

RESOLUTION NO. 190 - 25

A RESOLUTION APPROVING THE
INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN
CITY OF COLORADO SPRINGS, ON BEHALF OF ITS
ENTERPRISE THE COLORADO SPRINGS MUNICIPAL
AIRPORT, AND THE PEAK METROPOLITAN DISTRICT NO.
2 RELATED TO THE REIMBURSEMENT OF DESIGN AND
CONSTRUCTION COSTS

WHEREAS, the City Council of the City of Colorado Springs, Colorado ("City Council") is authorized, pursuant to C.R.S. § 29-1-203, to enter into intergovernmental agreements with other governmental entities; and

WHEREAS, the City, by and through its enterprise, owns the Colorado Springs Municipal Airport system ("Airport") located in the City of Colorado Springs, Colorado. Milton E. Proby Parkway is a primary arterial roadway servicing the Airport and a portion of the mixed-use commercial development located on Airport property commonly known as Peak Innovation Park (the "Project"); and

WHEREAS, the City has rehabilitated Milton E. Proby Parkway via a mill and fill project ("Milton Proby Project"). This phase one section of Milton Proby Project serves the Project and is within the boundaries and/or service area of the District for the benefit of the Project, and


WHEREAS, the proposed Facilities Payment Agreement (the "IGA"), attached and made a part of this Resolution, provides the terms and conditions by which the Peak Metropolitan District No. 2 (the "District") will reimburse the Airport for its monetary contribution to the design and construction of such improvements.

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


Section 1. City Council hereby approves the IGA between Peak Metropolitan District No. 2 and the City, by and through its enterprise, the Colorado Springs Municipal Airport, that sets forth the terms and conditions by which the District will reimburse the City for its monetary contribution to the design and construction of certain public infrastructure improvements necessary to the Project.

Section 2. On behalf of the City, the Mayor is hereby authorized to execute the IGA.

Dated at Colorado Springs, Colorado this 25th day of November 2025.


Lynette Crow-Iverson, Council President

ATTEST:


Sarah B. Johnson, City Clerk



**FACILITIES PAYMENT AGREEMENT
(MILTON E. PROBY PARKWAY)**

This **FACILITIES PAYMENT AGREEMENT (Milton E. Proby Parkway)** (“**Agreement**”) is made and entered into this ____ day of _____, 2025, being the date executed by the mayor below and being the effective date hereof, by and between **PEAK METROPOLITAN DISTRICT NO. 2**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”) and the **CITY OF COLORADO SPRINGS**, a Colorado municipal corporation and home rule city by and through its enterprise, the **COLORADO SPRINGS MUNICIPAL AIRPORT** (the “**City**”) (individually, each a “**Party**” and collectively the “**Parties**”).

RECITALS

A. The City owns the Colorado Springs Municipal Airport system (“**Airport**”) located in the City of Colorado Springs, Colorado. Milton E. Proby Parkway is a primary arterial roadway servicing the Airport and a portion of the mixed-use commercial development located on Airport property commonly known as Peak Innovation Park (the “**Project**”).

B. The Airport is rehabilitating Milton E. Proby Parkway via a mill and fill project (“**Milton Proby Project**”). Phase one of the Milton Proby Project is located between the Powers Boulevard/Colorado 21 highway and Peak Innovation Parkway road. This phase one section of Milton Proby Project serves the Project and is within the boundaries and/or service area of the District (“**MP Phase One**”).

C. The District operates in accordance with the authority, and subject to the limitations, of a Consolidated Service Plan for Peak Metropolitan District Nos. 1-3 approved by the City Council of the City on August 28, 2018, as amended on February 12, 2019, March 22, 2022, and _____, 2025 (as the same may be further amended or restated from time to time, the “**Service Plan**”).

D. The Service Plan authorizes the District to construct, acquire and install public improvements, including water, sanitation, safety protection, park and recreation, public transportation, and mosquito control improvements and other facilities and services (collectively, the “**Public Improvements**”), which benefit property within the District’s boundaries and/or service area.

E. The City has identified MP Phase One as a project required to be constructed for the benefit of and to service the Project and the City has completed construction of MP Phase One.

F. The District’s Independent Engineer (as defined herein) has performed an analysis of the Milton Proby Project and has provided an opinion (“**Engineer’s Opinion**”) on method of sharing the costs associated with MP Phase One (“**Cost Sharing Allocation**”), which Engineer’s Opinion is attached hereto as **Exhibit A**, and is incorporated herein by this reference.

G. The City has requested the District make payment to the City for the costs of construction and other related costs associated MP Phase One (“**Project Costs**”) based upon the Cost Sharing Allocation and in compliance with the terms of this Agreement.

H. The District has sufficient funding to make payment of Certified Project Costs (defined herein) associated with MP Phase One and the District and the City desire to set forth the rights, obligations, and procedures for the District to pay the City for such costs, as provided herein.

NOW, THEREFORE, in consideration of the foregoing and the respective agreements of the Parties contained herein, the Parties agree as follows:

COVENANTS AND AGREEMENTS

1. Recital Incorporation. The recitals set forth above are hereby adopted as the agreement of the Parties and the facts set forth therein are acknowledged and agreed by the parties to be true, accurate, and complete.

2. Construction of Milton Proby Project Improvements. The Parties acknowledge and agree that the City has constructed and completed MP Phase One in full conformance with those certain *Colorado Springs Airport Milton E Proby Parkway Roadway Rehabilitation Plans* prepared by Enertia Consulting Group LLC, June 11, 2025 (“**MP Plans**”). The construction contract for MP Phase One requires the contractor and/or the City to provide a warranty for the period of time between initial acceptance and final acceptance of MP Phase One by the appropriate accepting jurisdiction, together with payment and performance bonds, in a form required by the City, to secure the required warranty.

3. Certification of Project Costs. The Parties hereby agree that a condition precedent to the District’s obligation to provide payment to the City for Project Costs associated with MP Phase One shall be the District’s receipt of a written certification (“**Engineer’s Certification**”) of an independent engineer engaged by the District (“**Independent Engineer**”) that the Project Costs for MP Phase One reasonable and comparable to the costs of similar public improvements constructed in and around the area of Colorado Springs. Such Independent Engineer’s determination shall be conclusive regarding the amount of Project Costs the District shall be obligated to pay the City under this Agreement (“**Certified Project Costs**”), notwithstanding the fact that the actual Costs incurred by the City may exceed the Certified Project Costs. For these purposes, the City shall cooperate and use commercially reasonable efforts to provide the following information and documentation to the District and the Independent Engineer in order that the Engineer’s Certification may be prepared (“**City Application for Certification**”):

(a) Copies of all contracts, pay requests, change orders, invoices, and any other requested documentation to verify the amount of Construction Costs requested;

(b) Confirmation and any reasonable evidence requested by the District from the City to ensure no duplication in payment of Project Costs; and

(c) Unconditional lien waivers and indemnifications from each contractor verifying that all amounts due to contractors, subcontractors, material providers or suppliers have been paid in full, in a form acceptable to the District; and

(d) Such other documentation, records and verifications as may reasonably be required by the District for purposes of certifying Project Costs.

4. Allocation and Payment of Certified Project Costs.

(a) The District and the City agree to share in paying the Certified Projects Costs in accordance with the Cost Sharing Allocation provided for in the Engineer's Opinion. Specifically, the District agrees to pay 59.1% of the Certified Project Costs ("**District Allocated Certified Costs**") and the City agrees to pay 40.9% of the Certified Project Costs hereunder ("**City Allocated Certified Costs**").

(b) The City Application for Certification shall be reviewed by the District and the District's Independent Engineer within thirty (30) days of submittal so that an Engineer's Certification regarding Certified Project Costs may be considered. The District shall make payment to the City of any District Allocated Certified Costs within thirty (30) days of approval by the District board ("**District Payment**"). The District is not responsible for payment of costs that are not deemed Certified Project Costs by the District's Independent Engineer and is not responsible for payment of any City Allocated Certified Costs. Subject to all other applicable provisions hereof, the District agrees to pay the City for Certified Project Costs up to a maximum amount of Five Hundred Eighteen Thousand Seventy-Three Dollars and Fifty-Seven Cents (\$518,073.57) ("**Maximum Payment Amount**"), unless otherwise agreed to in writing by the Parties. To the extent the District fails to make payment of any District Payment in accordance with the requirements of this Section, simple interest shall accrue on unpaid amounts hereunder, until paid, at the rate of eight percent (8%) per annum. The City and the District acknowledge the existence of limitations on the District's ability to make such payments as a result of the Service Plan.

(c) The District agrees, as of the date hereof it has sufficient funds in its General Fund to pay the City for the District Allocated Certified Costs and has appropriated funds up to the Maximum Payment Amount. It is hereby agreed and acknowledged that this Agreement evidences an intent to pay the City hereunder, but that this Agreement shall not constitute a debt or indebtedness of the District within the meaning of any constitutional or statutory provision, nor shall it constitute a multiple fiscal year financial obligation for the purposes of Article X, Section 20 of the Colorado Constitution, and the making of any payment hereunder shall be at all times subject to annual appropriation by the District. By acceptance of this Agreement, the City agrees and consents to all of the limitations with respect to payment due hereunder and in the District's Service Plan.

5. Term; Repose. In the event the District has not paid the City and/or paid any portion of the District Allocated Certified Costs by December 31, 2055, any amount of principal and accrued interest outstanding on such date shall be deemed to be forever discharged and satisfied in full, unless the City has requested an extension of such term of repose prior thereto.

6. Notices. All notices, demands, requests or other communications to be sent by one Party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by courier delivery via FedEx or other nationally recognized overnight air courier service, by electronically-confirmed email transmission, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To District: Peak Metropolitan District No. 2
450 East 17th Avenue, Suite 400
Denver, CO 80203
Phone: 303-592-4380
Attention: Megan Becher
Email: legalnotices@specialdistrictlaw.com

To City: City of Colorado Springs
30 South Nevada Avenue, Suite 604
Colorado Springs, CO 80901
Attention: Troy Stover
Email: troy.stover@coloradosprings.gov

With a Copy To: Office of the City Attorney
30 South Nevada Avenue, Suite 501
Colorado Springs, CO 80901
Attention: Caitlin Moldenhauer
Email: caitlin.moldenhauer@coloradosprings.gov

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with FedEx or other nationally recognized overnight air courier service, on the date of transmission if sent by electronically-confirmed email transmission, or three (3) business days after deposit in the United States mail. By giving the other Party hereto at least ten (10) days' written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

7. Assignment. No Party shall assign any of its rights or delegate any of its duties hereunder to any person or entity. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

8. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the Parties any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the Parties shall be for the sole and exclusive benefit of the Parties.

9. Default/Remedies. In the event of a breach or default of this Agreement by either Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity. In the event of any litigation, or other proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall obtain as part of its judgment or award its reasonable attorneys' fees.

10. Governing Law and Jurisdiction. This Agreement shall be governed and construed under the laws of the State of Colorado. Venue for any legal action relating to this Agreement shall be exclusive to the State District Court in and for the County of El Paso, Colorado.

11. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective permitted successors and assigns.

12. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

13. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

14. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

15. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

16. Amendment. This Agreement may be amended from time to time by agreement between the Parties hereto; provided, however, that no amendment, modification, or alteration of the terms or provisions hereof shall be binding upon the District or the City unless the same is in writing and duly executed by the Parties hereto.

17. No Waiver of Immunity. The Parties specifically do not waive or intend to waive any protection, immunity, or other provision of the Colorado Governmental Immunity Act, C.R.S. § 24-1-101 *et seq.*, as now written or hereafter amended.

18. FAA Mandated Terms/Conditions and Supervening Law.

A. Non-Discrimination (to the extent applicable and not superseded by law or Presidential Executive Order).

(a) In all its activities within the scope of its airport program, the District agrees to comply with pertinent statutes, Executive Orders and such rules as identified in Title VI List of Pertinent Nondiscrimination Acts and Authorities to ensure that no person shall, on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability be excluded from participating in any activity conducted with or benefiting from Federal assistance. If the District transfers its obligation to another, the transferee is obligated in the same manner as the District. This provision obligates the District for the period during which the property is used or possessed by the District and the Airport remains obligated to the FAA. This provision is in addition to that required by Title VI of the Civil Rights Act of 1964.

(b) During the performance of this Agreement, the District for itself, its assignees, and successors in interest, agrees to comply with the following non-discrimination statutes and authorities:

- (i) Title VI of the Civil Rights Act of 1964 (42 USC § 2000d *et seq.*, 78 stat. 252) (prohibits discrimination on the basis of race, color, national origin);
- (ii) 49 CFR part 21 (Non-discrimination in Federally-assisted programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964);
- (iii) The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 USC § 4601) (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- (iv) Section 504 of the Rehabilitation Act of 1973 (29 USC § 794 *et seq.*), as amended (prohibits discrimination on the basis of disability); and 49 CFR part 27 (Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance);
- (v) The Age Discrimination Act of 1975, as amended (42 USC § 6101 *et seq.*) (prohibits discrimination on the basis of age);
- (vi) Airport and Airway Improvement Act of 1982 (49 USC § 47123), as amended (prohibits discrimination based on race, creed, color, national origin, or sex);
- (vii) The Civil Rights Restoration Act of 1987 (PL 100-209) (broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, the Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- (viii) Titles II and III of the Americans with Disabilities Act of 1990 (42 USC § 12101 *et seq.*), (prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities) as implemented by U.S. Department of Transportation regulations at 49 CFR parts 37 and 38;
- (ix) The Federal Aviation Administration’s Nondiscrimination statute (49 USC § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- (x) Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- (xi) Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. 74087 (2005));
- (xii) Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 USC § 1681 *et seq.*).

(a) The District, including personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree, as a covenant running with the land, that (1) no person on the ground of race, color, or national origin, will be excluded from

participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the District will use the premises in compliance with all other requirements imposed by or pursuant to the List of non-discrimination Acts and Authorities. In the event of breach of any of the above nondiscrimination covenants, City will have the right to terminate this Agreement and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if the Agreement had never been made or issued.

(b) During the performance of this Agreement, the District , for itself, its assignees, and successors in interest, agrees as follows:

- (i) Compliance with Regulations: the District (hereinafter includes consultants) will comply with the Title VI List of Pertinent Nondiscrimination Acts and Authorities, as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
- (ii) Nondiscrimination: the District, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, national origin (including limited English proficiency), creed, sex (including sexual orientation and gender identity), age, or disability in the selection and retention of subcontractors, including procurements of materials and leases of equipment. the District will not participate directly or indirectly in the discrimination prohibited by the Nondiscrimination Acts and Authorities, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 CFR part 21.
- (iii) Solicitations for Subcontracts, including Procurements of Materials and Equipment: In all solicitations, either by competitive bidding or negotiation made by The District for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the District of contractor's obligations under this Agreement and the Nondiscrimination Acts and Authorities.
- (iv) Information and Reports: the District will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by City or the FAA to be pertinent to ascertain compliance with such Nondiscrimination Acts and Authorities and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the District will so certify to City or the FAA, as appropriate, and will set forth what efforts it has made to obtain the information.
- (v) Sanctions for Noncompliance: In the event of the District's noncompliance with the

non-discrimination provisions of this Agreement, City will impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to, cancelling, terminating, or suspending this Agreement, in whole or in part.

- (vi) **Incorporation of Provisions:** the District will include the provisions of this subsection in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations, and directives issued pursuant thereto. The District will take action with respect to any subcontract or procurement as City or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the District becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the District may request City to enter into any litigation to protect the interests of City. In addition, the District may request the United States to enter into the litigation to protect the interests of the United States.

B. Agreement Subordinate to Agreements with the Federal Government. This Agreement is subject and subordinate to the provisions of any existing or future agreements made between the City and the United States relative to the operation or maintenance of the Airport, or to the expenditure of federal funds for the improvement or development of the Airport, including the expenditure of federal funds for the development of the Airport in accordance with the provisions of the Federal Aviation Act of 1958, the Federal Aid to Airport Act, the Airport and Airway Development Act of 1970, and the Airport and Airway Improvement Act of 1982, as such acts have been amended or replaced from time to time. If the FAA requires modifications or changes to this Agreement, as a condition precedent to the granting of funds for the improvement of the Airport, the District agrees to consent to such amendments, modifications, revisions, supplements, or deletions of any of the terms, conditions, or requirements of this Agreement as may be required to enable the City to obtain such grant of funds.

C. Agreement Subject to Federal Government Rights. This Agreement is subject to whatever right the United States Government now has, or in the future may have or acquire, affecting the control, operation, regulation, and taking over of the Airport or the exclusive or nonexclusive use of the Airport by the United States during the time of war or national emergency.

D. 14 CFR Part 152 and 60. To the extent applicable, the District hereby assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the ground of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The District assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The District further assures that it will require that its covered suborganizations provide assurances to the District that they similarly will undertake affirmative action programs and that they will require assurances from their suborganizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

E. 41 CFR Part 60-1.4 and 41 CFR Part 60-741.5. To the extent applicable, the District shall comply with all Federal, State, and local laws respecting discrimination in employment and non-segregation of facilities including, but not limited to, requirements set out at 41 CFR Part 60-1.4 and 41 CFR Part 60- 741.5, which equal opportunity clauses are hereby incorporated by

reference, and comply with the requirements of 41 CFR Part 60-250.4, 41 CFR Part 60-250.5, and 29 CFR Part 471, if applicable. Notification is hereby given that compliance with these provisions may require the District to file annually certain reports (e.g., the EEO-1 Report and the VETS-100 Report) with the Federal government and may require the District to develop written Affirmative Action Programs for Women and Minorities, Covered Veterans and/or Persons with Disabilities.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK. SIGNATURE
PAGES FOLLOW]**

**[SIGNATURE PAGE 1 OF 2 TO
FACILITIES PAYMENT AGREEMENT (MILTON E. PROBY PARKWAY)]**

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the day and year first set forth above.

DISTRICT:

PEAK METROPOLITAN DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado

By: 

Garrett Baum, President

ATTEST:



Secretary or Assistant Secretary

**[SIGNATURE PAGE 2 OF 2 TO
FACILITIES PAYMENT AGREEMENT (MILTON E. PROBY PARKWAY)]**

CITY:

CITY OF COLORADO SPRINGS, a Colorado
municipal corporation and home rule city by and through
its enterprise, the COLORADO SPRINGS MUNICIPAL
AIRPORT

By: _____

Blessing A. Mobolade, Mayor

ATTEST:

Sandra B. Brown

APPROVED AS TO FORM:

[Signature]
Office of the City Attorney



EXHIBIT A

Engineer's Opinion



Date: January 21, 2025

To: Board of Directors
Peak Metropolitan District No. 2
c/o Megan Becher
McGeady Becher P.C.
450 17th Street, Suite 400
Denver, CO 80203

From: Schedio Group LLC
Timothy A. McCarthy, P.E.
809 14th Street, Suite A
Golden, CO 80401

Subject: Engineer's Verification Letter Regarding Peak MD2 Cost Sharing Percentage for Milton E. Proby Parkway Rehabilitation SUB PROJECT

Board of Directors,

Timothy A. McCarthy, P.E. / Schedio Group LLC (the "Independent Consulting Engineer") states as follows:

The Independent Consulting Engineer is an engineer duly qualified and licensed in the State of Colorado with experience in the design, construction, and verification of costs associated with the design and construction of Public Improvements of similar type and function as those within Peak Metropolitan District No. 2 ("District").

This Engineer's Verification Letter is in response to the District's request of the Independent Consulting Engineer to provide an opinion regarding the appropriate Cost Sharing Percentage for Peak Metropolitan District No. 2 with regards to the planned Milton E. Proby Parkway Rehabilitation Project ("PROJECT") as defined by the *Colorado Springs Airport – Milton E. Proby Parkway Roadway Rehabilitation Plans* ("PLANS"), prepared by Etertia Consulting Group LLC (undated).

THE PROJECT

The PROJECT, in its entirety, is depicted below as *Figure 1 - Project Depicted by Hatched Area*. Per the PLANS, various types of rehabilitation will be employed, including:

- A Section – Full Removal and Full Depth Asphalt Replacement
- B Section – Asphalt Mill and Overlay
- C Section – Full Removal and Full Depth Concrete Replacement
- Asphalt Crack Repair

THE SUB PROJECT – 250,106 SF | 27,890 SY of Full Removal and Full Depth Asphalt Replacement

Regarding cost sharing between the District and Colorado Springs Airport, the area of interest is that portion of the PROJECT from STA 3+61.23 to STA 34+00 (SUB PROJECT) as depicted on sheets 4 through 7 of 52 of the PLANS. The PLANS call for Full Removal and Full Depth Asphalt Replacement as the prescribed means of rehabilitation for the SUB PROJECT.

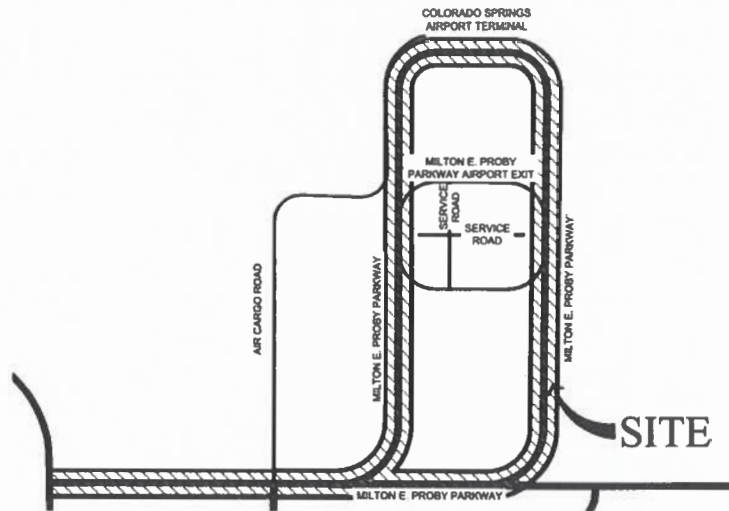


Figure 1- Project Depicted by Hatched Area

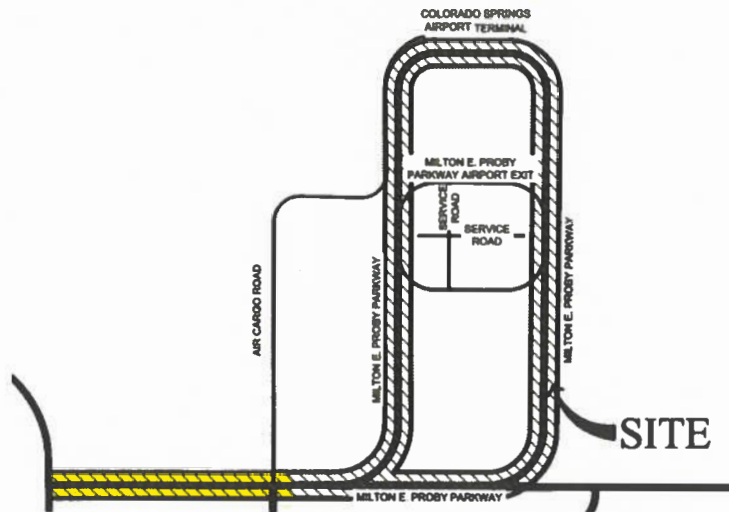


Figure 2 - Sub Project Depicted by Yellow Highlighted Area

Schedio Group performed quantity take-offs from the PLANS to determine the total area of Full Removal and Full Depth Asphalt Replacement ("FRFDAR"):

Sheet 4 of 52	STA 3+61.23 to 11+50	78,585 SF 8,732 SY of FRFDAR
Sheet 5 of 52	STA 11+50 to 22+00	63,295 SF 7,033 SY of FRFDAR
Sheet 6 of 56	STA 22+00 to 32+00	86,486 SF 9,610 SY of FRFDAR
Sheet 7 of 52	STA 32+00 to 34+00	22,640 SF 2,515 SY of FRFDAR
Total:		251,006 SF 27,890 SY of FRFDAR

THE PUBLIC PRORATION PERCENTAGE

Schedio Group engaged a traffic engineering firm, Sustainable Traffic Solutions, to assist in the interpretation of the *Traffic Impact Study Update for Peak Innovation Park, Colorado Springs, Colorado* ("Traffic Impact Study") – prepared for UFCS Airport, LLC by Kimley-Horn and Associates, Inc. and dated November 2023.

The Traffic Impact Study was analyzed by Sustainable Traffic Solutions to determine the percentage of non-airport related traffic flows associated with the SUB PROJECT. Below is an excerpt from the engineer's letter provided to Schedio Group by Sustainable Traffic Solutions:

Based on your request, I have estimated the percentage of non-airport related traffic on Milton E. Proby Parkway west of Peak Innovation Parkway. The estimate is based on two different sources of data. First, an estimate was prepared using morning and evening peak hour traffic counts that were collected at Milton E. Proby Parkway / Peak Innovation Parkway on Tuesday June 28, 2022, by Ridgeview Data Collection. This estimate shows that 60% of the traffic is not associated with the airport. Second, Year 2045 projected peak hour volumes were used to estimate the split between airport and non-airport traffic. This information was obtained from the Peak Innovation Park Traffic Impact Study Update (Kimley Horn. November 3, 2023). Table 2 (*not included here*) shows that 53% of the traffic is not related to the airport.

Based on the non-airport (a.k.a. Public) traffic estimates of 60% and 53% derived from the 2022 and 2045 traffic data respectively, Schedio Group calculated an estimated Public estimate of 59% for the year 2025, which is the year construction contracting for the PROJECT is anticipated to occur.

Methodology:

Using (Year, %) coordinates (2022, 60%) and (2045, 53%), the rate of change of estimated Public traffic was calculated to be -0.3% per year. As there are 3 years from 2022 to 2025, the expected change in estimated Public traffic was calculated by multiplying (-0.3% per year) x (3 years) yielding -0.9%.

Therefore, from 2022 to 2025 it is expected that estimated Public traffic will decrease by approximately 0.9% - or - 60% less 0.9% yields 59.1%

The final cost share percentage will be calculated based on the effective date of the construction contract. For example: (2025, 59.1%), (2026, 58.8%), (2027, 58.5), etc.

Based on the Independent Consulting Engineer's experience in serving Metropolitan Districts and review of the documents referenced above, it is hereby recommended that Peak Metropolitan District No. 2 cost share at a rate of 59.1% during the year of 2025, and less 0.3% for every year thereafter, of the to be determined SUB PROJECT costs, including applicable hard, soft and indirect costs, associated with the Milton E. Proby Rehabilitation Project.

Respectfully,

Schedio Group LLC



Timothy A. McCarthy, P.E.

Managing Principal