

## **AGREEMENT FOR SUPPLEMENTAL WATER SERVICE**

**THIS AGREEMENT** (“Agreement”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2021, by and between Colorado Springs Utilities, an enterprise of the City of Colorado Springs, a Colorado home-rule city and municipal corporation, hereinafter called “UTILITIES,” and the Security Water District, acting by through its water activity enterprise hereinafter called the “DISTRICT.” Both the DISTRICT and UTILITIES hereinafter are each individually referred to as “Party” and collectively referred to as the “Parties.”

### **RECITALS**

- A. The DISTRICT, a Colorado statutory water district with service boundaries located just south of Colorado Springs and east of Fort Carson, was formed March 22, 1954, and currently serves a customer base of approximately 7,750 taps in the Colorado Springs metropolitan area;
- B. The DISTRICT is a participant in both the Fountain Valley Authority and the Southern Delivery System;
- C. The DISTRICT has a supplemental water connection to UTILITIES located at 4520 Clearview Drive, Colorado Springs, Colorado (“CLEARVIEW CONNECTION”) that was constructed pursuant to the terms of the certain Agreement for Short Term Water Service between UTILITIES and the DISTRICT dated March 16, 2017;
- D. The DISTRICT desires to have the ability to receive interruptible water service from UTILITIES and/or delivery of DISTRICT-owned water conveyed through UTILITIES’ water system at the CLEARVIEW CONNECTION;
- E. UTILITIES has sufficient system capacity, and may, from time to time, have available water supply to provide interruptible water service to the DISTRICT at the CLEARVIEW CONNECTION;
- F. Pursuant to Section 6-50 (Water Rights) of Article VI (Utilities) of the Charter of the City of Colorado Springs, as amended, the City of Colorado Springs has the authority to buy, exchange, augment, lease, own, and control water and water rights; and
- G. UTILITIES has entered into this Agreement pursuant to Section 12.4.304 (Service; Special Contract) of Article 4 (Water Code) of Chapter 12 (Utilities) of the Code of the City of Colorado Springs 2001, as amended (Ord. 10-76).

**NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION INCLUDING THE FOREGOING REPRESENTATIONS, IT IS AGREED AS FOLLOWS:**

1. **Term:** This Agreement shall become effective upon signing by both UTILITIES and the DISTRICT and remain in effect until 5pm MST December 31, 2021. The DISTRICT agrees that the DISTRICT bears the sole responsibility for providing a permanent supply of water to its customers. The DISTRICT shall maintain and operate its independent water supply system on a continuous, year-round basis. This contract may be renewed in one-year increments at UTILITIES' Chief Executive Officer's discretion, after consultation with City staff, for up to two additional years, but in no case beyond December 31, 2023.
2. **Short Term Supplemental Water Service:** UTILITIES agrees to provide the DISTRICT short-term, supplemental water service during the term of this Agreement. UTILITIES shall not be obligated to provide more than 2,800 acre-feet annually of supplemental water to the DISTRICT. UTILITIES shall deliver the supplemental water provided under this Agreement to the DISTRICT at the CLEARVIEW CONNECTION. The water delivered to the DISTRICT will be UTILITIES' owned, treated, potable water that can legally be used for municipal purposes within DISTRICT's water service area ("Full-Service Water"). The DISTRICT may provide UTILITIES with fully consumable water owned or leased by the DISTRICT that is decreed for municipal use ("DISTRICT Water") to replace in UTILITIES' water system Full-Service Water delivered to the DISTRICT. To the extent DISTRICT Water is provided to UTILITIES, the DISTRICT will receive a credit as stated in Appendix A. The DISTRICT agrees not to use the water provided pursuant to this Agreement, directly or indirectly, to furnish water outside the DISTRICT's existing service territory as of the date of this Agreement or to any entity or person other than the current residential, commercial, and industrial customers of the DISTRICT.
3. **Requests for and Delivery of Water:**
  - A. The DISTRICT shall directly communicate with UTILITIES' System Control as specified in paragraph 3.C. regarding a request for delivery of water and follow-up with a written request, specifying amounts, rates, and the requested delivery dates

at least five (5) business days prior to the requested delivery date(s). UTILITIES will provide a written response to the DISTRICT's request at least three (3) days prior to the requested delivery date accepting, modifying, or denying the request. The request and response deadlines must be met in order to ensure that the line disinfection procedures set forth in Exhibit A can be completed by both Parties after UTILITIES approves the DISTRICT's request. For the purposes of the DISTRICT requesting service and UTILITIES responding to requests, the term "written" shall include communications by electronic mail to certain electronic mail addresses, which the DISTRICT and UTILITIES shall provide to each other upon execution of this Agreement. The DISTRICT shall limit its water demand on UTILITIES' system to an instantaneous flow rate when in use of no less than 15.68 gallons per minute, not more than 2,800 gallons per minute, and a total maximum daily delivery of four (4) million gallons per day (daily flow limit). UTILITIES agrees to maintain a pressure of 110 psi near the CLEARVIEW CONNECTION. UTILITIES may, as it deems necessary and without providing the DISTRICT notice, increase, decrease, or waive these daily and instantaneous flow limits based on system performance to protect UTILITIES' water system and deliveries to UTILITIES' customers or for other good cause. UTILITIES will make best efforts to provide the DISTRICT advance notice of any changes of this type to the DISTRICT's system control as specified in paragraph 3.D.

**B. UTILITIES' System Control**

- i. Operations Supervisor, Jeremy McBeain, [jmcbeain@csu.org](mailto:jmcbeain@csu.org), Office (719) 668-4588, Cell phone (719) 494-6973.
- ii. System Control Operator, to be acknowledged within 24 hours by Mr. McBeain, Office (719) 668-4570; and
- iii. [Water\\_accounting@csu.org](mailto:Water_accounting@csu.org)

**C. DISTRICT System Control**

- i. Rick Davis, Water Superintendent, [r.davis@securitywsd.com](mailto:r.davis@securitywsd.com), Cell phone (719) 491-6123
- ii. James Jones, Assistant Superintendent, [j.jones@securitywsd.com](mailto:j.jones@securitywsd.com), Cell phone (719) 491-6119.

4. **Acceptance of DISTRICT Water into UTILITIES' Water System:** UTILITIES may accept DISTRICT Water into UTILITIES' water system in exchange for the Full-Service water delivered. The amount of DISTRICT Water accepted by UTILITIES shall not exceed the amount of Full-Service Water UTILITIES provides to the DISTRICT pursuant to this Agreement plus any system losses. The acceptance of DISTRICT Water will be accomplished by book over of DISTRICT Water from the DISTRICT's accounts in Pueblo Reservoir, or some other mutually agreed upon location, to UTILITIES' water system as designated by UTILITIES. DISTRICT Water shall be delivered to UTILITIES as requested at UTILITIES' sole discretion. Further, it is agreed that UTILITIES shall not be obligated to accept into its water system any DISTRICT Water that would interfere with UTILITIES' rights, operations, or yields. Any DISTRICT Water not accepted into UTILITIES' water system will be the sole responsibility of the DISTRICT.

5. **Return Flows:**

A. All Full-Service Water furnished by UTILITIES under this Agreement is only for use by the DISTRICT for the purposes for which UTILITIES' water rights have been decreed. Except as provided in paragraph 8.B below, neither DISTRICT nor its customers shall have the right to make a succession of uses of such water; and upon completion of the initial use, all dominion and control over the Full-Service Water furnished hereunder shall revert completely to UTILITIES.

UTILITIES retains legal ownership of and the right to use, reuse, successively use, and dispose of all return flows resulting from the DISTRICT's one-time use of Full-Service Water provided by UTILITIES under this Agreement. The DISTRICT shall maintain dominion and control over all Full-Service Water during the distribution of the water and once returned to DISTRICT's wastewater collection system. The DISTRICT shall be solely responsible for the collection, treatment and discharge of all wastewater generated by the use of Full-Service Water furnished under this Agreement. The DISTRICT shall cooperate with UTILITIES to quantify daily discharges of return flows attributed to Full-Service Water to permit their inclusion in the Monument/Fountain Creek Transit Loss Model ("Model") at the appropriate location. UTILITIES agrees to pay a *prorata* share of the DISTRICT's flow-based cost for the use of the Model based upon the percentage of the DISTRICT's effluent

that is UTILITIES' return flows attributed to Full-Service Water provided to the DISTRICT pursuant to this Agreement. The DISTRICT shall be solely responsible for its own base cost for the use of the Model. UTILITIES shall have the right to review the water accounting documents of the DISTRICT to verify the quantities of such return flows resulting from UTILITIES' Full-Service Water deliveries to the DISTRICT.

**B.** Full-Service Water delivered to the DISTRICT, up to the amount of DISTRICT Water furnished to UTILITIES to replace Full-Service Water in UTILITIES' water system, shall be considered to be water owned by the DISTRICT. Neither UTILITIES nor its customers shall have the right to make a succession of uses of such water; and upon delivery to the DISTRICT, all dominion over such water furnished hereunder shall revert completely to the DISTRICT. The DISTRICT retains the legal ownership of and the right to use, reuse, successively use, and dispose of all such return flows resulting from the DISTRICT's use of such water delivered by UTILITIES under this Agreement. UTILITIES shall maintain dominion and control over all such water until completion of delivery of the water to the DISTRICT.

**6. Consequence of Loss of Dominion over Return Flows:** If UTILITIES should lose legal dominion and control over the return flows that result from the DISTRICT's use of the Full-Service Water provided under this Agreement, due to the fault of the DISTRICT, UTILITIES may take either of the following actions at its sole discretion:

**A.** UTILITIES may charge the DISTRICT the then-applicable augmentation tariff rate as provided to the DISTRICT pursuant to this Agreement where appropriate to compensate for the value of the volume of return flows lost to UTILITIES. The DISTRICT agrees to pay UTILITIES for augmentation at the rates established in **Appendix A** attached hereto and incorporated herein. UTILITIES will bill the DISTRICT monthly in arrears with payment due within thirty (30) days of the date of billing; or

**B.** UTILITIES may terminate this Agreement without any liability to the DISTRICT or any third party including the DISTRICT's customers.

7. **Water Rights Unaffected**: No water rights are being transferred to or from UTILITIES or the DISTRICT under this Agreement.
8. **Service Rate, System Usage Fee, and Billing**: The DISTRICT agrees to pay UTILITIES for water provided pursuant to this Agreement at the service rates established in **Appendix A**. To the extent DISTRICT Water is accepted by UTILITIES, the DISTRICT will receive a water credit as provided in **Appendix A**. Additionally, the DISTRICT shall pay a System Usage Fee as provided in **Appendix A**. All System Usage Fee payments paid under this Agreement and the prior March 16, 2017 Agreement for Short Term Water Service will be applied to the cost of a permanent Water Development Charge for this interconnect to UTILITIES' water service system. UTILITIES will bill the DISTRICT monthly in arrears with payment due within thirty (30) days of the date of billing.
9. **CLEARVIEW CONNECTION Obligations and Costs**: The DISTRICT shall continue to own and shall be solely responsible, financially and otherwise, for the operation, maintenance and repair, including any repair or maintenance that is requested by UTILITIES, of the parts of the CLEARVIEW CONNECTION located between and including the secondary valve and the DISTRICT's water system as depicted in **Exhibit B** and all other related facilities necessary for the DISTRICT's use in connection with this Agreement.

UTILITIES shall be responsible for the operation, maintenance and repair of all parts of the CLEARVIEW CONNECTION located between the water main/tap and the secondary valve as depicted in **Exhibit B**. The DISTRICT agrees to reimburse UTILITIES for its time-and-material costs associated with the maintenance and repair of such infrastructure. The DISTRICT hereby grants UTILITIES the perpetual right to ingress and egress over and through the DISTRICT's Property, including property owned by the DISTRICT or in rights-of-way or easements dedicated to the DISTRICT, to the CLEARVIEW CONNECTION so that UTILITIES may operate, maintain, repair, and inspect the CLEARVIEW CONNECTION infrastructure it is responsible for as well as perform its other duties under this Agreement and any future agreement between the Parties related to the provision of water service. All repair or maintenance of the CLEARVIEW CONNECTION shall be completed in a timely manner and in accord with standard industry practices. The Parties shall keep the CLEARVIEW CONNECTION and every

part thereof for which they are responsible pursuant to this section maintained so that they continue to properly serve the purposes for which they were originally intended.

Within sixty (60) days of the date this Agreement becomes effective, the DISTRICT shall convey and dedicate to UTILITIES, on forms acceptable to UTILITIES, ownership of all the portions of the CLEARVIEW CONNECTION and all related improvements located between the water main/tap and the secondary valve as depicted in **Exhibit B** as well as an assignment of the DISTRICT'S rights under the easements granted to the DISTRICT by Block 260 Ltd, on March 30, 2017 and recorded with the El Paso County, Colorado Clerk and Recorder at Reception Nos. 217049315 and 217049316 that provides UTILITIES with the right to locate the portions of the CLEARVIEW CONNECTION that it is responsible for within the easements and rights of ingress and egress over the property covered by the easements in order for UTILITIES to fulfill its obligations under this Agreement and any future agreement between the Parties related to the provision of water service. If the DISTRICT acquires a fee simple interest in the property that is the subject of the Easement recorder under Reception No. 217049315, the DISTRICT shall convey to UTILITIES a perpetual non-exclusive utility easement over the subject property that provides UTILITIES with the same rights as described in the preceding sentence.

**10. Metering:** All water delivered under this Agreement shall be measured at the point of connection between UTILITIES' and the DISTRICT's systems. If at any time either UTILITIES or the DISTRICT questions the accuracy of the meter, either Party may cause such meter to be tested for accuracy and recalibrated, if necessary, at such Party's expense. In the event a meter shall be tested, the Party testing the meter shall provide the other party with three (3) days' notice of such testing. If the Parties cannot agree that the meter is measuring accurately, they shall choose an independent third party qualified to test the accuracy of such meters, whose decision regarding accuracy shall be binding on both Parties. All costs associated with hiring an independent, third-party testing facility shall be the responsibility of the Party requesting the test(s), regardless of whether the test result(s) favor the requesting or non-requesting Party.

**11. Water Use Restrictions:** The DISTRICT agrees to establish formal restrictions regarding the use of water and to declare and enforce the same water-use restrictions in force within

the City of Colorado Springs as directed by UTILITIES at any time during the term of this Agreement that the DISTRICT is taking delivery of Full-Service Water, consistent with Sections 12.4.602 and 12.4.1313 of the City Code of Colorado Springs.

**12. Termination of Agreement:** The DISTRICT acknowledges and consents to UTILITIES' right to terminate or suspend this Agreement due to a significant interruption of water supplies, a substantial disruption (including, but not limited to, legal challenges impacting the water system, and maintenance and repair to the infrastructure that would impair UTILITIES' ability to deliver water under this Agreement) to UTILITIES' water system, or the DISTRICT's breach of a material term or conditions of this Agreement, at UTILITIES' convenience, upon thirty (30) days written notice, or as otherwise authorized by the City Code of Colorado Springs. UTILITIES will make reasonable efforts to notify the DISTRICT in advance of circumstances that could result in such termination. In the event the rate structure established in **Appendix A** is challenged in court, whether by the DISTRICT or by an independent third party, either Party shall have the option to suspend services under this Agreement pending the outcome of such proceedings. Notwithstanding the preceding, nothing herein shall be interpreted to extend the term of this Agreement.

**13. Conservation Plan:** The DISTRICT agrees to deliver a State submitted conservation plan to UTILITIES within six months of the execution of this Agreement. The DISTRICT agrees to abide by and enforce the conservation plan submitted to the State in its current form or as it may be changed through the State approval process.

**14. City of Colorado Springs Compliance:** The DISTRICT agrees to comply with all applicable ordinances, regulations and rules concerning the connection to and use of UTILITIES' water system by the DISTRICT.

**15. Drinking Water Quality Regulatory Compliance; Required Permits:**

A. The water provided by UTILITIES to the DISTRICT at the interconnect shall be potable water which complies with the Federal Safe Drinking Water Act and applicable Colorado Primary Drinking Water Regulations (5 C.C.R. 1002-11). Pursuant to §1.8 of the Colorado Primary Drinking Water Regulations, UTILITIES' responsibility regarding the quality of water furnished shall extend only up to the point of entry into the DISTRICT's water system. The DISTRICT



agrees that its system constitutes a Consecutive System and, in accordance with §1.9 of the Colorado Primary Drinking Water Regulations, the DISTRICT is responsible for all applicable monitoring and reporting requirements of the Colorado Primary Drinking Water Regulations of water within the DISTRICT's system.

- B. The DISTRICT will be responsible for obtaining, prior to operation, any applicable permits from any permitting authority or approvals from the Colorado Department of Public Health and Environment for the construction and connection of the system interconnection/point of entry necessary to fulfill this Agreement. A copy of such approval will be provided to UTILITIES.

**16. Colorado Water Quality Control Act Compliance:** If at any time during the effective term of this Agreement the DISTRICT fails to meet the requirements of the Colorado Water Quality Control Act applicable to the DISTRICT, and applicable control regulations promulgated and permits issued thereunder, UTILITIES may, in its sole discretion, suspend deliveries and interrupt its performance of this Agreement, without commensurate extension of this Agreement or liability to the DISTRICT or any third party, including the DISTRICT's customers, until any applicable compliance is achieved. With or without suspension or interruption by UTILITIES, the DISTRICT, in the event of its failure to meet such requirements applicable to the DISTRICT, shall implement cost-effective solutions to reduce water pollution with the objective of achieving and maintaining water quality in accordance with the applicable designated uses and water quality standards established by the Water Quality Control Commission and discharge permit limits imposed by the Water Quality Control Division on the DISTRICT. In the event UTILITIES fails to meet requirements of the Colorado Water Quality Control Act and applicable regulations thereunder, UTILITIES shall notify the DISTRICT in the same manner as other customers, and the DISTRICT shall have the same rights and remedies as provided to UTILITIES, including the option of immediately suspending the delivery of water under this Agreement.

**17. Regional Cooperation:** The following provisions apply only during the term of this Agreement.

- A. The DISTRICT acknowledges and agrees to support, without financial contribution, the Fountain Creek Watershed, Flood Control, and Greenway District to the extent authorized under Colorado Revised Statutes §32-1-1001, *et seq.*
- B. The DISTRICT commits not to serve water purchased under this Agreement to property located outside of the natural drainage of the Arkansas River or to market, transfer, wheel, or otherwise provide water to properties or entities located outside the natural drainage of the Arkansas River Basin.
- C. The DISTRICT agrees, subject to the following sentence, to actively support and cooperate with the City of Colorado Springs, El Paso County, and other regional entities having jurisdiction over stormwater detention and retention on Fountain Creek and to take whatever actions that are within the DISTRICT's legal authority to ensure that stormwater in the Fountain Creek Basin does not increase above existing conditions. It is understood that the DISTRICT has no legal authority or obligation with respect to regulation or control of stormwater or funding of stormwater projects within or outside of its service area.
- D. The DISTRICT agrees to accept and comply with the City of Pueblo Flow Management Program and Pueblo Recreational In-Channel Diversion Decree, both impacting the Arkansas River between Pueblo Dam and its confluence with Fountain Creek, in any application for a change of water rights or exchange by the DISTRICT implicating that reach of the Arkansas River.
- E. The DISTRICT agrees to participate in any water quality monitoring or studies to the same proportional degree and extent as undertaken by the City of Colorado Springs. The DISTRICT shall pay a yearly water quality monitoring fee as provided in **Appendix A. UTILITIES** will bill the DISTRICT annually with payment due within thirty (30) days of the date of billing. DISTRICT's obligations under this subparagraph shall be deemed to be satisfied and the annual water quality monitoring fee will not be assessed against the DISTRICT so long as the DISTRICT's sister agency, the Security Sanitation District, is a member of the Arkansas Fountain Coalition for Urban River Evaluation ("AFCURE") and funds its share of the water quality monitoring studies performed by AFCURE.

F. The DISTRICT agrees, subject to the following sentence, to support any studies of a flood control dam or dams on Fountain Creek. It is understood that the DISTRICT has no legal authority or obligation to regulate or control stormwater or fund stormwater projects.

**18. No Assignment Without Consent; No Third-Party Beneficiary:** There shall be no assignment of the rights or obligations contained in this Agreement by either Party without the prior written consent by the other Party, and any such assignment shall be null and void. Notwithstanding anything herein to the contrary, upon written notice to the DISTRICT, UTILITIES may assign this Agreement without consent to the City of Colorado Springs, Colorado. Nothing herein shall be construed to give any rights or benefits hereunder to anyone other than UTILITIES and the DISTRICT.

**19. Legal Notice:** Notices under this Agreement, other than the DISTRICT's requests for water and UTILITIES' responses to such requests, shall be given in writing, signed by an authorized representative of the Party giving notice. Telephonic or electronic mail notice is not acceptable. Notices shall be delivered by facsimile, by courier service delivery (such as Federal Express), or by first-class mail to one of the two (2) people specified below at the following addresses and telephone numbers:

**A. For UTILITIES**

**i. Chief Water Services Officer: Earl Wilkinson, III**

Courier Service Address:

Colorado Springs Utilities

ATTN: Chief Water Services Officer

121 S. Tejon St., 5<sup>th</sup> Floor

Colorado Springs, CO 80903

United States Postal Service Address:

Colorado Springs Utilities

ATTN: Chief Water Services Officer

P.O. Box 1103

Colorado Springs, CO 80947-0950

**ii. City Attorney's Office – Utilities Division**

City Attorney's Office

ATTN: City Attorney's Office – Utilities Division  
30 South Nevada Ave, Suite 501  
P.O. Box 1575, Mail Code 510  
Colorado Springs, CO 80901-1575

**B. For the DISTRICT**

**i. District Manager: Roy Heald**

Security Water District  
ATTN: Roy Heald, District Manager  
231 Security Blvd.  
Security, CO 80911

**ii. Steven T. Monson**

Monson, Cummins & Shohet, LLC  
13511 Northgate Estates Drive Suite 250  
Colorado Springs, CO 80921

**20. Governing Law, Jurisdictional and Venue:** This Agreement shall be construed in accordance with the laws of the State of Colorado (except for its conflict of law provisions) as well as the Colorado Springs City Charter and the City Code. The place of performance and transaction of business shall be deemed to be in the County of El Paso, State of Colorado. In the event of litigation, the exclusive venue and place of jurisdiction shall be the State of Colorado and, more specifically, El Paso County, Colorado and, if necessary, for exclusive federal questions, the United States District Court for the District of Colorado.

**21. Force Majeure:** Neither Party shall be liable for delays in performing its obligations to the extent the delay is caused by an unforeseeable condition beyond its reasonable control without fault or negligence, including strikes, riots, wars, floods, fires, explosions, acts of nature, acts of government, or labor disturbance.

**22. Appropriation of Funds:** In accord with the Colorado Springs City Charter, performance of UTILITIES' obligations under this Agreement is expressly subject to appropriation of funds by City Council. In the event funds are not appropriated in whole or in part sufficient for performance of UTILITIES' obligations under this Agreement, or appropriated funds

may not be expended due to City Charter spending limitations, then this Agreement will thereafter become null and void by operation of law, and UTILITIES will thereafter have no liability for compensation or damages to the DISTRICT for future performance and obligations thereafter in excess of UTILITIES' authorized appropriation for this Agreement or the applicable spending limit, whichever is less. UTILITIES will notify the DISTRICT as soon as reasonably practicable in the event of non-appropriation or in the event a spending limit becomes applicable.

**23. Entire Agreement; Modifications to be in Writing:** This Agreement, including any and all appendices and exhibits attached hereto, contains the entire understanding between the Parties. No modification, amendment, notation, or other alteration to this Agreement shall be valid or any force or effect unless mutually agreed to by the Parties in writing as an addendum to this Agreement. At the time of the execution of this Agreement, there are no other terms, conditions, requirements, or obligations affecting this Agreement which are not specifically set forth therein. Electronic mail and all other electronic (including voice) communications from UTILITIES, except as otherwise specifically provided herein, in connection with this Agreement, are for informational purposes only. No such communication is intended by UTILITIES to constitute either an electronic signature or to constitute any agreement by UTILITIES to conduct a transaction by electronic means. Any such intention or agreement is hereby expressly disclaimed.

**24. No Precedent; Severability:** The Parties agree that neither of them intends that this Agreement shall in any way constitute a precedent or standard for any future Agreement, nor vest any rights in either Party or any third party for novation, renewal, modification, or addition of any other rights or services on account of this Agreement's existence, as it is based solely on unique conditions currently existing at the time of execution. Any provision or part of this Agreement held to be void or unenforceable under any laws or regulations shall be deemed stricken, and all remaining provisions shall continue to be binding upon the Parties and this agreement shall be reformed to replace such stricken provision with a new provision that comes as close to possible to expressing the intention of the stricken provision.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on this \_\_\_\_ day of \_\_\_\_\_, 2021.

COLORADO SPRINGS UTILITIES

SECURITY WATER DISTRICT  
Acting by and through its water  
activity enterprise

By: \_\_\_\_\_

Earl Wilkinson, III  
Chief Water Services Officer

By: \_\_\_\_\_

Roy Heald  
District Manager

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael Gustafson  
City Attorney's Office –  
Utilities Division

## APPENDIX A

- A. **Rates:** The DISTRICT agrees to pay UTILITIES for water delivered pursuant to this Agreement at the 2020 Rate of 13.67 cents per cubic foot. To the extent DISTRICT provides fully consumable DISTRICT Water decreed for municipal use to UTILITIES at a location specified by UTILITIES, the DISTRICT will then qualify for a Water Rate Credit of 5.53 cents per cubic foot for water provided on a one-for-one basis pursuant to paragraph 2 of the Agreement. Because components of the City Council approved outside City limits residential and nonresidential potable water rates have been used to calculate both the Rate and Water Rate Credit, the Rate and Water Rate Credit will be adjusted concurrently with changes to UTILITIES' outside city limits residential and nonresidential potable water rates.
- B. **Annualized System Usage Fee:** DISTRICT shall pay an annualized System Usage Fee (SUF) of \$33,330.00 each year during the term of this Agreement and any extensions thereof. The DISTRICT may elect to pay the SUF in one lump sum due by May 1<sup>st</sup> of each year, or it may elect a monthly SUF totaling \$2,775.04 per month. The total SUF charges to the DISTRICT under this Agreement, and under prior and future agreements for the use of the same connection by the DISTRICT shall not exceed \$743,313.00, which is the total SUF for the subject connection at the time of this Agreement.
- C. **Augmentation Rate:** The DISTRICT agrees to pay UTILITIES for return flows purchased as a result of this Agreement the Augmentation Rate (WIG) as approved by City Council. This Augmentation Rate will be adjusted concurrently with changes to UTILITIES' augmentation tariff rate.
- D. **Water Quality Monitoring Fee:** Subject to the provisions of subparagraph 17.E, the DISTRICT shall pay an annualized water quality monitoring fee that will be calculated on a yearly basis. The annual charge will be based on the DISTRICT's *prorata* share of UTILITIES and the DISTRICT's combined yearly wastewater treatment return flows, considering for the DISTRICT's *prorata* share the wastewater return flows that are generated from the water supplied by UTILITIES to the DISTRICT under this Agreement.

## EXHIBIT A

### DISINFECTION PROCEDURES

#### 1.0 PURPOSE

The purpose of this Consecutive Systems Disinfection Protocol Regional Water Service Contract Appendix is to define Colorado Springs Utilities' (Utilities) and the Regional Water Service Contract holder's roles and responsibilities pertaining to potable water main disinfection procedures for Consecutive Systems.

A Consecutive System is defined as a Public Water System that receives some or all its finished water from one or more wholesale systems. Delivery may be through a direct connection or through the distribution system of one or more Consecutive Systems.

The Consecutive System Standard Operating Procedure followed by Colorado Springs Utilities is available upon request.

#### 2.0 SCOPE

The scope of this document is to establish the standard for managing the sanitary practices of connective system water districts. The objective is to protect Utilities' potable water distribution system, public health, prevent waterborne disease outbreaks, and comply with Colorado Primary Drinking Water Regulations.

Disinfection or flushing of the system is required when:

1. The consecutive system is bringing the interconnect into service for the first time,
2. The consecutive system is bringing the interconnect back into service after a period of >72 hours of the line being stagnant or empty, or
3. The consecutive system is bringing the interconnect back into service after repairs or similar event that has compromised the main or opened it to the environment.

#### 3.0 SCHEDULING REQUIREMENTS

Scheduling requirements for a Potable Water Main Disinfection or system flush are as follows:

1. The Operator in Responsible Charge (ORC) of the site receiving water shall notify Utilities' Water Quality Assurance (WQA) at [waterquality@csu.org](mailto:waterquality@csu.org) to schedule a system flush at least two (2) business days prior to date of flush. WQA is not able to accommodate requests for potable water main disinfection or system flush without at least **two (2) business days'** notice.
2. The following information will need to be included when requesting flushing services:
  - o Point of Contact (Name and Phone Number).
  - o Address or Intersection of where the flush will be taking place.
  - o The site ORC and Operations from the consecutive system shall be available at the time of chlorination to assist with any issues that may occur such as valve locations, closed valves, leaks, main breaks, cross connections, or safety concerns.



## **4.0 RESPONSIBILITIES**

This section defines the general responsibilities of stakeholders within Utilities that are directly involved with the disinfection and flushing of potable water mains and connective systems water districts.

### **4.1 COLORADO SPRINGS UTILITIES RESPONSIBILITIES**

- WQA is responsible for the managerial oversight of all chlorination injections, disinfections, system flushing, chlorine neutralization and system monitoring during dewatering activities.
- Utilities' Distribution and Collection Specialist is considered the ORC of all Utilities' potable mains under the control of the assigned specialist. This encompasses legal responsibility of all distribution system pipelines being operated and maintained.

### **4.2 CONSECUTIVE SYSTEM OPERATIONS/ MANAGEMENT**

- Public Water Systems that receive water from Utilities will be considered the ORC downstream of the demarcation/interconnect valve. This encompasses legal responsibility of all distribution system pipelines being operated and maintained. Responsibilities include, but are not limited to the following:
  - The oversight authority of the operation of the consecutive water district potable water distribution system.
  - Placement and providing a containment structure large enough to retain six times the volume of water to be discharged if an adequate storm intake is not available or the water cannot otherwise be properly managed.
  - Overseeing the operation of pressure regulation equipment, cross connection and system control valves.
  - ORC is responsible for the operation and maintenance of the cross-connection device, to include state certified cross connection control technician simultaneously testing its backflow assembly to ensure proper operation.

## **5.0 OPERATIONAL PROCEDURES**

### **5.1 INITIAL START-UP OF A CONSECUTIVE SYSTEM**

Prior to the initial start-up of a consecutive system:

- WQA will work with the Utilities site ORC and the consecutive system ORC to disinfect the main
- Utilities will conduct bacteriological testing.
- Utilities will notify the consecutive system ORC of a bacteriological testing once results are confirmed, typically within 24 hours. If results are negative, Utilities will open the demarcation valve and the consecutive system ORC will operate their valve and place the main into service.

#### 5.2 TEMPORARY SHUT DOWNS (>72 HOURS):

- The consecutive system ORC or representative will notify Water Operations when water supply is no longer needed.
- Water Distribution Operations will close demarcation valve. NOTE: Under no circumstance should a water main be left isolated for longer than 72 hours after confirmation. Additional sampling, disinfection, and flushing may be required if main is left isolated >72 hours.

#### 5.3 TEMPORARY SHUT DOWNS (<72 HOURS)

- Utilities will conduct bacteriological testing. Utilities will notify the consecutive system ORC of bacteriological testing once results are confirmed, typically within 24 hours. If results are negative, CSU will open demarcation valve and the consecutive system ORC will operate their valve and place the main in service.

#### 5.4 EMERGENCY START-UP:

The following are steps toward disinfecting and dewatering:

- Water Operations receives the emergency call from the consecutive system ORC requesting water.
  - Note: It is expected that Utilities has at least 24 hours of response time for all requests for water.
- WQA coordinates valve operation and discharge locations with water Distribution Operations and the consecutive system ORC.
- WQA will facilitate the chlorination and dewatering process and manage discharge protocols.
- Following dewatering, WQA will collect, document, and deliver a bacteriological sample to Laboratory Services for analyses. Bacteriological results will be provided to the consecutive system ORC approximately 24 hours from sample collection.

## 6.0 PROCESS

### 6.1 FLUSHING

When the connecting main has been empty or stagnant (for example, valved off during low consumption periods) for > 72 hours and the main has not been compromised in any way, a disinfection is not required.

- Utilities' WQA team will be responsible for managing all waters associated with dewatering, to include de-chlorination and pH mitigation if necessary.
- Operations from the consecutive system will be responsible for BMP placement and providing a containment structure large enough to retain six times the volume of water to be discharged if an adequate storm intake is not available or the water cannot otherwise be properly managed.
- Flushing will be complete when the volume of the main has been turned over three times or line residual and clarity have been reached.

- After flushing, WQA personnel will collect a bacteriological from Utilities' side of the interconnect closest to the demarcation valve to ensure water being delivered meets all Safe Drinking Water Act standards. This analysis takes approximately 24 hours to complete. Water will not be delivered until the sample has been read and authorized as absent of total coliform.
- If requested, Utilities personnel may also collect a bacteriological sample from the consecutive system side of the interconnect.

## 6.2 DISINFECTION

Disinfection is required when the connecting main is brought into service for the first time or when the main has been compromised in any way, such as during repairs or breaks.

- WQA personnel will be responsible for determining which disinfection method is most appropriate. WQA personnel will also be responsible for all aspects of water management during disinfection and flushing.
- Operations from the consecutive system will be responsible for BMP placement and providing a containment structure large enough to retain six times the volume of water to be discharged if an adequate storm intake is not available or the water cannot otherwise be properly managed.
- If disinfection activities must occur downstream of the demarcation valve, Utilities will function as a contractor if requested by the consecutive system. These activities are a courtesy to the consecutive system and Utilities holds no liability for infrastructure damage or contamination. Additionally, the consecutive system will be responsible for all time and material costs incurred by Utilities in associated with the disinfection. Operations from the consecutive system will be responsible for operating all appurtenances and valves on their system.

## 6.3 SAMPLING REQUIREMENTS

At the consecutive system location, WQA will verify the disinfection concentration meets acceptable levels, perform a clarity check, confirm free chlorine residual, and collect bacteriological samples.

### Bacteriological Sampling Points

WQA will collect bacteriological samples from:

- The closest possible appurtenance to the tie-in point.
- The furthest appurtenance on each leg of the main.
- Every 1,000 linear feet of main.

### Water Quality Check

- WQA will perform a water quality check, confirming free chlorine residual is >0.20 mg/L and collect a bacteriological sample at the closest possible appurtenance to the demarcation point and downstream of the demarcation valve, if requested.
- Results are read within 18 to 24 hours from sample set-up time.

- If the result is “absence” for total coliform, the Laboratory Services Section (LSS) Microbiology Lab will contact the site ORC that the sample “passed”.
- Potable water mains should be placed back into service immediately following an “absence” result for total coliform

Note: Under no circumstance should a water main be left isolated for longer than 72 hours after confirmation. Additional sampling, disinfection, and flushing may be required if main is left isolated >72 hours.

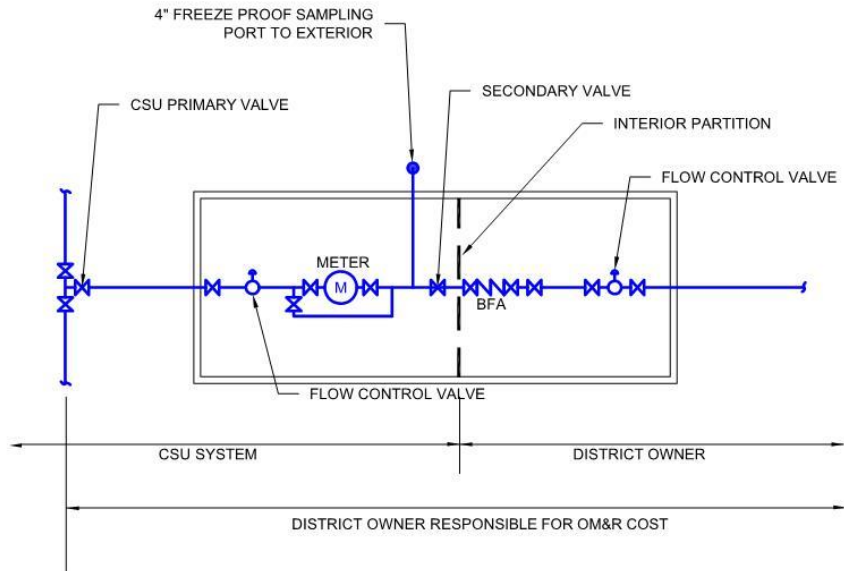
**Bacteriological Resampling**

If a bacteriological sample analysis results in “presence” for total coliform, the potable water main in question shall remain isolated and will be re-sampled

- Resampling a bacteriological sample after the first failure event.
  - If a sample results in “presence” for total coliform, TWO additional bacteriological samples will need to be taken from the isolated point of failure.
  - Samples will be collected within 48 hours of the first failure, at least 16 hours apart.
  - Both repeat samples collected must be absent of total coliforms before the infrastructure can be turned into service.
- Resampling a bacteriological sample if there is a SECOND failure event.
  - Sample will be collected within 48 hours of the first failure, at least 16 hours apart.
  - Both repeat samples collected must be absent of total coliforms before the infrastructure can be turned into service.
  - If the results are “absent” for total coliform, the LSS Microbiology Lab will contact the site ORC that the samples “passed”.
  - Consecutive system water district can be placed in service.
- In the event of a THIRD failure:
  - If the main fails a third time after disinfection, it will be considered contaminated. At the discretion of the LSS Manager and WQA Supervisor, more extensive mitigation strategies will be implemented, up to and including removal and replacement of the contaminated section of the main.

## EXHIBIT B

### CLEARVIEW CONNECTION CONFIGURATION



**NOTE:**

1. COLORADO SPRINGS UTILITIES OWNERSHIP IS FROM THE CSU DISTRIBUTION SYSTEM AND INCLUSIVE OF THE PRIMARY VALVE. ALL OTHER RESPONSIBILITIES ARE DEFINED HEREIN AS AS DETAILED IN AN EXECUTED LICENSE AGREEMENT.
2. DISTRICT IS RESPONSIBLE FOR ALL INFRASTRUCTURE, EQUIPMENT AND FACILITIES LOCATED DOWNSTREAM AND INCLUSIVE OF THE SECONDARY VALVE.
3. PRIMARY FLOW CONTROL AND METER SHALL BE OWNED AND MAINTAINED BY CSU.
4. CSU WILL PROVIDE DISCRETE FLOW CONTROL AND METER SIGNAL TO DISTRICT OWNER FOR THEIR EXCLUSIVE USE. NO ACCESS TO CSU SCADA SYSTEM WILL BE PROVIDED.
5. CSU WILL BE RESPONSIBLE FOR OPERATING PRIMARY FLOW CONTROL, METER AND ISOLATION VALVES ASSOCIATED WITH THE REFERENCED EQUIPMENT.
6. DISTRICT SHALL PROVIDE SECURE INGRESS/EGRESS TO CSU AND DISTRICT OWNED PORTIONS OF THE FACILITY.
7. OPERATION, MAINTENANCE AND REPLACEMENT OF ALL EQUIPMENT, FACILITY AND APPURTENANCES SHALL BE THE RESPONSIBILITY OF THE DISTRICT AS DEFINED IN AN EXECUTED LICENSE AGREEMENT.



**DISTRICT CONNECTION  
TO COLORADO SPRINGS UTILITIES**

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DATED 11/2020