Timed Deliveries, 700 WISE Direct Deliveries, Other Direct Deliveries.
- 1.10. **Other Dominion WISE Water** – Water from Dominion’s WISE Subscription in excess of the 700 WISE Water.
- 1.11. **Other Dominion WISE Deliveries** - Water delivered to Dominion by the Town through the Town’s System from Dominion’s WISE Subscription in excess of the 700 WISE Water.
- 1.12. **Dominion Delivery Point** – The interconnection between the Town’s System and Dominion’s regional infrastructure located near the intersection of Promenade Parkway and State Highway 85.²
- 1.13. **Water Year** – June 1 of one year to May 31 of the following year.
- 1.14. **Town Inflow Point** – The interconnection between the WISE System and the Town’s System for delivery of all WISE water.³
- 1.15. **WISE Subscription** - Dominion’s subscription to WISE pursuant to the WDA, which is currently 1,325 acre-feet.
- 1.16. **Town’s System** – The Town’s proprietary water storage and distribution system, facilities, water rights, technical systems and administration systems.
- 1.17. **Dominion Valve** - A valve owned and controlled by Dominion downstream of the Dominion Delivery Point.
- 1.18. **Town Valve** - A valve owned and controlled by Town at the Dominion Delivery Point.

² Additional Dominion Delivery Points can be added per the 2014 IGA.

³ Currently, the Town Inflow Point is the Ray Waterman Regional Water Treatment Plant, but additional Town Inflow Points can be added per the 2014 IGA.

- 1.19. **Dominion Set Flow Rate** – The rate at which Dominion shall elect to take deliveries at the Town Valve.
- 1.20. **Dedicated Water** - 400 acre-feet of non-renewable groundwater water decreed in Case No. 03CW116.
- 1.21. **Dominion's System** – Dominion's proprietary water distribution system, facilities, water rights, technical systems and administration systems, including Dominion's Eastern Regional Pipeline.
- 1.22. **Town's Wheeled Water** – Water wheeled by Dominion for the benefit of the Town within Dominion's System, pursuant to a future agreement between the Town and Dominion.

2. Town Firming Water Service Commitment to Dominion.

2.1. Firming Service Commitment.

- 2.1.1. The Town shall furnish to Dominion firming water service on and subject to the terms and conditions provided in this Amended & Restated IGA (the "Firming Service Commitment" or "FSC"). The Firming Service Commitment supplements but does not replace the Service Commitment separately made under the 2014 IGA. All water delivered pursuant to the FSC in this Amended & Restated Agreement is also delivered pursuant to the Service Commitment in the 2014 IGA. The 2014 IGA remains in full force and effect except as expressly modified by this Amended & Restated IGA; however, the 2016 Firming Agreement is superseded in its entirety by this Amended & Restated IGA.
- 2.1.2. FSC Firming Water shall firm the 700 WISE Water only. It shall not firm any Other Dominion WISE Water or Other Direct Water. Dominion remains responsible for securing the means to firm any portion of its Other Dominion WISE Water and/or Other Direct Water.
- 2.1.3. The Town shall transmit 2014 Wheeled Water through the Town's System pursuant to the Service Commitment under the 2014 IGA. The Town will meet the 2014 Wheeled Water delivery obligation using the Town's System. The Town shall only retime WISE 700 Water.
- 2.1.4. The Town will provide the FSC Firming Water using any available means in the Town's sole discretion from the Town's System. The Town will provide FSC Firming Water under this Amended & Restated IGA only when the volume of 700 WISE Direct Deliveries plus 700 WISE Re-timed Deliveries plus FSC Firming Water already delivered is less than 700 AF in the current Water Year.
- 2.1.5. The Town will provide meter information from the Town Inflow Point and the Dominion Delivery Point daily to allow Dominion to reconcile deliveries of water either through the 2014 IGA or this Amended & Restated IGA.

2.1.6. **Maximum Deliveries.**

- 2.1.6.1. Total deliveries to Dominion of water under the combination of this Amended & Restated IGA and the 2014 IGA shall not exceed 4.2 MGD, with no minimum delivery and a maximum delivery of 4,500 acre-feet per Water Year at the Dominion Delivery Point.
- 2.1.6.2. The sum of 700 WISE Re-timed Deliveries and FSC Firming Water Deliveries pursuant to this Amended & Restated IGA shall not exceed a rate of 0.685 MGD (“Firming Service Maximum Delivery Rate”). The sum of 700 WISE Direct Deliveries, 700 WISE Re-timed Deliveries and FSC Firming Water Deliveries shall not exceed 700 acre-feet per Water Year at the Dominion Delivery Point (“Firming Service Maximum Annual Delivery Volume”)
- 2.1.6.3. All water delivered to the Dominion Delivery Point pursuant to this Amended & Restated IGA shall be subject to the 5% loss in Section 5 of the 2014 IGA, as amended in Section 2.1.6.4 below.
- 2.1.6.4. Section 5 of the 2014 IGA is specifically amended to remove the sentence that states:

“Dominion Water inflows and deliveries to and from the Town System shall be accounted for and reconciled on a 24-hour basis”

The sentence shall be replaced with the following sentences:

The 2014 IGA accounted for and reconciled Dominion inflows and deliveries to and from the Town System on a 24-hour basis. The Amended & Restated IGA balances deliveries using monthly accounting as a basis for a final annual reconciliation. To simplify the Town’s accounting and reconciliation for the water delivered to Dominion, the Town and Dominion agree that the Town may, in the Town’s sole discretion, implement monthly accounting for deliveries under the 2014 IGA, with a final annual reconciliation. While the Town may implement monthly accounting with annual reconciliation, the Town will not use the Town’s System to retime, store or otherwise manage direct deliveries, except the WISE 700 Water, under the 2014 IGA for more than 24 hours. The Town will receive water and deliver water to Dominion within 24 hours, under the 2014 IGA. Upon written notice to Dominion, the Town reserves the right to resume accounting and reconciliation on a 24-hour basis, in its sole discretion, for any direct deliveries beyond the WISE 700 Water, if it determines Dominion is using the Town’s System to retime, store or otherwise manage direct deliveries beyond the WISE 700 Water under the 2014 IGA.

3. **Conditions to Service Commitment.** The Town shall provide the Firming Service Commitment upon Dominion’s continued satisfaction of the following.

3.1 **Initial Treatment Fee.** Dominion and the Town set the initial treatment capacity at 0.685 MGD (“Initial Treatment Capacity”). The Town charged Dominion \$2,200,000 per 1 MGD of Initial Treatment Capacity or \$1,507,000 (“Initial Treatment Fee”). Dominion is required to make ten annual payments of \$150,700. As of the date of this Amended & Restated IGA, Dominion has made 4 payments, and Dominion shall continue to pay \$150,700 annually by October 31st each year up to and including in 2030.

3.2 **Rates for FSC Firming Water.**

3.2.1 **Rates and Fees for FSC Firming Water.** Dominion shall pay for all FSC Firming Water delivered under this Amended & Restated IGA at the Dominion Delivery Point at the rates in effect for that year expressed per 1,000 gallons (“FSC Firming Dominion Water Rate”). The FSC Firming Dominion Water Rate may be adjusted no more often than once annually, effective January 1st, except the Town may change the rate in the event of an emergency in the Town System as detailed in Section 3.2.4.

3.2.2 **Rate Calculation for FSC Firming Water.** The FSC Firming Dominion Water Rate shall consist of the Town’s Winter Season Block 1 residential average winter monthly consumption rate and Irrigation Season Block 1 residential rate, where the FSC Firming Dominion Water Rate will be calculated based on the sum of sixty percent of the Town’s Winter Season Block 1 and forty percent of the Irrigation Season Block 1 residential rates multiplied by 1.35 such that: FSC Firming Dominion Water Rate = 1.35 (0.6 Town’s Winter Season Block 1 residential rate + 0.4 Town’s Irrigation Block 1 residential rate).

3.2.3 **Notice of Changed Water Rate for FSC Firming Water.** The Town shall notify Dominion of the FSC Firming Dominion Water Rate for the upcoming Water Year by October 1 of each year together with an explanation of the basis for the adjustment. If requested by Dominion, the Town shall make accommodation for public comment by Dominion representatives and ratepayers on the FSC Firming Dominion Water Rate at a designated Town Council meeting.

3.2.4 **Rates and Fees for FSC Firming Water During an Emergency.** The Town may adjust the FSC Firming Dominion Water Rate in the event of an emergency in the Town System (“FSC Firming Emergency Water Rate”). In an emergency, the Town will provide Dominion written notice of the FSC Firming Emergency Water Rate within 48 hours together with an explanation of the anticipated duration and basis for the emergency. The FSC Firming Emergency Water Rate will only be implemented by the Town should the Town adopt or implement an emergency water rate within the service area boundary of the Town. If requested by Dominion, the Town shall make accommodation for public comment by Dominion representatives and ratepayers on the FSC Firming Emergency Water Rate at a designated Town Council meeting.

3.3 **Priority of Dominion Water Deliveries.** The Town and Dominion agree that water delivered to Dominion will be delivered in the following order:

- 3.3.1 700 WISE Retimed Deliveries
- 3.3.2 Other Direct Deliveries
- 3.3.3 700 WISE Direct Deliveries
- 3.3.4 Other Dominion WISE Deliveries
- 3.3.5 FSC Firming Water Deliveries

3.4 **Monthly Accounting for Water Under the 2014 IGA and this Amended & Restated IGA.**

- 3.4.1 Subject to the Town's reserved right to resume accounting on a 24-hour basis described in Section 2.1.6.4, for the purposes of the 2014 IGA and this Amended & Restated IGA, the Town shall account monthly for the rate and volume of: 2014 Wheeled Water transmitted in the Town's System in accordance with the 2014 IGA; 700 WISE Direct Deliveries in accordance with the 2014 IGA; 700 WISE Re-timed Deliveries in accordance with the 2014 IGA for rate purposes and this Amended & Restated IGA for accounting and water loss purposes; FSC Firming Water Deliveries in accordance with this Amended & Restated IGA; Other Direct Deliveries in accordance with the 2014 IGA; and Other Dominion WISE Deliveries in accordance with the 2014 IGA. Accounting will be accomplished using the Excel spreadsheet attached as **EXHIBIT B.** The Town will provide a monthly summary of the accounting for Dominion's use.
- 3.4.2 The Parties acknowledge that deliveries through the WISE System are variable and managed by others. Operational changes and system capacities may cause variations in delivery volumes at the Town Inflow Point. To the extent practicable, the Parties agree to manage Dominion's monthly deliveries to minimize fluctuations. The Town will provide daily meter reading data from the Town Inflow Point and the Dominion Delivery Point to help with tracking WISE deliveries on a daily basis.
- 3.4.3 The 2014 IGA is expressly amended to include Sections 3.4.1 and 3.4.2, above.

3.5 **Monthly Billing for Water Under the 2014 IGA and this Amended Restated IGA.**

- 3.5.1 Section 5 of the 2014 IGA is specifically amended to remove the sentences that state:

The Town shall read the meters described in Section 6 once each month and shall bill Dominion for the cost of treated water delivered by the Town (computed in accordance with Section 8 measured at the Dominion Delivery Point) during the preceding month at the applicable rate provided in Section 8. Dominion shall pay Town the amount of such statement within 30 days after receiving receipt.

This sentence in Section 5 of the 2014 IGA shall be replaced with the language in Section 3.5.2 below.

3.5.2 For the purposes of the 2014 IGA and this Amended & Restated IGA, the Town shall read the meters on the Town Inflow Point and Dominion Delivery Point to determine a daily total, which will be provided to Dominion as part of the monthly invoice. The Town shall invoice Dominion for all water delivered by the Town during the preceding month at the applicable rates in Section 8 of the 2014 IGA and Section 3.2 of this Amended & Restated IGA. All FSC Firming Water delivered to Dominion in the preceding month shall be billed under this Amended & Restated IGA. All 700 WISE Re-Timed Deliveries and 2014 Wheeled Water delivered to Dominion (whether part of its WISE Subscription or from a third party) shall be billed under the 2014 IGA. The invoice shall allocate to and bill Dominion for the previous month's deliveries under the 2014 IGA and this Amended & Restated IGA. Dominion shall pay to Town the amount of such invoice within 60 days after receipt.

3.6 **Annual Reconciliation of Accounting for Final Invoice.**

- 3.6.1 Final accounting for FSC Firming Water Deliveries (“Final Water Year Accounting”) will be completed during the annual reconciliation. In July of each year, the Town will provide Dominion with the Final Water Year Accounting. The Final Water Year Accounting will reconcile water deliveries: i) pursuant to the FSC provisions of this Amended & Restated IGA; ii) the 2014 Wheeled Water deliveries to Dominion pursuant to the 2014 IGA; iii) the Town’s Wheeled Water delivered by Dominion to the Town; and iv) accounting corrections for water owed to Dominion or other WISE partners based on WISE’s operations. Dominion shall have 30 days to review and comment upon the Final Water Year Accounting.
- 3.6.2. After the 30-day period described in Section 3.6.1, the Town shall issue the July invoice based on the Final Water Year Accounting (“Reconciled Invoice”). The Reconciled Invoice shall credit or debit amounts to allocate all deliveries properly, under the 2014 IGA and this Amended & Restated IGA. Dominion reserves the right to dispute the Final Water Year Accounting and/or the Reconciled Invoice and to seek to negotiate with the Town for any potential reduction or adjustments to payments.
- 3.6.3 Dominion reserves the right to request reconciliation of accounting at any time in writing. The Town shall have 30 days to submit a reconciled accounting.
- 3.6.4. The 2014 IGA is expressly amended to include Sections 3.6.1 through 3.6.3, above.

3.7. **Annual Payment of Renewable Water Replacement Fee.**

3.7.1 Dominion dedicated to the Town non-renewable non-tributary ground water pursuant to Section 2.2 of the 2016 Firming Agreement (“Dedicated Water”) that Town may use to provide FSC Firming Water under this Amended & Restated IGA. The Dedicated Water has an allowed withdrawal of 400 acre-feet multiplied by 100 years or 40,000 acre-feet total. The Dedicated Water will be accounted for as being used to meet deliveries to Dominion until the total volume of 40,000 acre-feet is accounted for as being exhausted and/or as long as this Amended & Restated Agreement remains in full force and effect. Since the Dedicated Water is not a renewable water supply, Dominion shall be subject to payment of the Renewable Water Replacement Fee, only for the FSC Firming Water, as described in Section 3.7.2 to pay to backfill this non-renewable supply.

3.7.2. The Renewable Water Replacement Fee shall be calculated as follows.

3.7.2.1. The Town will calculate the Renewable Replacement Fee on a monthly basis and shall include the fee as a line item on Dominion’s monthly invoice, subject to annual reconciliation described in Section 3.6 of this Amended & Restated IGA.

3.7.2.2. The monthly FSC Firming Water Deliveries shall be converted into acre-feet and divided by 100 (“Replacement Fee Volume”).

3.7.2.3. The Replacement Fee Volume shall be converted to single family equivalents (SFEs) by dividing the Replacement Fee Volume by 0.45 acre-feet (“Replacement SFE”), rounded to the nearest 10th of a SFE.

3.7.3. The Replacement SFE shall be multiplied by the Town’s then-current renewable water fee for a ¾-inch meter in Castle Rock System Development Fees and multiplied by 1.25 (to impose a 25% percent surcharge). The Town shall notify Dominion of any adjustments to the Renewable Water Replacement Fee for the upcoming Water Year by October 1 of each year together with an explanation of the basis for the adjustment. If requested by Dominion, the Town shall make accommodation for public comments by Dominion representatives and ratepayers on the Dominion Renewable Water Replacement Fee rate at a designated Town Council meeting.

For example, assume...

- FSC Firming Water = 700 acre-feet (AF)
- Replacement Fee Volume = 7 AF (700 AF / 100)
- Replacement SFE = 15.6 SFE (7 AF / 0.45)
- 2025 ¾ inch fee = \$33,485 per SFE x 1.25 surcharge
- Fee = \$652,958

3.9 **Retained Water.** As consideration for retiming the 700 WISE Water for Dominion, all WISE 700 Re-timed Deliveries will be subject to an additional 10% delivery reduction (for a total of 15% when combined with the 5% loss described in Section 2.1.6.3) (“Retained Water”). The Town shall earn the Retained Water when Dominion does not

take delivery of WISE 700 Water in the Town's System in the same month when the Town took delivery of the WISE 700 Water. The Town shall have the right to use, reuse and successively use to extinction the Retained Water for its own purposes in its discretion. Retained Water is subject to the annual reconciliation.

3.10 **Excess WISE Deliveries.** As consideration for this Amended & Restated IGA, Dominion grants the Town the right to use in any Water Year the unused, Offered WISE Delivery Amount (as defined in the WDA) available to Dominion in excess of the 700 WISE Direct Deliveries ("Excess WISE Delivery") for the term of this Amended & Restated IGA, should Dominion elect not to take deliveries of the Offered WISE Delivery Amount. As soon as practicable, Dominion shall provide the Town with notice of the availability of Excess WISE Delivery for that Water Year. The Town shall have the right but not the obligation to accept and use Excess WISE Delivery, provided Town shall pay charges for Excess WISE Delivery under the WDA and South Metro WISE IGA. The Town shall provide notice to Dominion as soon as practicable if it will not accept deliveries of Excess WISE Delivery in an effort to provide some time to allow Dominion to determine if other WISE partners will accept deliveries of Excess WISE Delivery water. Dominion retains the right to use the Offered WISE Delivery Amount allocated WISE Delivery Amount and this term only applies to unused WISE Delivery Amount that Dominion elects not to take.

4. **Mechanics of Service Commitment.**

4.1. **Delivery Point(s).** Dominion shall take deliveries under this Amended & Restated IGA at the Dominion Delivery Point; provided, however, that the Parties recognize that additional delivery points may be added pursuant to the 2014 IGA. Dominion has connected to the Town System at the Dominion Delivery Point and has constructed the Dominion Valve. The Town acknowledges that the existing Dominion Valve does not enable Dominion to regulate its deliveries and that Dominion is actively evaluating a replacement. Once the new valve is installed, Dominion will be responsible for managing and regulating its water deliveries at the Dominion Valve. The Town installed the Town Valve. By the first day of each month, Dominion shall inform the Town verbally, and confirm in writing, the flow rate at which the Town should set the Town Valve. The flow rate should be approximately the sum of: 1) the flow rate needed to utilize all 700 WISE Re-timed Deliveries, if any, at a consistent rate throughout the month; 2) the flow rate at which Dominion desires the Town to deliver water from all sources, including the 700 WISE Direct Deliveries and the Other Direct Water delivered for the benefit of Dominion at the Town Inflow Point under the 2014 IGA; 3) the flow rate for any FSC Firming Water Deliveries Dominion desires the Town to deliver and 4) the flow rate for the Town's Wheeled Water ("Monthly Set Flow Rate"). The Town shall adjust the Town Valve to the Monthly Set Rate on the first day of the month and not change the rate, unless requested by Dominion as set forth in Sections 4.1.1 or 4.1.2.

4.1.1. The goal of the Monthly Set Flow Rate is for Dominion to control its deliveries to ensure that Dominion does not take delivery of FSC Firming Water without its knowledge. If Dominion needs to increase its deliveries above the Monthly Set Flow Rate, then Dominion shall inform the Town verbally, and confirm in writing. The parties agree that monthly accounting and invoicing shall be provided to Dominion to assist the parties in determining the applicable water rate to be applied to additional water, if any, delivered to Dominion.

4.1.2. Another goal of the Monthly Set Flow Rate is for Dominion to control its deliveries to ensure that Dominion knows when it is retiming its 700 WISE Water. Dominion acknowledges that if Dominion sets the Dominion Valve below the Monthly Set Flow Rate, then it may be retiming the 700 WISE Water or forfeiting water, as detailed in Section 4.1.3, subject to monthly accounting and invoicing of water deliveries.

4.1.3. Remaining 700 WISE Re-Timed Water will roll over to the new Water Year to be used by Dominion within 30 days (by June 30th). The Town, at its sole discretion, may allow Dominion to use the Remaining 700 WISE Re-Timed Water and/or any 700 WISE Re-timed Deliveries identified during the annual reconciliation within 60 days (by July 31st). Any Remaining 700 WISE Re-Timed Water not used within the appropriate timeline and any water delivered to the Town for Dominion's benefit from any source [other than the WISE 700 Water] that Dominion does not take delivery of within 24 hours, shall be forfeited by Dominion to the Town ("Forfeited Water"). Dominion's forfeiture of Forfeited Water at any time, or from time to time, does not create any right in the Town to receive Forfeited Water in the future, other than as defined herein. Any Forfeited Water shall be available for use, reuse and successive use to extinction by the Town for its own purposes in its discretion.

4.1.4. If, at any time, the Dominion Valve or Town Valve cannot accurately control the flow for Dominion's deliveries, the Parties agree to collaboratively work together to adjust set points. Either Party shall notify the other verbally and confirm in writing any changes needed to the Dominion Valve or Town Valve.

4.1.5. Dominion acknowledges that Dominion is solely responsible for knowing when it may be taking FSC Firming Deliveries or 700 WISE Re-Timed Deliveries. The Town is not required to notify Dominion when it may be taking FSC Firming Deliveries or 700 WISE Re-Timed Deliveries.

4.2 **Reuse Rights.** Dominion shall have the right to reuse, successively use, and dispose of all 2014 Wheeled Water and FSC Firming Water deliveries to Dominion pursuant to the 2014 IGA and this Amended & Restated IGA. However, the Town shall have the right to reuse, successively use, and dispose of any Retained Water, Forfeited Water and Excess WISE Delivery taken by Town pursuant to this Amended & Restated IGA.

4.3 **Timing of Deliveries.** Deliveries to Dominion under this Amended & Restated IGA began October 1, 2025.

4.4 **Operations & Maintenance Activities.**

4.4.1. Dominion acknowledges that the Town and WISE may need to complete upgrades or conduct operation and maintenance activities ("O&M"). Dominion and the Town agree to work together during these periods to coordinate delivery schedules.

4.4.2. If: i) WISE cannot deliver water to the Town for the benefit of Dominion for any reason; or ii) any part of the WISE delivery system (including the local WISE infrastructure and Town Inflow Point) (collectively "WISE Delivery System") is out of

service, then any deliveries, other than Other Water Deliveries, to Dominion on a modified schedule shall either be FSC Firming Water Deliveries or 700 WISE Re-timed Deliveries, as applicable.

4.4.3. If WISE can deliver water to the Town and the WISE Delivery System is in-service, but the Town cannot make deliveries for the benefit of Dominion because of O&M of the Town System, then water delivered to Dominion on a modified schedule shall:

4.4.3.1. not be charged the fees described in Section 3.2 and 3.7 associated with FSC Firming Water Deliveries;

4.4.3.2. not be charged the 10 percent loss surcharge associated with 700 WISE Re-timed Deliveries; and

4.4.3.3. count towards the 700 WISE Water, if 700 WISE Water was available for delivery and the amount had not been exhausted for the water year.

4.4.3.4. The Town shall work with Dominion, to the extent practicable, to deliver Dominion's WISE Subscription to other WISE partners to offset financial impacts to Dominion.

5. **Term.** The term of the 2014 IGA and this Amended & Restated IGA shall be perpetual, unless the Parties mutually agree to terminate the same by written instrument or this Amended & Restated IGA terminates by the terms and conditions expressly stated hereunder.

6. **Potable Water Quality.** The Town shall deliver water to Dominion under this Amended & Restated IGA, pursuant to the water quality terms of Section 3 of the 2014 IGA.

7. **Miscellaneous Provisions.**

7.1 **Amendment.** Except as otherwise provided herein, this Amended & Restated IGA may be modified, amended, changed, or terminated, in whole or in part, only by an agreement in writing duly authorized and executed by both parties.

7.2 **Enforcement-Generally.** Subject to the provisions of Sections 7.3 and 7.4, this Amended & Restated IGA may be enforced in law or equity, damages or such other legal and equitable relief as may be available to a Party. Except as otherwise provided herein, each party waives any right to special, indirect, consequential and punitive damages, including lost revenue. Prior to commencing such legal action, the non-defaulting party shall give written notice to the defaulting party. The defaulting party shall have 30 days to cure any default, except for a monetary default described in Section 7.3.

7.3 **Remedies for Monetary Defaults.** If Dominion does not timely satisfy any of its payment obligations under this Amended & Restated IGA, Town may give Dominion a written notice of default. If Dominion does not cure the default by making full payment within 120 days from receipt of the default notice, Town, in addition to pursuing any other remedies available to it at law or in equity, may suspend deliveries to Dominion.

7.4 **Dispute Resolution.** In the case of any dispute under the Amended & Restated IGA, prior to commencing legal action, the parties shall meet within 30 days to attempt to

resolve the issues. Participants in the meeting shall include the Director of Castle Rock Water for the Town and the General Manager of Dominion. In the event the Parties are unable to resolve their differences following such meeting, either Party shall be entitled to pursue the remedies set forth in Sections 7.3 or 7.4 above.

7.5 **Notice.** For purposes of notice pursuant to this IGA, the Parties' representative shall be:

With a copy to: Town Attorney
Town of Castle Rock
100 Wilcox Street
Castle Rock, CO 80104

For Dominion: Dominion Water & Sanitation Dist.
Attn: General Manager
9250 E. Costilla Avenue, Suite 400
Greenwood Village, CO 80112

With a copy to: Whitebear, Ankele, Tanaka & Waldron
Attn: Blair M. Dickhoner, Esq.
2154 E. Commons Ave., Suite 2000
Centennial, Colorado 80122

Any notices required or permitted to be given hereunder shall be in writing and shall be deemed given when given personally or sent by certified or registered mail, return receipt requested, postage prepaid. Either party hereto may designate a new address by giving written notice thereof to the other party as provided herein. Notice shall be effective upon receipt.

7.6 **Assignment.** This Amended & Restated IGA shall be assignable by Dominion to another governmental entity providing water service to the Dominion service area, except that such assignment shall first be approved in writing by the Town, such approval not to be unreasonably withheld. Due to the unique nature of the services provided under this Amended & Restated IGA, Town's rights or obligations may be assigned by Town only together with ownership and control of the Town's water system. Any assignment not in compliance with the terms hereof shall be void and of no force or effect. Notwithstanding the foregoing, the Town acknowledges that Dominion, as a wholesale water provider, will be providing service to Dominion's retail customers, which will in turn provide retail services to residents.

7.7 **Successors and Assigns.** The terms, conditions, and provisions of this Amended & Restated IGA shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

7.8 **Governing Law.** The terms, conditions, and provisions of this Amended & Restated IGA shall be governed by and construed in accordance with the laws of the State of Colorado.

7.9 **Failure to Perform Due to Force Majeure.** Subject to the terms and conditions of this paragraph, no party to this Amended & Restated IGA shall be liable for any delay or failure to perform under this Amended & Restated IGA due solely to conditions or events of force majeure, as that term is specifically defined herein; provided that: i) the non-performing party gives the other party prompt written notice describing the particulars of the occurrence of the force majeure; ii) the suspension of performance is of no greater scope and of no longer duration than is required by the force majeure event or condition; and iii) the non-performing party proceeds with all necessary diligence to remedy its inability to perform. As used herein, force majeure shall mean any delay or failure of a party to perform its obligations under this Amended & Restated IGA caused by events beyond the party's reasonable control and without the fault or negligence of the party, including, without limitation, (a) acts of God, (b) sudden actions of the elements such as floods, earthquakes, rock slides, avalanches, or tornadoes, (c) sabotage, (d) vandalism beyond that which can be reasonably prevented by the party, (e) terrorism, (f) war, (g) riots, (h) fire, (i) explosion, (j) extreme weather, (k) extreme snow, (l) blockades, (m) insurrection, (n) strike, slowdown or other labor disruptions, and/or (o) pandemics.

7.10. **Defense Against Third Parties.** In the event of litigation by any third party concerning this Amended & Restated IGA, and to the extent permitted by law, the Parties agree to jointly defend any such third-party action.

7.11. **No Third-Party Beneficiaries.** Except as otherwise explicitly provided for herein, there are no third-party beneficiaries of this Amended & Restated IGA. No third party has any right to enforce this Amended & Restated IGA.

7.12. **Sole Obligation of Water Activity Enterprise.**

7.12.1 This Amended & Restated IGA shall never constitute a general obligation or other indebtedness of the Town or Dominion, or a multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the Town or Dominion within the meaning of the Constitution and laws of the State of Colorado or of the service plan, rules or regulations of the Town or Dominion.

7.12.2 In the event of a default by either party of any of its obligations under this Amended & Restated IGA, the non-defaulting party shall have no recourse for any amounts owed to it against any funds for the services furnished by, or the direct or indirect use of each party's water system and herein the contrary, nothing in this Amended & Restated IGA shall be construed as creating a lien upon any revenues of the Town or the Dominion Water Activity Enterprise.

7.12.3 The Town represents that this Amended & Restated IGA has been duly authorized, executed and delivered by the Town and constitutes a valid and legally binding obligation of the Town, and to applicable bankruptcy, insolvency and similar laws affecting the enforceability of the rights or creditors generally and to general principles of equity.

7.12.4 Dominion represents that this Amended & Restated IGA has been duly authorized, executed and delivered by Dominion and constitutes a valid and legally binding obligation of Dominion, enforceable against Dominion in

accordance with the terms hereof, subject only to the terms hereof and to applicable bankruptcy, insolvency and similar laws affecting the enforceability of the rights of creditors generally and to general principles of equity.

- 7.13. **Entire Agreement.** The 2014 IGA and this Amended & Restated IGA represent the entire agreement of the parties and neither party has relied upon any fact or representation not expressly set forth.
- 7.14. **Counterparts.** This Amended & Restated IGA may be executed in any number of counterparts, each of which shall be deemed original, but all of which constitute one and the same agreement.
- 7.15. **Non-severability and Effect of Invalidity.** Each provision of this Amended & Restated IGA is integral to the others and is not severable from the others. If any portion of this Amended & Restated IGA 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 attempt to negotiate either valid alternative portions that as near as possible give effect to any stricken portions or a valid replacement agreement.
- 7.16. **No Attorney's Fees and Costs.** In the event of any litigation arising out of this Amended & Restated IGA, the parties agree that each will be responsible for their own attorney's fees and costs associated with any such legal action.
- 7.17. **Joint Draft.** The parties agree they drafted this Amended & Restated IGA jointly with each having the advice of legal counsel and an equal opportunity to contribute to its content. Therefore, this IGA shall not be construed for or against a party on the basis of authorship.
- 7.18. **Inconsistencies.** To the extent of any inconsistencies between this Amended & Restated IGA and the terms and conditions of the 2014 IGA, the terms and conditions of this Amended & Restated IGA shall prevail.
- 7.19. **Intent of Amended & Restated IGA.** This Amended & Restated IGA is intended to describe the rights and responsibilities of and between the parties and is not intended to and shall not be deemed to confer rights upon any persons or entities not signatories hereto nor to limit, impair, or enlarge in any way the powers, regulatory authority and responsibilities of either party or any other governmental entity not a party hereto.
- 7.20. **Non-Business Days.** If any date for any action under this Amended & Restated IGA falls on a Saturday, Sunday or a holiday, as such term is defined in Rule 6 of the Colorado Rules of Civil Procedure, then the relevant date shall be extended automatically until the next business day.
- 7.21. **Payment Dates.** Notwithstanding anything to the contrary contained herein, upon mutual agreement of the Director of Castle Rock Water for the Town and the General Manager of Dominion, any payments to be made hereunder may be scheduled for different dates than set forth herein, so long as they occur in the same fiscal year as contemplated herein, such that payments hereunder may align with payments to be made by Dominion pursuant to the 2014 IGA.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

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 of Castle Rock Water

DISTRICT:

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

John Ostermiller, Officer of the District

ATTEST:

Andrea Cole, General Manager