AGENDA

Transportation, Airports and Public Works

Thursday, July 23, 2026, 12:00 p.m.
VIRTUAL MEETING

Council Member Gianina Horton, Chair
Council Member Amy Wiles, Vice-Chair
Council Member Rob Andrews, Member

Microsoft Teams Meeting Link
Listen to audio only:
Dial: 720-388-8447
Phone Conference ID: 270 400 798#

Goal: Ensure excellent infrastructure that is well maintained and operated.

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7. Confirm Next Meeting

7.a Thursday, August 27, 2026, 12:00 p.m. - Aurora Room

Transportation, Airports and Public Works (TAPS) Policy Committee Meeting

June 25, 2026

Members Present:	Council Member (CM) Amy Wiles, Vice-Chair, Council Member (CM) Rob Andrews, Member
Members Absent:	Council Member (CM) Gianina Horton, Chair
Others Present:	C. Sporich, C. Campuzano, C. Colip, L. Callanen, M. Smith, M. Bryant, C. Valencia, S. Bauman, K. Muehlemeyer, A. Morris, M. Tamburro, G. Renner, T. Worker-Braddock, L. Perry

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1. WELCOME AND INTRODUCTION

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2. APPROVAL OF MARCH 26, 2026 MEETING MINUTES

The May 21, 2026 minutes were approved.

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3. CONSENT ITEMS

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4. GENERAL BUSINESS

4.a Intergovernmental Agreement (IGA) Amendment No. 1 with Colorado Department of Transportation (CDOT) for Box Elder Creek Roadway Erosion and Flood Protection Project (Resolution)

Summary of Issue and Discussion:
C. Valencia, TPD Manager, presented on the IGA between CDOT and the City of Aurora for the Box Elder Creek Roadway Erosion and Flood Protection Project. She stated the project is located at 56th and Hudson, in northeast Aurora, where the roadway washed out due to severe flooding along Box Elder Creek. She said they received a PROTECT (Promoting Resilient Operations for Transformative, Efficient, and Cost-Saving Transportation) grant in 2023 for funding the project, and they have been working on design since then. She explained the project will reconstruct the roads, which will reduce flood risk. The final design was submitted and is awaiting CDOT and Federal Highway Administration (FHWA) approval, with plans to start construction in late 2026/early 2027 and completed by late 2027/early 2028. She expressed the Project Grant was for $10.8 million, with a $3.5 million local match from the city, and they had over-match they planned to use from city road maintenance funds for $3.6, so the total project budget is $17.9 million. C. Valencia stated they also received congressionally directed spending of $500,000, which required a local match of $125,000. Total funding is taken from the city's roads maintenance program; with the congressionally directed spending, there is a reduced overmatch requirement from the

city and the project budget remains the same but an IGA amendment is required. The amendment is presented to Committee today. C. Valencia discussed the IGA Amendment execution timeline, and she asked the Committee if they approve the resolution and IGA to move forward directly to the next Regular City Council Meeting and to skip reconsideration.

Committee Discussion:
CM Andrews asked how much time they had in order to get the IGA executed.

C. Valencia answered they were asked to get it executed by mid-July. She said they can hit that timeline if they go straight to the Regular Meeting and without the reconsideration.

CM Andrews inquired if the other council members were familiar with this IGA.

C. Valencia responded they took the IGA to Study Session and Regular Meeting last year.

L. Perry added they have traditionally done this expedited process when receiving grants with timelines to get approval in time to receive the outside dollars and meet grant requirements She expressed they were happy to send an email to Council to give them a heads up this is coming forward, why it is coming forward quickly, and a little about the project scope.

CM Andrews stated that worked for him.

Outcome:
Information only.

Follow-up Action:
No follow-up is needed.

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5. MISCELLANEOUS MATTERS

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6. ANTICIPATED TOPICS FOR NEXT MEETING

- Denver Regional Council of Governments (DRCOG) presentation
- Fuels Grant Update

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7. MISCELLANEOUS MATTERS

The next meeting was confirmed for July 23, 2026, at 12 p.m., in the Aurora Room.

Approved: ____
CM Gianina Horton, Committee Chair **Date**

CITY OF AURORA
Council Agenda Commentary

Item Title: Fuels Impact Reduction Grant Program Update	
Item Initiator: Carlie Campuzano, Deputy Director of Transportation & Mobility, Public Works	
Staff Source/Legal Source: Carlie Campuzano, Deputy Director of Transportation & Mobility, Public Works, Sean Hays, Senior Project Engineer, Public Works / Michelle Gardner, Sr. Assistant City Attorney	
Outside Speaker: N/A	
Strategic Outcome: Well-Managed: High performing organization, committed to great customer service, innovation, continuous improvement, fiscal stewardship, and maintaining critical infrastructure.	

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

2nd Regular Meeting (if applicable): N/A

Item requires a Public Hearing: ☐ Yes ☒ No

ITEM DETAILS *(Click in highlighted area below bullet point list to enter applicable information.)*

- Waiver of reconsideration requested, and if so, why
- Sponsor name
- Staff source name and title / Legal source name and title
- Outside speaker name and organization
- Estimated time: (For Study Session items only indicate combined time needed for presentation and discussion)

Fuels Impact Reduction Grant Program Update

Staff Source/Legal Source: Carlie Campuzano, Deputy Director of Transportation & Mobility, Public Works, Sean Hays, Senior Project Engineer, Public Works / Michelle Gardner, Sr. Assistant City Attorney

Estimated Presentation/Discussion Time: 10/5

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

☐ Approve Item and Move Forward to Study Session

☐ Approve Item as Proposed at Policy Committee

☐ Approve Item and Move Forward to Regular Meeting

☐ Approve Item as Proposed at Study Session

☒ Information Only

☐ Approve Item as Proposed at Regular Meeting

☐ Approve Item with Waiver of Reconsideration
Reason for waiver is described in the Item Details field above.

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Transportation, Airports & Public Works

Policy Committee Date: 6/12/2025

Action Taken/Follow-up: ***(Check all that apply)***

☐ Recommends Approval ☐ Does Not Recommend Approval

☐ Forwarded Without Recommendation ☐ Minutes Not Available

☒ Minutes Attached

HISTORY *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

At the June 12, 2025 TAPS Policy Committee meeting, City staff presented a funding IGA with the Colorado Department of Transportation (CDOT) for the Fuels Impact Reduction Grant Program. The Policy Committee supported the IGA (attached), and the IGA was fully executed by the City on August 25, 2025.

ITEM SUMMARY *(Brief description of item, discussion, key points, recommendations, etc.)*

The Fuels Impact Reduction Grant Program (the "Grant Program") was created by the State of Colorado to provide grants to certain critically impacted communities, governments, and transportation corridors, for the improvement of their hazardous mitigation corridor infrastructure and to support local and state government projects related to emergency responses, environmental mitigation, or projects related to the transportation of fuel within the State. The Fuels Impact Enterprise (the "Enterprise") was created, in part, to administer the Grant Program. As part of the Grant Program, the Enterprise distributes $10,000,000.00 annually from the Fuels Impact Enterprise Cash Fund (the "Fund") to political subdivisions for the improvement of hazardous mitigation corridors in the State.

The distribution amounts are directly correlated to the percentage of fuel distribution that originates in each jurisdiction. Since 20% of the State's fuel is distributed from the City of Aurora, Aurora will receive $2,000,000 annually from the Fund for 2025-2029, for a total amount of $10,000,000 over a five (5) year period.

The Grant Funds must be used for the improvement of hazardous mitigation corridors such as Smith Road, Tower Road, Airport Boulevard, and Chambers Road, in Aurora's jurisdiction; prioritizing uses related to safety and environmental impacts.

As a Fund recipient, the City established a spending plan for funds, and will ensure that the funds are encumbered or prioritized by January 2030.

To select projects for this funding, the City first identified a list of projects, prioritized the projects, and then selected the highest scoring projects for funding.

Project identification involved reviewing the hazardous materials corridors and historic resident and stakeholder feedback along the corridors. Staff also reviewed previous studies and improvements recommended by past projects, including the Smith Road Mulitmodal Project, the RTD Hazardous Materials Routing Study, Connecting Aurora, Safety Action Plan, and traffic studies prepared by adjacent developments. In total, 16 projects along these corridors were identified for project scoring.

Projects were all scored using the City's project priorization criteria and goals in Connecting Aurora. These criteria include safety, fiscal capacity, complete streets considerations, network connectivity and completeness, cost/daily trip served, and environmental benefits.

The two highest scoring projects are the Tower Road & Smith Road intersection improvements project and the Airport Boulevard & Smith Road intersection improvement project. Both projects include upgrades to turn lanes and traffic signal phasing and operations. Designing and constructing both projects is estimated to cost about $10M, which will be paid for with grant funds from 2026-2030. An approximate funding breakdown is provided in the following table:

Project	***Budget***	***Year(s)***
Tower Rd & Smith Rd Design	$ 465,000	2026/2027
Tower Rd & Smith Rd Construction	$3,535,000	2028/2029
Airport Blvd & Smith Rd Design	$500,000	2028/2029
Airport Blvd & Smith Rd Construction	$5,500,000	2029/2030
Total	**$10,000,000**	

City staff is currently working on the design of the Smith Road & Tower Project. Once construction costs are solidified, the design of the Airport Blvd & Smith Road project will begin.

Additional information will be provided during the presentation.

FISCAL IMPACT

Select all that apply. (If no fiscal impact, click that box and skip to "Questions for Council")

☐ Revenue Impact ☐ Budgeted Expenditure Impact ☐ Non-Budgeted Expenditure Impact
☐ Workload Impact ☒ No Fiscal Impact

REVENUE IMPACT

Provide the revenue impact or N/A if no impact. (What is the estimated impact on revenue? What funds would be impacted? Provide additional detail as necessary.)

N/A

BUDGETED EXPENDITURE IMPACT

Provide the budgeted expenditure impact or N/A if no impact. (List Org/Account # and fund. What is the amount of budget to be used? Does this shift existing budget away from existing programs/services? Provide additional detail as necessary.)

N/A – a previous IGA addressed the budgeted impact and revenue

NON-BUDGETED EXPENDITURE IMPACT

Provide the non-budgeted expenditure impact or N/A if no impact. (Provide information on non-budgeted costs. Include Personal Services, Supplies and Services, Interfund Charges, and Capital needs. Provide additional detail as necessary.)

N/A

WORKLOAD IMPACT

Provide the workload impact or N/A if no impact. (Will more staff be needed or is the change absorbable? If new FTE(s) are needed, provide numbers and types of positions, and a duty summary. Provide additional detail as necessary.)

N/A

QUESTIONS FOR COUNCIL

This item is for information only.

LEGAL COMMENTS

The City Manager shall be responsible to Council for the proper administration of all affairs of the City placed in his charge and to make written or verbal reports to Council concerning the affairs of the City under his supervision. Additionally, the City Manager shall keep Council advised of the future needs of the City and make such recommendations to Council for adoption as he may deem necessary or expedient. (City Charter Sections 7-4(e) and 7-4(f)). (M. Gardner)

TAPS

July 23, 2026

- Carlie Campuzano
- Sean Hays

Fuels Impact Reduction Grant Program Update

Information Only

Agenda

- **Fuels Impact Reduction Grant Overview**
  - Funding
  - Hazardous Mitigation Corridors
- **Project Selection Process**
  - Project identification
  - Prioritization criteria
  - Project selection
- **Priority Project Update**
  - Project scope
  - Project timeline
  - Project funds

COLORADO
Department of Transportation
Fuels Impact Enterprise

Grant Overview

The grant is administered through the State of Colorado. An IGA was executed between Aurora and CDOT in August 2025, which was presented to TAPS in June of 2025.

The goals of the Grant Program are to:

1. Provide grants to critically impacted communities, governments, and transportation corridors for the improvement of hazardous mitigation corridors;
2. Support local and state government projects related to emergency responses, environmental mitigation, or projects related to the transportation of fuel within the State.

Magellan Midstream Partners Fuel Distribution facility at the intersection of Smith Road and Chambers Road

Vicinity Map

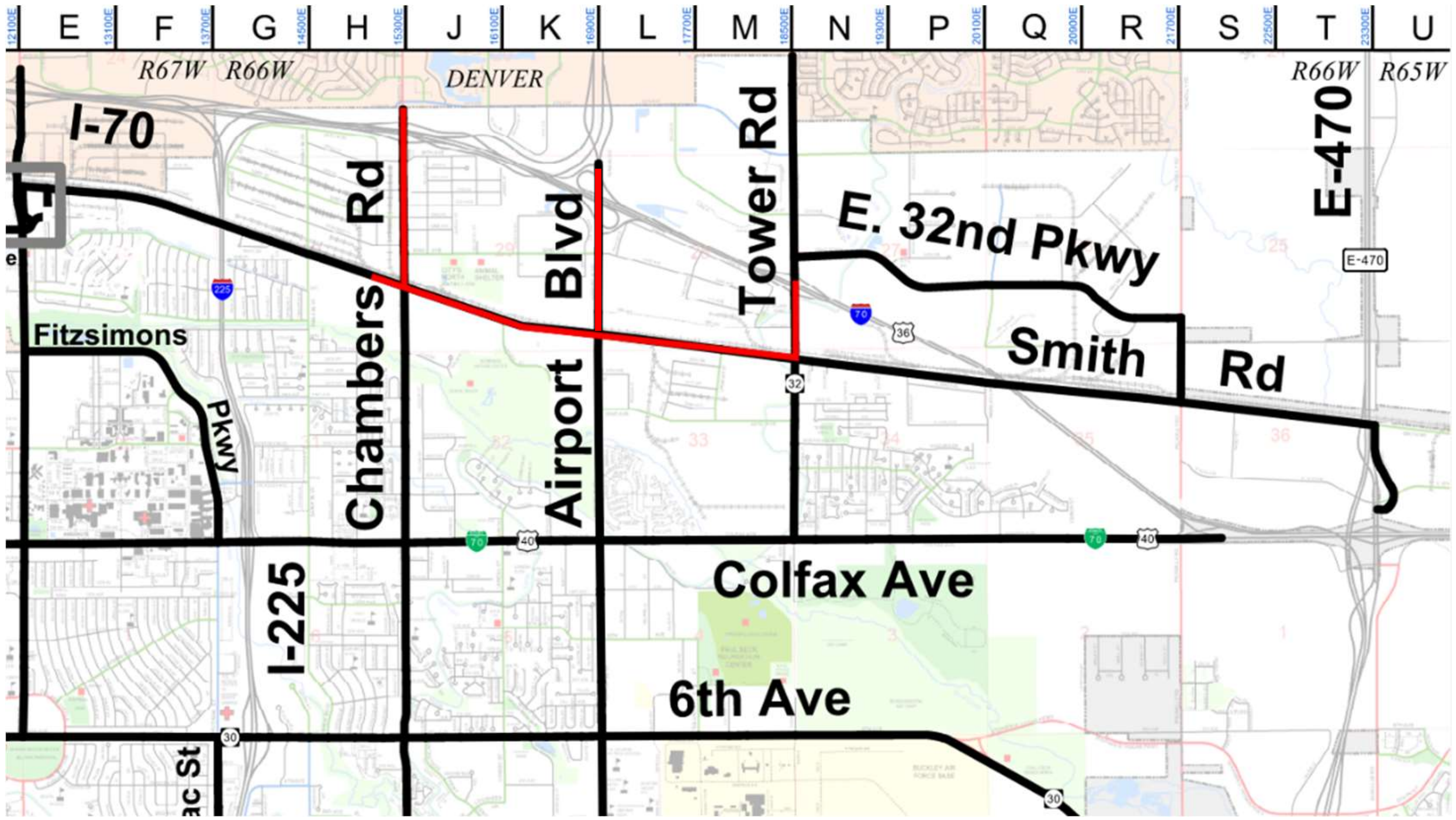
Funding Details

- The state distributes $10M annually from an enterprise created as part of the grant program
- 20% of the state's fuel is distributed from the City of Aurora, so Aurora will receive 20% of the revenue
- Aurora will receive $2M/year for 5-years ($10M total)
- To date, Aurora has received $4M total from the grant program
- No match is requested/required

COLORADO
Department of Transportation

Hazardous Mitigation Corridors

- **Smith Road** from Chambers Road to Tower Road
- **Chambers Road** From I-70 to Smith Road
- **Tower Road** from I-70 to Smith Road
- **Airport Boulevard** from I-70 to Smith Road



Project Selection Process

<u>Project Identification</u>

Data collection and review of eligible projects

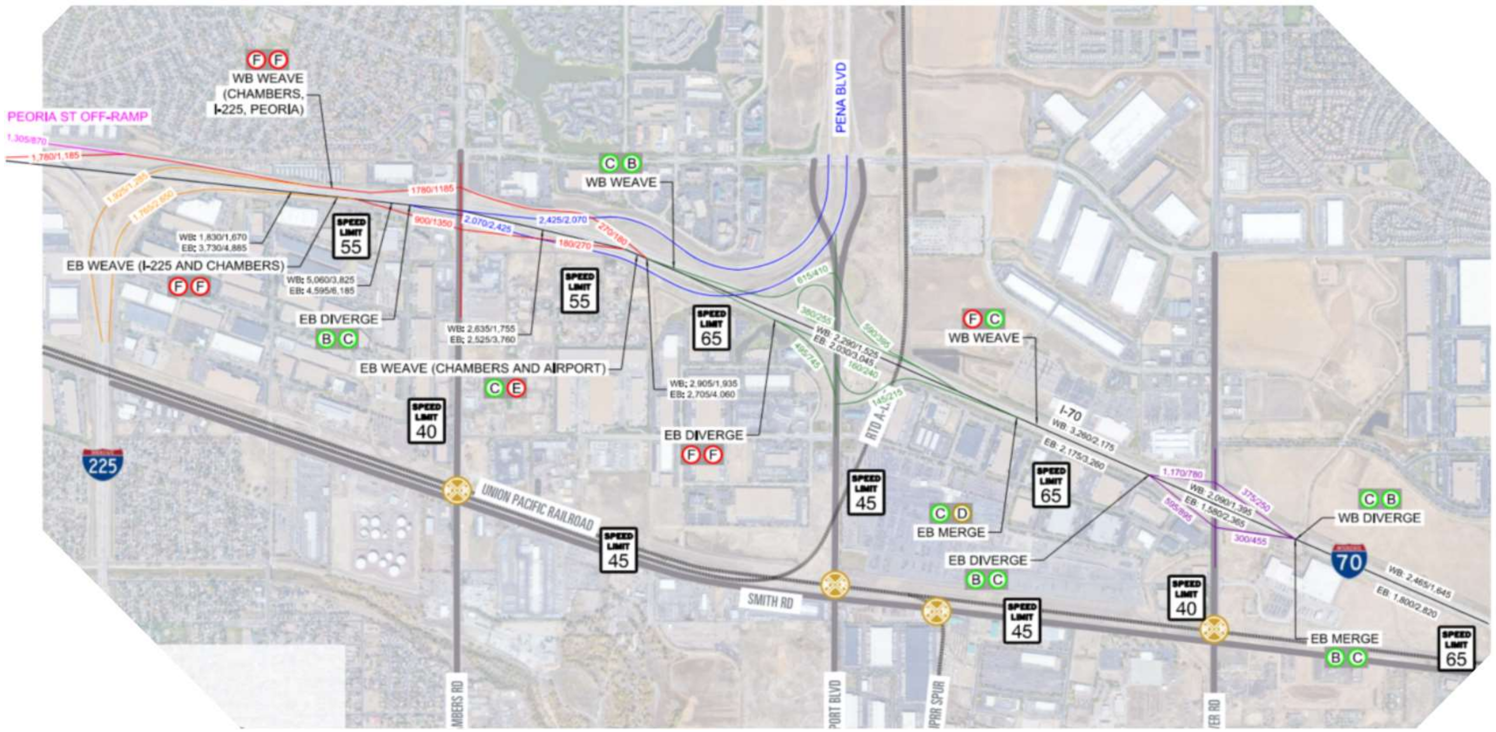
<u>Project Prioritization</u>

Potential projects were scored per prioritization criteria

<u>Project Selection</u>

Highest scoring projects were selected to advance to the design phase

Project Identification



- Review of the Hazardous Materials Corridors and resident/stakeholder feedback
- Improvements recommended in City Projects, including:
  - Smith Road Multimodal Project
  - Hazardous Materials Routing Study
  - Connecting Aurora
  - Safety Action Plan
- Improvements recommended in traffic reports prepared by private development adjacent to the corridors
- **16 total projects identified**

Prioritization Criteria

Safety
(1) Project provides safety improvements for high severity crashes or reduces crashes at a specific location
(2) Project may provide a 15% or more reduction in relevant crashes as identified by DRCOG Crash Reduction Criteria

Fiscal Capacity
This criteria include the probability that a project can leverage other funding sources and reimbursenment opportunities.

Meets complete streets framework
(1) Project serves a high number of users (> 5.000 per day)
(2) Project facilitates alternate modes of transportation (bike, ped, etc.)
(3) Project provides a parallel route to minimize travel delays and out of direction travel

Network Connectivity & Completeness
(1) Project is within a criticral corridor or "hot spot"
(2) Project addresses out of direction travel. bottleneck, congestion, or improved operation
(3) Project closes a network gap.
(4) Project connects areas to key activity centers

Cost/ Daily Trip Served
This criteria is a relative measure of cost effectiveness for the project. The metric provides a comparison between the Total Planning Level Cost Estimate and existing traffic volumes.

Environmental Benefit
Does the project provide a benefit to known environmentally sensitive resources or provide a regional environmental benefit

Project Selection

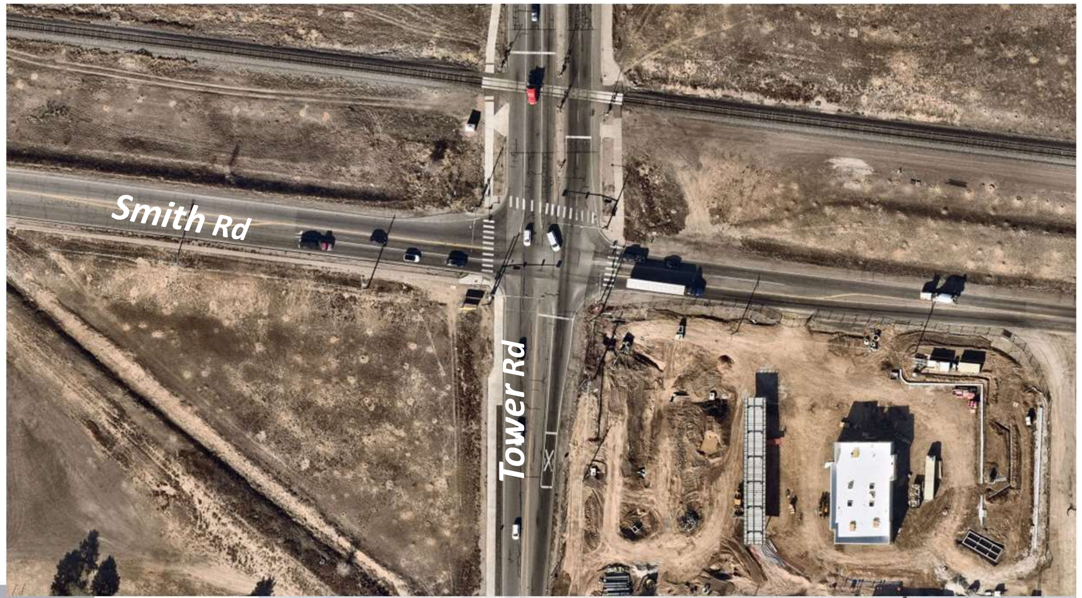
- Top-ranked projects:
  - Tower Rd & Smith Rd intersection improvements
  - Airport Blvd & Smith Rd intersection improvements

Project Name	Safety	Cost/ Daily Trip Served	Network Connectivity and Completeness	Asset Management Impact	Meets Complete Streets Framework	Environmental Benefit	Project Cost	Total Weighted Score	Project Rank
Weighting Factor	6	5	6	5	4	2	2		
Project Name	Safety	Cost/ Daily Trip Served	Network Connectivity and Completeness	Asset Management Impact	Meets Complete Streets Framework	Environmental Benefit	Project Cost	Total Weighted Score	Project Rank
Tower/Smith Intersection Improvements - Small Scope	3	6	9	9	0	3	9	171	1
Airport/Smith Intersection Improvements	3	6	9	9	0	0	9	165	2
Tower/I70 Intersection Improvements - Medium Scope	3	6	6	9	6	0	3	159	3
Tower/I70 Intersection Improvements - Small Scope	3	9	6	0	3	0	9	129	4
Right Turn Lane at Smith/Chambers	3	6	6	0	6	0	9	126	5
Tower/32nd Intersection Improvements	0	9	6	0	6	0	9	123	6
Tower/Smith Intersection Improvements - Full Scope	3	3	9	0	3	9	3	123	6
Smith Rd Curve	6	6	3	0	3	0	9	114	8
Tower/I70 Intersection Improvements - Full Scope	3	3	9	0	6	0	0	111	9
Smith Rd Pond	0	0	3	-3	3	4	6	35	10

*Projects highlighted in red are recommened to advance to design and construction as funding becomes available

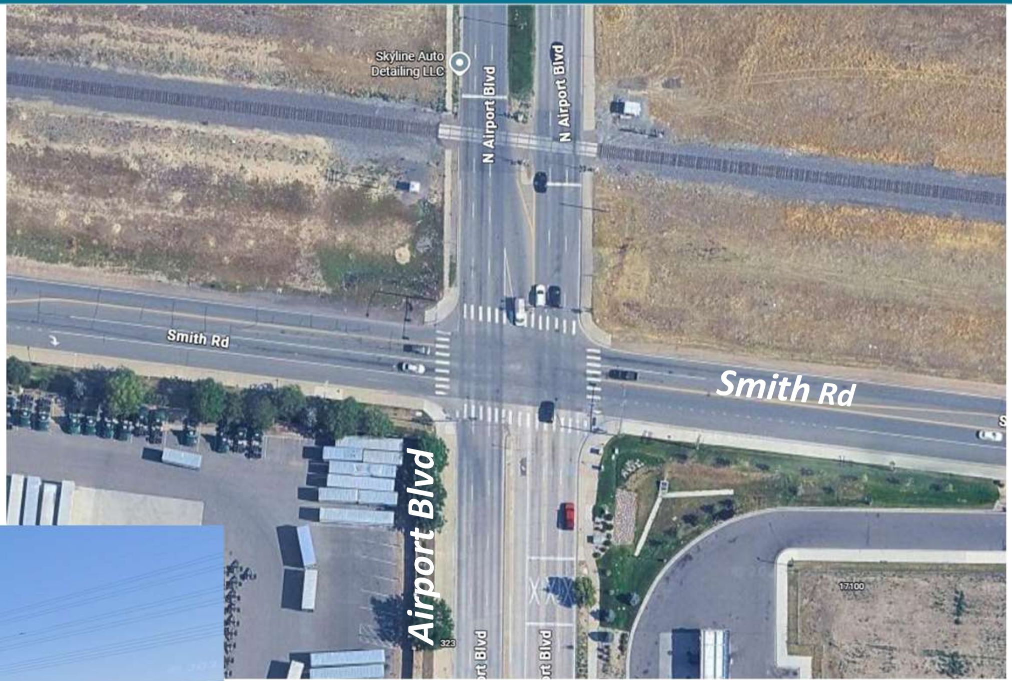
Project Scope – Tower & Smith

- Widen Tower Rd to provide a northbound right-turn lane
- Widen Smith Rd to improve the southbound to eastbound right turn
- Install a new traffic signal and interconnect to the Union Pacific Railroad crossing. Update signal phasing to accommodate left-turns more efficiently



Project Scope – Airport & Smith

- Improvements to the southbound left-turn lane and signal phasing
- Reconstruction of curb returns and curb access ramps to help facilitate truck turning movements
- Install a new traffic signal and interconnect to the Union Pacific Railroad crossing. Update signal phasing to accommodate left-turns more efficiently



Project Funds

- All project funding is from the FIR grant
- Construction funding is anticipated based on conceptual estimates.
- An early action item in design is to finalize the project layout and develop a construction cost estimate

Project	***Budget***	***Year(s)***
Tower Rd & Smith Rd Design	$ 465,000	2026/2027
Tower Rd & Smith Rd Construction	$3,535,000	2028/2029
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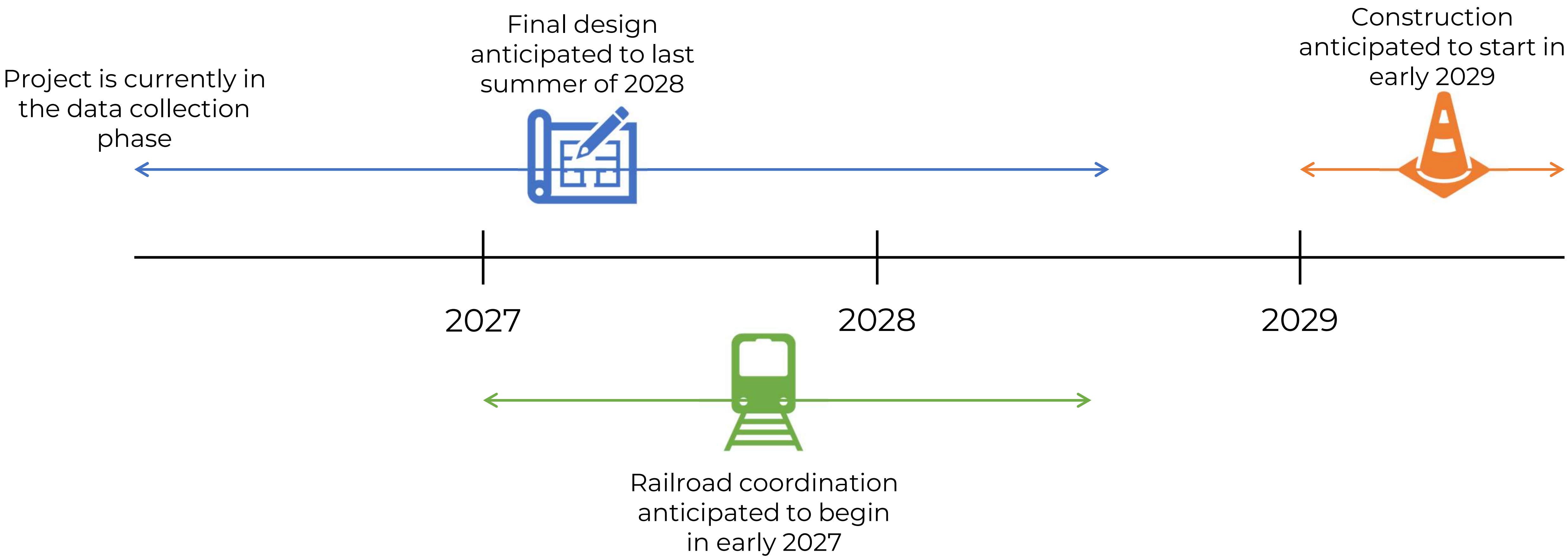
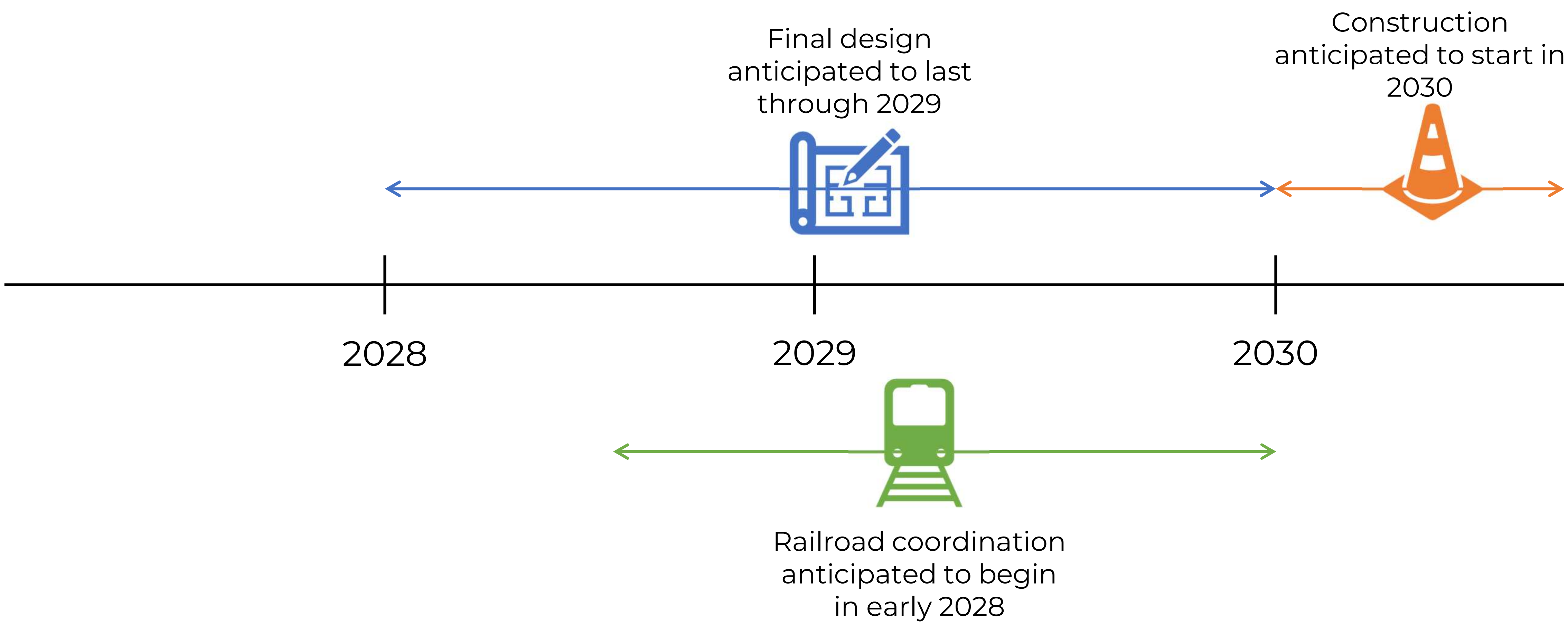
Airport Blvd & Smith Rd Construction	$5,500,000	2029/2030
Total	**$10,000,000**	

Tower & Smith Project Timeline



Airport & Smith Project Timeline



Questions

STATE OF COLORADO GRANT AGREEMENT

COVER PAGE

State Agency
Fuels Impact Enterprise

Grantee
City of Aurora

Grant Maximum Amount

State Fiscal Year Funds 2025	$2,000,000.00
Total for all State Fiscal Years	$2,000,000.00

Agreement Number/PO Number
26-HTD-ZL-00193/491003900

Agreement Performance Beginning Date
The Effective Date

Initial Agreement Expiration Date
December 31, 2029

Fund Expenditure End Date
December 31, 2029

Agreement Authority
Authority to enter into this Agreement exists in §§43-1-106, 43-1-110, 43-1-117, 43-2-101(4)(c), 43-4-811(2), 43-4-1506, C.R.S; and Senate Bill 23-280.

Agreement Purpose
The purpose of this Agreement is for Grantee to improve hazardous mitigation corridors in Grantee's jurisdiction in accordance with the State of Colorado Fuels Impact Reduction Grant Program.

Exhibits and Order of Precedence
The following Exhibits and attachments are included with this Agreement:
1. Exhibit A, Statement of Work and Budget.
2. Exhibit B, Sample Option Letter.
3. Exhibit C, Title VI-Civil Rights.

In the event of a conflict or inconsistency between this Agreement and any Exhibit or attachment, such conflict or inconsistency shall be resolved by reference to the documents in the following order of priority:
1. Exhibit C, Title VI-Civil Rights.
2. Colorado Special Provisions in **§17** of the main body of this Agreement.
3. The provisions of the other sections of the main body of this Agreement.
4. Exhibit A, Statement of Work and Budget.
5. Executed Option Letters (if any).

Principal Representatives

For the State:
Craig Hurst
Department of Transportation
2829 W. Howard Place
Denver, CO 80204
craig.hurst@state.co.us

For Grantee:
Jason Batchelor
City of Aurora
15151 E. Alameda Parkway
Aurora, CO 80012
jbatchel@auroragov.org

SIGNATURE PAGE

THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT

Each person signing this Agreement represents and warrants that the signer is duly authorized to execute this Agreement and to bind the Party authorizing such signature.

GRANTEE City of Aurora DocuSigned by: By: Michelle Gardner CC19FD03C0C749A... Michelle Gardner, Senior Assistant City Attorney Date: 8/13/2025	**GRANTEE** City of Aurora DocuSigned by: By: Kadee Rodriguez 00BFFB2D180A492... Kadee Rodriquez, City Clerk Date: 8/15/2025
GRANTEE City of Aurora DocuSigned by: By: Mike Coffman 6BED1A94972549D... Mike Coffman, Mayor Date: 8/15/2025	**STATE OF COLORADO** Jared S. Polis, Governor Department of Transportation Fuels Impact Enterprise Signed by: By: Darius R. Pakbaz D0057E880BF44D... Darius Pakbaz, Program Administrator Date: 8/25/2025

In accordance with §24-30-202, C.R.S., this Agreement is not valid until signed and dated below by the State Controller or an authorized delegate.

STATE CONTROLLER
Robert Jaros, CPA, MBA, JD

DocuSigned by:
Lori Copeland
BDA801C5CFAC478...
By: Department of Transportation

Effective Date: 8/25/2025

TABLE OF CONTENTS

1. PARTIES

This Agreement is entered into by and between Grantee named on the Cover Page for this Agreement (the "Grantee"), and the STATE OF COLORADO acting by and through the State agency named on the Cover Page for this Agreement (the "State"). Grantee and the State agree to the terms and conditions in this Agreement.

2. TERM AND EFFECTIVE DATE

A. Effective Date

This Agreement shall not be valid or enforceable until the Effective Date, and the Grant Funds shall be expended by the Fund Expenditure End Date shown on the Cover Page for this Agreement. The State shall not be bound by any provision of this Agreement before the Effective Date, and shall have no obligation to pay Grantee for any Work performed or expense incurred before the Effective Date, except as described in **§5.D**, or after the Fund Expenditure End Date. If the Work will be performed in multiple phases, the period of performance start and end date of each phase is detailed under the Project Schedule in **Exhibit A**.

B. Initial Term

The Parties' respective performances under this Agreement shall commence on the Agreement Performance Beginning Date shown on the Cover Page for this Agreement and shall terminate on the Initial Agreement Expiration Date shown on the Cover Page for this Agreement (the "Initial Term") unless sooner terminated or further extended in accordance with the terms of this Agreement.

C. RESERVED

D. End of Term Extension

If this Agreement approaches the end of its Initial Term, or any Extension Term then in place, the State, at its discretion, upon written notice to Grantee in a form substantially equivalent to the Sample Option Letter attached to this Agreement, may unilaterally extend such Initial Term or Extension Term for a period not to exceed two months (an "End of Term Extension"), regardless of whether additional Extension Terms are available or not. The provisions of this Agreement in effect when such notice is given shall remain in effect during the End of Term Extension. The End of Term Extension shall automatically terminate upon execution of a replacement Agreement or modification extending the total term of this Agreement.

E. Early Termination in the Public Interest

The State is entering into this Agreement to serve the public interest of the State of Colorado as determined by its Governor, General Assembly, or Courts. If this Agreement ceases to further the public interest of the State, the State, in its discretion, may terminate this Agreement in whole or in part. A determination that this Agreement should be terminated in the public interest shall not be equivalent to a State right to terminate for convenience. This subsection shall not apply to a termination of this Agreement by the State for Breach of Agreement by Grantee, which shall be governed by **§12.A.i**.

i. Method and Content

The State shall notify Grantee of such termination in accordance with **§14**. The notice shall specify the effective date of the termination and whether it affects all or a portion of this Agreement, and shall include, to the extent practicable, the public interest justification for the termination.

ii. Obligations and Rights

Upon receipt of a termination notice for termination in the public interest, Grantee shall be subject to the rights and obligations set forth in **§12.A.i.a**.

iii. Payments

If the State terminates this Agreement in the public interest, the State shall pay Grantee an amount equal to the percentage of the total reimbursement payable under this Agreement that corresponds to the percentage of Work satisfactorily completed and accepted, as determined by the State, less payments previously made. Additionally, if this Agreement is less than 60% completed, as determined by the State, the State may reimburse Grantee for a portion of actual out-of-pocket expenses, not otherwise reimbursed under this Agreement, incurred by Grantee which are directly attributable to the uncompleted portion of Grantee's obligations, provided that the sum of any and all reimbursement shall not exceed the Grant Maximum Amount payable to Grantee hereunder.

F. Grantee's Termination Under State Requirements

Grantee may request termination of this Grant by sending notice to the State, which includes the reasons for the termination and the effective date of the termination. If this Grant is terminated in this manner, then Grantee shall return any advanced payments made for work that will not be performed prior to the effective date of the termination.

3. DEFINITIONS

The following terms shall be construed and interpreted as follows:

A. "**Agreement**" means this agreement, including all attached Exhibits, all documents incorporated by reference, all referenced statutes, rules and cited authorities, and any future modifications thereto.

B. "**Breach of Agreement**" means the failure of a Party to perform any of its obligations in accordance with this Agreement, in whole or in part or in a timely or satisfactory manner. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Grantee, or the appointment of a receiver or similar officer for Grantee or any of its property, which is not vacated or fully stayed within 30 days after the institution of such proceeding, shall also constitute a breach. If Grantee is debarred or suspended under §24-109-105, C.R.S., at any time during the term of this Agreement, then such debarment or suspension shall constitute a breach.

C. "**Budget**" means the budget for the Work described in Exhibit A.

D. "**Business Day**" means any day other than Saturday, Sunday, or a legal holiday as listed in §24-11-101(1), C.R.S.

E. "**CORA**" means the Colorado Open Records Act, §§24-72-200.1, et seq., C.R.S.

F. "**Deliverable**" means the outcome to be achieved or output to be provided, in the form of a tangible or intangible Good or Service that is produced as a result of Grantee's Work that is intended to be delivered by Grantee.

G. "**Effective Date**" means the date on which this Agreement is approved and signed by the Colorado State Controller or designee, as shown on the Signature Page for this Agreement.

H. "**End of Term Extension**" means the time period defined in §2.D.

I. "**Exhibits**" means the exhibits and attachments included with this Agreement as shown on the Cover Page for this Agreement.

J. RESERVED

K. "**Goods**" means any movable material acquired, produced, or delivered by Grantee as set forth in this Agreement and shall include any movable material acquired, produced, or delivered by Grantee in connection with the Services.

L. "**Grant Funds**" means the funds that have been appropriated, designated, encumbered, or otherwise made available for payment by the State under this Agreement.

M. "**Grant Maximum Amount**" means an amount equal to the total of Grant Funds for this Agreement.

N. "**Incident**" means any accidental or deliberate event that results in or constitutes an imminent threat of the unauthorized access, loss, disclosure, modification, disruption, or destruction of any communications or information resources of the State, which are included as part of the Work, as described in §§24-37.5-401, et seq., C.R.S. Incidents include, without limitation (i) successful attempts to gain unauthorized access to a State system or State Records regardless of where such information is located; (ii) unwanted disruption or denial of service; (iii) the unauthorized use of a State system for the processing or storage of data; or (iv) changes to State system hardware, firmware, or software characteristics without the State's knowledge, instruction, or consent.

O. "**Initial Term**" means the time period defined in §2.B.

P. "**Matching Funds**" (Local Funds) means the funds provided by Grantee as a match required to receive the Grant Funds.

Q. "**Party**" means the State or Grantee, and "**Parties**" means both the State and Grantee.

R. "**PII**" means personally identifiable information including, without limitation, any information maintained by the State about an individual that can be used to distinguish or trace an individual's identity, such as name, social security number, date and place of birth, mother's maiden name, or biometric records. PII includes, but is not limited to, all information defined as personally identifiable information in §§24-72-501 and 24-73-101, C.R.S.

S. "**Services**" means the services to be performed by Grantee as set forth in this Agreement, and shall include any services to be rendered by Grantee in connection with the Goods.

T. "**State Confidential Information**" means any and all State Records not subject to disclosure under CORA. State Confidential Information shall include, but is not limited to PII, and State personnel records not subject to disclosure under CORA. State Confidential Information shall not include information or data concerning individuals that is not deemed confidential but nevertheless belongs to the State, which has been communicated, furnished, or disclosed by the State to Grantee which (i) is subject to disclosure pursuant to CORA; (ii) is already known to Grantee without restrictions at the time of its disclosure to Grantee; (iii) is or subsequently becomes publicly available without breach of any obligation owed by Grantee to the State; (iv) is disclosed to Grantee, without confidentiality obligations, by a third party who has the right to disclose such information; or (v) was independently developed without reliance on any State Confidential Information.

U. "**State Fiscal Rules**" means the fiscal rules promulgated by the Colorado State Controller pursuant to §24-30-202(13)(a), C.R.S.

V. "**State Fiscal Year**" means a 12 month period beginning on July 1 of each calendar year and ending on June 30 of the following calendar year. If a single calendar year follows the term, then it means the State Fiscal Year ending in that calendar year.

W. "**State Records**" means any and all State data, information, and records, regardless of physical form.

X. "**Subcontractor**" means any third party engaged by Grantee to aid in performance of the Work. "Subcontractor" also includes sub-grantees of Grant Funds.

Y. "**Work**" means the Goods delivered and Services performed pursuant to this Agreement.

Z. "**Work Product**" means the tangible and intangible results of the Work, whether finished or unfinished, including drafts. Work Product includes, but is not limited to, documents, text, software (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, information, and any other results of the Work. "Work Product" does not include any material that was developed prior to the Effective Date that is used, without modification, in the performance of the Work.

Any other term used in this Agreement that is defined elsewhere in this Agreement or in an Exhibit shall be construed and interpreted as defined in that section.

4. STATEMENT OF WORK

Grantee shall complete the Work as described in this Agreement and in accordance with the provisions of Exhibit A. The State shall have no liability to compensate Grantee for the delivery of any goods or the performance of any services that are not specifically set forth in this Agreement.

5. PAYMENTS TO GRANTEE

A. Grant Maximum Amount

Payments to Grantee are limited to the unpaid, obligated balance of the Grant Funds. The State shall not pay Grantee any amount under this Agreement that exceeds the Grant Maximum Amount for that State Fiscal Year shown on the Cover Page of this Agreement.

B. Payment Procedures

i. Invoices and Payment

a. The State shall pay Grantee in the amounts and in accordance with the conditions set forth in Exhibit A.

b. Grantee shall initiate payment requests by invoice to the State, in a form and manner approved by the State.

c. Any advance payment allowed under this Agreement, shall comply with State Fiscal Rules and be made in accordance with the provisions of this Agreement and its Exhibits. Eligibility and submission for advance payment is subject to State approval and must include approved documentation in the form and manner set forth and approved by the State.

d. The State shall pay each invoice within 45 days following the State's receipt of that invoice, so long as the amount invoiced correctly represents Work completed by Grantee and previously accepted by the State during the term that the invoice covers. If the State determines that the amount of any invoice is not correct, then Grantee shall make all changes necessary to correct that invoice.

e. The acceptance of an invoice shall not constitute acceptance of any Work performed or Deliverables provided under this Agreement.

ii. Interest

Amounts not paid by the State within 45 days of the State's acceptance of the invoice shall bear interest on the unpaid balance beginning on the 45th day at the rate of 1% per month, as required by §24-30-202(24)(a), C.R.S., until paid in full; provided, however, that interest shall not accrue on unpaid amounts that the State disputes in writing. Grantee shall invoice the State separately for accrued interest on delinquent amounts, and the invoice shall reference the delinquent payment, the number of days' interest to be paid and the interest rate.

iii. Payment Disputes

If Grantee disputes any calculation, determination or amount of any payment, Grantee shall notify the State in writing of its dispute within 30 days following the earlier to occur of Grantee's receipt of the payment or notification of the determination or calculation of the payment by the State. The State will review the information presented by Grantee and may make changes to its determination based on this review. The calculation, determination or payment amount that results from the State's review shall not be subject to additional dispute under this subsection. No payment subject to a dispute under this subsection shall be due until after the State has concluded its review, and the State shall not pay any interest on any amount during the period it is subject to dispute under this subsection.

iv. Available Funds-Contingency-Termination

The State is prohibited by law from making commitments beyond the term of the current State Fiscal Year. Payment to Grantee beyond the current State Fiscal Year is contingent on the appropriation and continuing availability of Grant Funds in any subsequent year (as provided in the Colorado Special Provisions). If federal funds or funds from any other non-State funds constitute all or some of the Grant Funds, the State's obligation to pay Grantee shall be contingent upon such non-State funding continuing to be made available for payment. Payments to be made pursuant to this Agreement shall be made only from Grant Funds, and the State's liability for such payments shall be limited to the amount remaining of such Grant Funds. If State, federal or other funds are not appropriated, or otherwise become unavailable to fund this Agreement, the State may, upon written notice, terminate this Agreement, in whole or in part, without incurring further liability. The State shall, however, remain obligated to pay for Services and Goods that are delivered and accepted prior to the effective date of notice of termination, and this termination shall otherwise be treated as if this Agreement were terminated in the public interest as described in **§2.E**.

v. Increase or Decrease Quantities and Total Price – State's Option

The State, at its discretion, shall have the option to increase or decrease the quantity of Goods and/or Services described in Exhibit A at the same rates and under the same terms specified in this Agreement, which shall increase or decrease the Grant Maximum Amount. In order to exercise this option, the State shall provide written notice to Grantee in a form substantially equivalent to the Sample Option Letter attached to this Agreement prior to the end of the current Agreement term. Delivery of Goods and performance of Services shall continue at the same rates and terms as described in this Agreement.

C. RESERVED

D. Reimbursement of Grantee Costs

i. Any costs incurred by Grantee prior to the Effective Date shall not be reimbursed.

ii. The State shall reimburse Grantee's allowable costs, not exceeding the Grant Maximum Amount shown on the Cover Page of this Agreement and on Exhibit A for all allowable costs described in this Agreement and shown in Exhibit A, except that Grantee may adjust the amounts between each line item of Exhibit A without formal modification to this Agreement as long as the Grantee provides notice to the State of the change, the change does not modify the Grant Maximum Amount of this Agreement or the Grant Maximum Amount for any State Fiscal Year, and the change does not modify any requirements of the Work.

iii. The State shall only reimburse allowable costs described in this Agreement and shown in the Budget if those costs are:

a. Reasonable and necessary to accomplish the Work and for the Goods and Services provided; and

b. Equal to the actual net cost to Grantee (i.e. the price paid minus any items of value received by Grantee that reduce the cost actually incurred.)

iv. Grantee's costs for Work performed after the Fund Expenditure End Date shown on the Signature and Cover Page for this Agreement, or after any phase performance period end date for a respective phase of the Work, shall not be reimbursable. Grantee shall initiate any payment request by submitting invoices to the State in the form and manner set forth and approved by the State.

E. Close-Out

Grantee shall close out this Award within 45 days after the Fund Expenditure End Date shown on the Cover Page for this Agreement. To complete close-out, Grantee shall submit to the State all Deliverables (including documentation) as defined in this Agreement and Grantee's final reimbursement request or invoice. The State will withhold 5% of allowable costs until all final documentation has been submitted and accepted by the State as substantially complete.

6. REPORTING - NOTIFICATION

A. Quarterly Reports

In addition to any reports required pursuant to any other Exhibit, for any Agreement having a term longer than three months, Grantee shall submit, on a quarterly basis, a written report specifying progress made for each specified performance measure and standard in this Agreement. Such progress report shall be in accordance with the procedures developed and prescribed by the State. Progress reports shall be submitted to the State not later than five Business Days following the end of each calendar quarter or at such time as otherwise specified by the State.

B. Litigation Reporting

If Grantee is served with a pleading or other document in connection with an action before a court or other administrative decision making body, and such pleading or document relates to this Agreement or may affect Grantee's ability to perform its obligations under this Agreement, Grantee shall, within 10 days after being served, notify the State of such action and deliver copies of such pleading or document to the State's Principal Representative identified on the Cover Page for this Agreement.

C. Performance and Final Status

Grantee shall submit all financial, performance and other reports to the State no later than 45 calendar days after the end of the Initial Term if no Extension Terms are exercised, or the final Extension Term exercised by the State, containing an evaluation and review of Grantee's performance and the final status of Grantee's obligations hereunder.

D. Violations Reporting

Grantee shall disclose, in a timely manner, in writing to the State, all violations of State criminal law involving fraud, bribery, or gratuity violations potentially affecting the Federal Award. The State may impose any penalties for noncompliance allowed under 2 CFR Part 180 and 31 U.S.C. 3321, which may include, without limitation, suspension or debarment.

7. GRANTEE RECORDS

A. Maintenance

Grantee shall make, keep, maintain, and allow inspection and monitoring by the State of a complete file of all records, documents, communications, notes and other written materials, electronic media files, and communications, pertaining in any manner to the Work and the delivery of Services (including, but not limited to, the operation of programs) or Goods hereunder (collectively, the "Grantee Records"). Grantee shall maintain such records for a period of three years following the date of submission to the State of the final expenditure report, or if this Award is renewed quarterly or annually, from the date of the submission of each quarterly or annual report, respectively (the "Record Retention Period"). If any litigation, claim, or audit related to this Award starts before expiration of the Record Retention Period, the Record Retention Period shall extend until all litigation, claims, or audit findings have been resolved and final action taken by the State or Federal Awarding Agency. The Federal Awarding Agency, a cognizant agency for audit, oversight or indirect costs, and the State, may notify Grantee in writing that the Record Retention Period shall be extended. For records for real property and equipment, the Record Retention Period shall extend three years following final disposition of such property.

B. Inspection

Grantee shall permit the State and any other duly authorized agent of the State to audit, inspect, examine, excerpt, copy and transcribe Grantee Records during the Record Retention Period. Grantee shall make Grantee Records available during normal business hours at Grantee's office or place of business, or at other mutually agreed upon times or locations, upon no fewer than two Business Days' notice from the State, unless the State determines that a shorter period of notice, or no notice, is necessary to protect the interests of the State.

C. Monitoring

The State and any other duly authorized agent of the State, in its discretion, may monitor Grantee's performance of its obligations under this Agreement using procedures as determined by the State. The State shall have the right, in its sole discretion, to change its monitoring procedures and requirements at any time during the term of this Agreement. The State shall monitor Grantee's performance in a manner that does not unduly interfere with Grantee's performance of the Work.

D. Final Audit Report

Grantee shall promptly submit to the State a copy of any final audit report of an audit performed on Grantee's records that relates to or affects this Agreement or the Work, whether the audit is conducted by Grantee or a third party.

8. CONFIDENTIAL INFORMATION - STATE RECORDS

A. Confidentiality

Grantee shall keep confidential, and cause all Subcontractors to keep confidential, all State Records, unless those State Records are publicly available. Grantee shall not, without prior written approval of the State, use, publish, copy, disclose to any third party, or permit the use by any third party of any State Records, except as otherwise stated in this Agreement, permitted by law or approved in writing by the State. Grantee shall provide for the security of all State Confidential Information in accordance with all applicable laws, rules, policies, publications, and guidelines. Grantee shall immediately forward any request or demand for State Records to the State's Principal Representative identified on the Cover Page of this Agreement.

B. Other Entity Access and Nondisclosure Agreements

Grantee may provide State Records to its agents, employees, assigns and Subcontractors as necessary to perform the Work, but shall restrict access to State Confidential Information to those agents, employees, assigns and Subcontractors who require access to perform their obligations under this Agreement. Grantee shall ensure all such agents, employees, assigns, and Subcontractors sign agreements containing nondisclosure provisions at least as protective as those in this Agreement, and that the nondisclosure provisions are in force at all times the agent, employee, assign or Subcontractor has access to any State Confidential Information. Grantee shall provide copies of those signed nondisclosure provisions to the State upon execution of the nondisclosure provisions if requested by the State.

C. Use, Security, and Retention

Grantee shall use, hold and maintain State Confidential Information in compliance with any and all applicable laws and regulations only in facilities located within the United States, and shall maintain a secure environment that ensures confidentiality of all State Confidential Information. Grantee shall provide the State with access, subject to Grantee's reasonable security requirements, for purposes of inspecting and monitoring access and use of State Confidential Information and evaluating security control effectiveness. Upon the expiration or termination of this Agreement, Grantee shall return State Records provided to Grantee or destroy such State Records and certify to the State that it has done so, as directed by the State. If Grantee is prevented by law or regulation from returning or destroying State Confidential Information, Grantee warrants it will guarantee the confidentiality of, and cease to use, such State Confidential Information.

D. Incident Notice and Remediation

If Grantee becomes aware of any Incident, Grantee shall notify the State immediately and cooperate with the State regarding recovery, remediation, and the necessity to involve law enforcement, as determined by the State. Unless Grantee can establish that Grantee, and its agents, employees, and Subcontractors are not the cause or source of the Incident, Grantee shall be responsible for the cost of notifying each person who may have been impacted by the Incident. After an Incident, Grantee shall take steps to reduce the risk of incurring a similar type of Incident in the future as directed by the State, which may include, but is not limited to, developing and implementing a remediation plan that is approved by the State at no additional cost to the State. The State may adjust or direct modifications to this plan, in its sole discretion and Grantee shall make all modifications as directed by the State. If Grantee cannot produce its analysis and plan within the allotted time, the State, in its sole discretion, may perform such analysis and produce a remediation plan, and Grantee shall reimburse the State for the reasonable costs thereof. The State may, in its sole discretion and at Grantee's sole expense, require Grantee to engage the services of an independent, qualified, State-approved third party to conduct a security audit. Grantee shall provide the State with the results of such audit and evidence of Grantee's planned remediation in response to any negative findings.

E. Data Protection and Handling

Grantee shall ensure that all State Records and Work Product in the possession of Grantee or any Subcontractors are protected and handled in accordance with the requirements of this Agreement, including the requirements of any Exhibits hereto, at all times. As used in this section, the protections afforded Work Product only apply to Work Product that requires confidential treatment.

F. Safeguarding PII

If Grantee or any of its Subcontractors will or may receive PII under this Agreement, Grantee shall provide for the security of such PII, in a manner and form acceptable to the State, including, without limitation, State non-disclosure requirements, use of appropriate technology, security practices, computer access security, data access security, data storage encryption, data transmission encryption, security inspections, and audits. Grantee shall be a "Third-Party Service Provider" as defined in §24-73-

103(1)(i), C.R.S., and shall maintain security procedures and practices consistent with §§24-73-101, *et seq.*, C.R.S.

9. CONFLICTS OF INTEREST

A. Actual Conflicts of Interest

Grantee shall not engage in any business or activities, or maintain any relationships that conflict in any way with the full performance of the obligations of Grantee under this Agreement. Such a conflict of interest would arise when a Grantee or Subcontractor's employee, officer or agent were to offer or provide any tangible personal benefit to an employee of the State, or any member of his or her immediate family or his or her partner, related to the award of, entry into or management or oversight of this Agreement.

B. Apparent Conflicts of Interest

Grantee acknowledges that, with respect to this Agreement, even the appearance of a conflict of interest shall be harmful to the State's interests. Absent the State's prior written approval, Grantee shall refrain from any practices, activities or relationships that reasonably appear to be in conflict with the full performance of Grantee's obligations under this Agreement.

C. Disclosure to the State

If a conflict or the appearance of a conflict arises, or if Grantee is uncertain whether a conflict or the appearance of a conflict has arisen, Grantee shall submit to the State a disclosure statement setting forth the relevant details for the State's consideration. Failure to promptly submit a disclosure statement or to follow the State's direction in regard to the actual or apparent conflict constitutes a breach of this Agreement.

D. Grantee acknowledges that all State employees are subject to the ethical principles described in §24-18-105, C.R.S. Grantee further acknowledges that State employees may be subject to the requirements of §24-18-105, C.R.S., with regard to this Agreement. For the avoidance of doubt, an actual or apparent conflict of interest shall exist if Grantee employs or contracts with any State employee, any former State employee within six months following such employee's termination of employment with the State, or any immediate family member of such current or former State employee. Grantee shall provide a disclosure statement as described in §9.C. no later than ten days following entry into a contractual or employment relationship as described in this section. Failure to timely submit a disclosure statement shall constitute a Breach of Agreement. Grantee may also be subject to such penalties as are allowed by law.

10. INSURANCE

Grantee shall obtain and maintain, and ensure that each Subcontractor shall obtain and maintain, insurance as specified in this section at all times during the term of this Agreement. All insurance policies required by this Agreement that are not provided through self-insurance shall be issued by insurance companies as approved by the State.

A. Workers' Compensation

Workers' compensation insurance as required by state statute, and employers' liability insurance covering all Grantee or Subcontractor employees acting within the course and scope of their employment.

B. General Liability

Commercial general liability insurance covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:

i. $1,000,000 each occurrence;

ii. $1,000,000 general aggregate;

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

iv. $50,000 any 1 fire.

C. Automobile Liability

Automobile liability insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit of $1,000,000 each accident combined single limit.

D. Protected Information

Liability insurance covering all loss of State Confidential Information, such as PII, PHI, PCI, Tax Information, and CJI, and claims based on alleged violations of privacy rights through improper use or disclosure of protected information with minimum limits as follows:

i. $1,000,000 each occurrence; and
ii. $2,000,000 general aggregate.

E. Professional Liability Insurance

Professional liability insurance covering any damages caused by an error, omission or any negligent act with minimum limits as follows:

i. $1,000,000 each occurrence; and
ii. $1,000,000 general aggregate.

F. Crime Insurance

Crime insurance including employee dishonesty coverage with minimum limits as follows:

i. $1,000,000 each occurrence; and
ii. $1,000,000 general aggregate.

G. Additional Insured

The State shall be named as additional insured on all commercial general liability policies (leases and construction contracts require additional insured coverage for completed operations) required of Grantee and Subcontractors.

H. Primacy of Coverage

Coverage required of Grantee and each Subcontractor shall be primary over any insurance or self-insurance program carried by Grantee or the State.

I. Cancellation

All insurance policies shall include provisions preventing cancellation or non-renewal, except for cancellation based on non-payment of premiums, without at least 30 days prior notice to Grantee and Grantee shall forward such notice to the State in accordance with **§14** within 7 days of Grantee's receipt of such notice.

J. Subrogation Waiver

All insurance policies secured or maintained by Grantee or its Subcontractors in relation to this Agreement shall include clauses stating that each carrier shall waive all rights of recovery under subrogation or otherwise against Grantee or the State, its agencies, institutions, organizations, officers, agents, employees, and volunteers.

K. Public Entities

If Grantee is a "public entity" within the meaning of the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S. (the "GIA"), Grantee shall maintain, in lieu of the liability insurance requirements stated above, at all times during the term of this Agreement such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the GIA. If a Subcontractor is a public entity within the meaning of the GIA, Grantee shall ensure that the Subcontractor maintain at all times during the terms of this Grantee, in lieu of the liability insurance requirements stated above, such liability insurance, by commercial policy or self-insurance, as is necessary to meet the Subcontractor's obligations under the GIA.

L. Certificates

For each insurance plan provided by Grantee under this Agreement, Grantee shall provide to the State certificates evidencing Grantee's insurance coverage required in this Agreement prior to the Effective Date. Grantee shall provide to the State certificates evidencing Subcontractor insurance coverage required under this Agreement prior to the Effective Date, except that, if Grantee's subcontract is not in effect as of the Effective Date, Grantee shall provide to the State certificates showing Subcontractor insurance coverage required under this Agreement within seven Business Days following Grantee's execution of the subcontract. No later than 15 days before the expiration date of Grantee's or any Subcontractor's coverage, Grantee shall deliver to the State certificates of insurance evidencing renewals of coverage. At any other time during the term of this Agreement, upon request by the State, Grantee shall, within seven Business Days following the request by the State, supply to the State evidence satisfactory to the State of compliance with the provisions of this section.

11. BREACH OF AGREEMENT

In the event of a Breach of Agreement, the aggrieved Party shall give written notice of Breach of Agreement to the other Party. If the notified Party does not cure the breach, at its sole expense, within 30 days after the delivery of written notice, the Party may exercise any of the remedies as described in **§12** for that Party. Notwithstanding any provision of this Agreement to the contrary, the State, in its discretion, need not provide notice or a cure period and may immediately terminate this Agreement in whole or in part or institute any other remedy in this Agreement in order to protect the public interest of the State; or if Grantee is debarred or suspended under §24-109-105, C.R.S., the State, in its discretion, need not provide notice or cure period and may terminate this Agreement in whole or in part or institute any other remedy in this Agreement as of the date that the debarment or suspension takes effect.

12. REMEDIES

A. State's Remedies

If Grantee is in breach under any provision of this Agreement and fails to cure such breach, the State, following the notice and cure period set forth in **§11,** shall have all of the remedies listed in this section in addition to all other remedies set forth in this Agreement or at law. The State may exercise any or all of the remedies available to it, in its discretion, concurrently or consecutively.

i. Termination for Breach of Agreement

In the event of Grantee's uncured breach, the State may terminate this entire Agreement or any part of this Agreement. Grantee shall continue performance of this Agreement to the extent not terminated, if any.

a. Obligations and Rights

To the extent specified in any termination notice, Grantee shall not incur further obligations or render further performance past the effective date of such notice, and shall terminate outstanding orders and subcontracts with third parties. However, Grantee shall complete and deliver to the State all Work not cancelled by the termination notice, and may incur obligations as necessary to do so within this Agreement's terms. At the request of the State, Grantee shall assign to the State all of Grantee's rights, title, and interest in and to such terminated orders or subcontracts. Upon termination, Grantee shall take timely, reasonable and necessary action to protect and preserve property in the possession of Grantee but in which the State has an interest. At the State's request, Grantee shall return materials owned by the State in Grantee's possession at the time of any termination. Grantee shall deliver all completed Work Product and all Work Product that was in the process of completion to the State at the State's request.

b. Payments

Notwithstanding anything to the contrary, the State shall only pay Grantee for accepted Work received as of the date of termination. If, after termination by the State, the State agrees that Grantee was not in breach or that Grantee's action or inaction was excusable, such termination shall be treated as a termination in the public interest, and the rights and obligations of the Parties shall be as if this Agreement had been terminated in the public interest under **§2.E**.

c. Damages and Withholding

Notwithstanding any other remedial action by the State, Grantee shall remain liable to the State for any damages sustained by the State in connection with any breach by Grantee, and the State may withhold payment to Grantee for the purpose of mitigating the State's damages until such time as the exact amount of damages due to the State from Grantee is determined. The State may withhold any amount that may be due Grantee as the State deems necessary to protect the State against loss including, without limitation, loss as a result of outstanding liens and excess costs incurred by the State in procuring from third parties replacement Work as cover.

ii. Remedies Not Involving Termination

The State, in its discretion, may exercise one or more of the following additional remedies:

a. Suspend Performance

Suspend Grantee's performance with respect to all or any portion of the Work pending corrective action as specified by the State without entitling Grantee to an adjustment in price or cost or an adjustment in the performance schedule. Grantee shall promptly cease performing Work and incurring costs in accordance with the State's directive, and the State shall not be liable for costs incurred by Grantee after the suspension of performance.

b. Withhold Payment

Withhold payment to Grantee until Grantee corrects its Work.

c. Deny Payment

Deny payment for Work not performed, or that due to Grantee's actions or inactions, cannot be performed or if they were performed are reasonably of no value to the State; provided, that any denial of payment shall be equal to the value of the obligations not performed.

d. Removal

Demand immediate removal of any of Grantee's employees, agents, or Subcontractors from the Work whom the State deems incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable or whose continued relation to this Agreement is deemed by the State to be contrary to the public interest or the State's best interest.

e. Intellectual Property

If any Work infringes, or if the State in its sole discretion determines that any Work is likely to infringe, a patent, copyright, trademark, trade secret or other intellectual property right, Grantee shall, as approved by the State **(i)** secure that right to use such Work for the State and Grantee; **(ii)** replace the Work with noninfringing Work or modify the Work so that it becomes noninfringing; or, **(iii)** remove any infringing Work and refund the amount paid for such Work to the State.

B. Grantee's Remedies

If the State is in breach of any provision of this Agreement and does not cure such breach, Grantee, following the notice and cure period in **§11** and the dispute resolution process in **§13** shall have all remedies available at law and equity.

13. DISPUTE RESOLUTION

A. Initial Resolution

Except as herein specifically provided otherwise, disputes concerning the performance of this Agreement which cannot be resolved by the designated Agreement representatives shall be referred in writing to a senior departmental management staff member designated by the State and a senior manager designated by Grantee for resolution.

B. Resolution of Controversies

If the initial resolution described in **§13.A** fails to resolve the dispute within 10 Business Days, Grantee shall submit any alleged breach of this Agreement by the State to the Procurement Official of the State Agency named on the Cover Page of this Agreement as described in §24-101-301(30), C.R.S., for resolution following the same resolution of controversies process as described in §§24-106-109, and 24-109-101.1 through 24-109-505, C.R.S., (collectively, the "Resolution Statutes"), except that if Grantee wishes to challenge any decision rendered by the Procurement Official, Grantee's challenge shall be an appeal to the executive director of the Department of Personnel and Administration, or their delegate, in the same manner as described in the Resolution Statutes before Grantee pursues any further action. Except as otherwise stated in this Section, all requirements of the Resolution Statutes shall apply including, without limitation, time limitations regardless of whether the Colorado Procurement Code applies to this Agreement.

14. NOTICES and REPRESENTATIVES

Each individual identified as a Principal Representative on the Cover Page for this Agreement shall be the principal representative of the designating Party. All notices required or permitted to be given under this Agreement shall be in writing, and shall be delivered **(A)** by hand with receipt required, **(B)** by certified or registered mail to such Party's principal representative at the address set forth on the Cover Page for this Agreement or **(C)** as an email with read receipt requested to the principal representative at the email address, if any, set forth on the Cover Page for this Agreement. If a Party delivers a notice to another through email and the email is undeliverable, then, unless the Party has been provided with an alternate email contact, the Party delivering the notice shall deliver the notice by hand with receipt required or by certified or registered mail to such Party's principal representative at the address set forth on the Cover Page for this Agreement. Either Party may change its principal representative or principal representative contact information, or may designate specific other individuals to receive certain types of notices in addition to or in lieu of a principal representative, by notice submitted in accordance with this section without a formal amendment to this Agreement. Unless otherwise provided in this Agreement, notices shall be effective upon delivery of the written notice.

15. RIGHTS IN WORK PRODUCT AND OTHER INFORMATION

A. Work Product

Whether or not Grantee is under contract with the State at the time, Grantee shall execute applications, assignments, and other documents, and shall render all other reasonable assistance requested by the State, to enable the State to secure patents, copyrights, licenses and other intellectual property rights related to the Work Product. The Parties intend the Work Product to be works made for hire. Grantee assigns to the State and its successors and assigns, the entire right, title, and interest in and to all causes of action, either in law or in equity, for past, present, or future infringement of intellectual property rights related to the Work Product and all works based on, derived from, or incorporating the Work Product.

B. Exclusive Property of the State

Except to the extent specifically provided elsewhere in this Agreement, all State Records, documents, text, software (including source code), research, reports, proposals, specifications, plans, notes, studies, data, images, photographs, negatives, pictures, drawings, designs, models, surveys, maps, materials, ideas, concepts, know-how, and information provided by or on behalf of the State to Grantee are the exclusive property of the State (collectively, "State Materials"). Grantee shall not use, willingly allow, cause or permit Work Product or State Materials to be used for any purpose other than the performance of Grantee's obligations in this Agreement without the prior written consent of the State. Upon termination of this Agreement for any reason, Grantee shall provide all Work Product and State Materials to the State in a form and manner as directed by the State.

C. Exclusive Property of Grantee

Grantee retains the exclusive rights, title, and ownership to any and all pre-existing materials owned or licensed to Grantee including, but not limited to, all pre-existing software, licensed products, associated source code, machine code, text images, audio and/or video, and third-party materials, delivered by Grantee under this Agreement, whether incorporated in a Deliverable or necessary to use a Deliverable (collectively, "Grantee Property"). Grantee Property shall be licensed to the State as set forth in this Agreement or a State approved license agreement: (i) entered into as exhibits to this Agreement, (ii) obtained by the State from the applicable third-party vendor, or (iii) in the case of open source software, the license terms set forth in the applicable open source license agreement.

16. GENERAL PROVISIONS

A. Assignment

Grantee's rights and obligations under this Agreement are personal and may not be transferred or assigned without the prior, written consent of the State. Any attempt at assignment or transfer without such consent shall be void. Any assignment or transfer of Grantee's rights and obligations approved by the State shall be subject to the provisions of this Agreement.

B. Subcontracts

Grantee shall not enter into any subgrant or subcontract in connection with its obligations under this Agreement without providing notice to the State. The State may reject any such Subcontractor, and Grantee shall terminate any subcontract that is rejected by the State and shall not allow any Subcontractor to perform any work after that Subcontractor's subcontract has been rejected by the State. Grantee shall submit to the State a copy of each such subgrant or subcontract upon request by the State. All subgrants and subcontracts entered into by Grantee in connection with this Agreement shall comply with all applicable federal and state laws and regulations, shall provide that they are governed by the laws of the State of Colorado, and shall be subject to all provisions of this Agreement.

C. Binding Effect

Except as otherwise provided in **§16.A.**, all provisions of this Agreement, including the benefits and burdens, shall extend to and be binding upon the Parties' respective successors and assigns.

D. Authority

Each Party represents and warrants to the other that the execution and delivery of this Agreement and the performance of such Party's obligations have been duly authorized.

E. Captions and References

The captions and headings in this Agreement are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions. All references in this Agreement to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

F. Counterparts

This Agreement may be executed in multiple, identical, original counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

G. Entire Understanding

This Agreement represents the complete integration of all understandings between the Parties related to the Work, and all prior representations and understandings related to the Work, oral or written, are merged into this Agreement. Prior or contemporaneous additions, deletions, or other changes to this Agreement shall not have any force or effect whatsoever, unless embodied herein.

H. Digital Signatures

If any signatory signs this Agreement using a digital signature in accordance with the Colorado State Controller Contract, Grant and Purchase Order Policies regarding the use of digital signatures issued under the State Fiscal Rules, then any agreement or consent to use digital signatures within the electronic system through which that signatory signed shall be incorporated into this Agreement by reference.

I. Modification

Except as otherwise provided in this Agreement, any modification to this Agreement shall only be effective if agreed to in a formal amendment to this Agreement, properly executed and approved in accordance with applicable Colorado State law and State Fiscal Rules. Modifications permitted under this Agreement, other than Agreement amendments, shall conform to the policies issued by the Colorado State Controller.

J. Statutes, Regulations, Fiscal Rules, and Other Authority

Any reference in this Agreement to a statute, regulation, State Fiscal Rule, fiscal policy or other authority shall be interpreted to refer to such authority then current, as may have been changed or amended since the Effective Date of this Agreement.

K. External Terms and Conditions

Notwithstanding anything to the contrary herein, the State shall not be subject to any provision included in any terms, conditions, or agreements appearing on Grantee's or a Subcontractor's website or any provision incorporated into any click-through or online agreements related to the Work unless that provision is specifically referenced in this Agreement.

L. Severability

The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, which shall remain in full force and effect, provided that the Parties can continue to perform their obligations under this Agreement in accordance with the intent of this Agreement.

M. Survival of Certain Agreement Terms

Any provision of this Agreement that imposes an obligation on a Party after termination or expiration of this Agreement shall survive the termination or expiration of this Agreement and shall be enforceable by the other Party.

N. Taxes

The State is exempt from federal excise taxes under I.R.C. Chapter 32 (26 U.S.C., Subtitle D, Ch. 32) (Federal Excise Tax Exemption Certificate of Registry No. 84-730123K) and from State and local government sales and use taxes under §§39-26-704(1), *et seq.,* C.R.S. (Colorado Sales Tax Exemption Identification Number 98-02565). The State shall not be liable for the payment of any excise, sales, or use taxes, regardless of whether any political subdivision of the State imposes such taxes on Grantee. Grantee shall be solely responsible for any exemptions from the collection of excise, sales or use taxes that Grantee may wish to have in place in connection with this Agreement.

O. Third Party Beneficiaries

Except for the Parties' respective successors and assigns described in **§16.A.,** this Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Agreement are incidental to this Agreement, and do not create any rights for such third parties.

P. Waiver

A Party's failure or delay in exercising any right, power, or privilege under this Agreement, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

Q. CORA Disclosure

To the extent not prohibited by federal law, this Agreement and the performance measures and standards required under §24-106-107, C.R.S., if any, are subject to public release through the CORA.

R. Standard and Manner of Performance

Grantee shall perform its obligations under this Agreement in accordance with the highest standards of care, skill and diligence in Grantee's industry, trade, or profession.

S. Licenses, Permits, and Other Authorizations.

i. Grantee shall secure, prior to the Effective Date, and maintain at all times during the term of this Agreement, at its sole expense, all licenses, certifications, permits, and other authorizations required to perform its obligations under this Agreement, and shall ensure that all employees, agents and Subcontractors secure and maintain at all times during the term of their employment, agency or Subcontractor, all license, certifications, permits and other authorizations required to perform their obligations in relation to this Agreement.

ii. Grantee, if a foreign corporation or other foreign entity transacting business in the State of Colorado, shall obtain prior to the Effective Date and maintain at all times during the term of this Agreement, at its sole expense, a certificate of authority to transact business in the State of Colorado and designate a registered agent in Colorado to accept service of process.

T. RESERVED

U. Federal Provisions

Grantee shall comply with all applicable requirements of Exhibit C at all times during the term of this Agreement.

17. COLORADO SPECIAL PROVISIONS (COLORADO FISCAL RULE 3-3)

These Special Provisions apply to all agreements except where noted in italics.

A. STATUTORY APPROVAL. §24-30-202(1), C.R.S.

This Agreement shall not be valid until it has been approved by the Colorado State Controller or designee. If this Agreement is for a Major Information Technology Project, as defined in §24-37.5-

102(2.6), C.R.S., then this Agreement shall not be valid until it has been approved by the State's Chief Information Officer or designee..

B. FUND AVAILABILITY. §24-30-202(5.5), C.R.S.

Financial obligations of the State payable after the current State Fiscal Year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

C. GOVERNMENTAL IMMUNITY.

Liability for claims for injuries to persons or property arising from the negligence of the State or Grantee, its departments, boards, commissions committees, bureaus, offices, employees and officials shall be controlled and limited by the provisions of the Colorado Governmental Immunity Act, §24-10-101, *et seq*., C.R.S.; the Federal Tort Claims Act, 28 U.S.C. Pt. VI, Ch. 171 and 28 U.S.C. 1346(b), and the State's risk management statutes, §§24-30-1501, *et seq*., C.R.S. No term or condition of this Agreement shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, contained in these statutes.

D. INDEPENDENT CONTRACTOR.

Grantee shall perform its duties hereunder as an independent contractor and not as an employee. Neither Grantee nor any agent or employee of Grantee shall be deemed to be an agent or employee of the State. Grantee shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. **Grantee and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Grantee or any of its agents or employees. Grantee shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Agreement. Grantee shall (i) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (ii) provide proof thereof when requested by the State, and (iii) be solely responsible for its acts and those of its employees and agents**.

E. COMPLIANCE WITH LAW.

Grantee shall comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

F. CHOICE OF LAW, JURISDICTION, AND VENUE.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Agreement. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. All suits or actions related to this Agreement shall be filed and proceedings held in the State of Colorado and exclusive venue shall be in the City and County of Denver.

G. PROHIBITED TERMS.

Any term included in this Agreement that requires the State to indemnify or hold Grantee harmless; requires the State to agree to binding arbitration; limits Grantee's liability for damages resulting from death, bodily injury, or damage to tangible property; or that conflicts with this provision in any way shall be void ab initio. Nothing in this Agreement shall be construed as a waiver of any provision of §24-106-109, C.R.S.

H. SOFTWARE PIRACY PROHIBITION.

State or other public funds payable under this Agreement shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Grantee hereby certifies and warrants that, during the term of this Agreement and any extensions, Grantee has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Grantee is in violation of this provision, the State may exercise any remedy available at law or in equity or under this Agreement, including, without limitation, immediate termination of this Agreement and any remedy consistent with federal copyright laws or applicable licensing restrictions.

I. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. §§24-18-201 and 24-50-507, C.R.S.

The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this Agreement. Grantee has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Grantee's services and Grantee shall not employ any person having such known interests.

J. VENDOR OFFSET AND ERRONEOUS PAYMENTS. §§24-30-202(1) and 24-30-202.4, C.R.S.

[*Not applicable to intergovernmental agreements*] Subject to §24-30-202.4(3.5), C.R.S., the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (i) unpaid child support debts or child support arrearages; (ii) unpaid balances of tax, accrued interest, or other charges specified in §§39-21-101, et seq., C.R.S.; (iii) unpaid loans due to the Student Loan Division of the Department of Higher Education; (iv) amounts required to be paid to the Unemployment Compensation Fund; and (v) other unpaid debts owing to the State as a result of final agency determination or judicial action. The State may also recover, at the State's discretion, payments made to Grantee in error for any reason, including, but not limited to, overpayments or improper payments, and unexpended or excess funds received by Grantee by deduction from subsequent payments under this Agreement, deduction from any payment due under any other contracts, grants or agreements between the State and Grantee, or by any other appropriate method for collecting debts owed to the State.

K. PUBLIC CONTRACTS FOR SERVICES. §§8-17.5-101, *et seq.*, C.R.S.

[*Not applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services*] Grantee certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this Agreement and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Agreement, through participation in the E-Verify Program or the State verification program established pursuant to §8-17.5-102(5)(c), C.R.S., Grantee shall not knowingly employ or contract with an illegal alien to perform work under this Agreement or enter into a contract with a Subcontractor that fails to certify to Grantee that the Subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this Agreement. Grantee **(i)** shall not use E-Verify Program or the program procedures of the Colorado Department of Labor and Employment ("Department Program") to undertake pre-employment screening of job applicants while this Agreement is being performed, **(ii)** shall notify the Subcontractor and the contracting State agency or institution of higher education within three days if Grantee has actual knowledge that a Subcontractor is employing or contracting with an illegal alien for work under this Agreement, **(iii)** shall terminate the subcontract if a Subcontractor does not stop employing or contracting with the illegal alien within three days of receiving the notice, and **(iv)** shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to §8-17.5-102(5), C.R.S., by the Colorado Department of Labor and Employment. If Grantee participates in the Department program, Grantee shall deliver to the contracting State agency, Institution of Higher Education or political subdivision, a written, notarized affirmation, affirming that Grantee has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If Grantee fails to comply with any requirement of this provision or §§8-17.5-101, et seq., C.R.S., the contracting State agency, institution of higher education or political subdivision may terminate this Agreement for breach and, if so terminated, Grantee shall be liable for damages.

L. PUBLIC CONTRACTS WITH NATURAL PERSONS. §§24-76.5-101, *et seq*., C.R.S.

Grantee, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that Grantee (i) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (ii) shall comply with the provisions of §§24-76.5-101, et seq., C.R.S., and (iii) has produced one form of identification required by §24-76.5-103, C.R.S., prior to the Effective Date of this Agreement.

EXHIBIT A, STATEMENT OF WORK AND BUDGET

Fiscal Years 2024-2030
Fuels Impact Reduction Grant Program

1. Program Overview

Certain Colorado communities serve as the distribution points for almost all of the fuel transported in the State. Licensed fuel distributors rely on the hazardous mitigation corridor infrastructure in these communities to support the economic functions of the State. Increasing requirements on fuel composition and blends will cause the infrastructure in these communities to be relied upon even more.

The Fuels Impact Reduction Grant Program (the "Grant Program") was created to provide grants to certain critically impacted communities, governments, and transportation corridors, for the improvement of their hazardous mitigation corridor infrastructure and to support local and state government projects related to emergency responses, environmental mitigation, or projects related to the transportation of fuel within the State. The Fuels Impact Enterprise (the "Enterprise") was created, in part, to administer the Grant Program. As part of the Grant Program, the Enterprise distributes $10,000,000.00 annually from the Fuels Impact Enterprise Cash Fund (the "Fund") to the following political subdivisions for the improvement of hazardous mitigation corridors in the State:

- Adams County - $6,400,000
- City of Aurora - $2,000,000
- El Paso County - $1,300,000
- Mesa County - $240,000
- Otero County - $60,000

The distribution amounts are directly correlated to the percentage of fuel distribution that originates in each jurisdiction. For example, Adams County will receive $6,400,000.00 each year because 64% of fuel distribution within Colorado originates at the loading facilities in Adams County; 20% of the state's fuel is distributed from the City of Aurora; 13% from El Paso County, 2.4% from Mesa County and 0.6% from Otero County. If a political subdivision is unable to accept the annual distribution, the Enterprise will distribute the unaccepted amounts to the other political subdivisions on a proportionate basis.

The Grant Program will sunset on January 1, 2030.

2. Program Goals

The goals of the Grant Program are to:

A. Provide grants to critically impacted communities, governments, and transportation corridors for the improvement of hazardous mitigation corridors;
B. Support local and state government projects related to emergency responses, environmental mitigation, or projects related to the transportation of fuel within the State.

3. Grantee Responsibilities

A. Grantee shall use the Grant Funds for the improvement of hazardous mitigation corridors such as Smith Road, Tower Road, Airport Boulevard, and Chambers Road, in Grantee's jurisdiction; prioritizing uses related to safety and environmental impacts.

B. Grantee shall provide the Enterprise with an annual program overview by October 1st of each fiscal year that the Grantee receives Grant Funds from the Grant Program.
C. Grantee shall establish a spending plan for the funds, ensuring funds are encumbered and or prioritized by January 2030.

4. Enterprise Responsibilities

The Enterprise will administer the Grant Program by:

A. Imposing a Fuels Impact Reduction Fee in accordance with §43-4-1505(1), C.R.S.
B. Distributing $10,000,000.00 from the Fund annually for the improvement of hazardous mitigation corridors in the State; prioritizing uses related to safety and environmental impacts. Funds collected will be distributed each year on or before October 1st of each year in accordance with §43-4-1506(2)(a), C.R.S.
C. Distributing up to $5,000,000.00 from the Fund, after making the transfers described in Paragraph 5.B and after providing for the administrative expenses of the Enterprise, to key commercial freight corridors to support state government projects related to emergency responses, environmental mitigation, or to support projects related to the transportation of fuel within the State on routes necessary for the transportation of hazardous materials in accordance with §43-4-1506(3), C.R.S.

5. Budget and Grant Funds Distribution

A. Grantee has been awarded Grant Funds in the amount of $2,000,000 for fiscal year 2025 for the improvement of hazardous mitigation corridors in Grantee's jurisdiction. There is no Grantee funding match requirement for this grant. Grantee may use the Grant Funds as local match funds for Grantee's portion of a larger state or federally funded project. Grantee shall spend all Grant Funds within the boundaries of Grantee's jurisdiction.
B. Grantee shall use the Grant Funds received in a given fiscal year within 5 years of such distribution. At the conclusion of 5 years, Grantee may petition the Enterprise Board in writing for an extension on spending the Grant Funds. That petition must include an update on the Grantee's program for the Grant Funds, and must describe when and how Grantee intends to spend the Grant Funds. The Enterprise Board may approve up to a two-year extension. If Grantee is unable to accept the annual distribution or spend the annual distribution within the 5 year time period, the Enterprise will distribute the unaccepted or unspent amounts to the other political subdivisions on a proportionate basis.
C. Grant Funds for future fiscal years will be encumbered using an option letter executed in accordance with §5.C of this Agreement.

EXHIBIT B, SAMPLE OPTION LETTER

State Agency Department of Transportation	**Option Letter Number** Insert the Option Number (e.g. "1" for the first option)
Grantee City of Aurora	**Original Agreement Number** Insert CMS number or Other Contract Number of the Original Contract
Current Grant Maximum Amount Initial Term State Fiscal Year 20xx $0.00 Extension Terms State Fiscal Year 20xx $0.00 State Fiscal Year 20xx $0.00 State Fiscal Year 20xx $0.00 State Fiscal Year 20xx $0.00 Local Funds $0.00 Total for All State Fiscal Years $0.00	**Option Letter Agreement Number** Insert CMS number or Other Contract Number of this Option **Agreement Performance Beginning Date** The later of the Effective Date or Month, Day, Year **Current Agreement Expiration Date** Month, Day, Year

1. **OPTIONS:**
   A. Option to extend for an Extension Term or End of Term Extension.
   B. Option to change the quantity of Goods under the Agreement
   C. Option to change the quantity of Services under the Agreement
2. **REQUIRED PROVISIONS:**
   A. **For use with Option 1(A):** In accordance with [Enter Section(s) number] of the Original Agreement referenced above, the State hereby exercises its option for an additional term/end of term extension, beginning Insert start date and ending on the current agreement expiration date shown above, at the rates stated in the Original Agreement, as amended.
   B. **For use with Options 1(B and C)**: In accordance with Section(s) [Enter Section(s) number] of the Original Agreement referenced above, the State hereby exercises its option to [Increase/Decrease] the quantity of the [Goods/Services or both] at the rates stated in the Original Agreement, as amended.
   C. **For use with all Options that modify the Agreement Maximum Amount**: The Grant Maximum Amount table on the Agreement's Cover Page is hereby deleted and replaced with the Current Grant Maximum Amount table shown above.
3. **OPTION EFFECTIVE DATE:**
   A. The effective date of this Option Letter is upon approval of the State Controller.

STATE OF COLORADO Jared S. Polis, Governor Department of Transportation Shoshana M. Lew, Executive Director By:______________________ Name:______________________ Title:______________________ Date: ______________________	In accordance with §24-30-202, C.R.S., this Option Letter is not valid until signed and dated below by the State Controller or an authorized delegate. **STATE CONTROLLER** **Robert Jaros, CPA, MBA, JD** By:______________________ Department of Transportation Option Letter Effective Date:__________

EXHIBIT C, TITLE VI – CIVIL RIGHTS

Nondiscrimination Requirements

Subrecipient shall not exclude from participation in, deny the benefits of, or subject to discrimination any person in the United States on the ground of race, color, national origin, sex, age or disability.

Subrecipient shall abide by all applicable federal and state nondiscrimination laws and regulations, including but not limited to, Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d et seq.; The Civil Rights Restoration Act of 1987, Pub. L. No. 100-259, 102 Stat. 28; 49 CFR Part 21: Nondiscrimination in Federally-Assisted Programs of the Department of Transportation; 23 CFR Part 200: Title VI Program and Related Statutes - Implementation and Review Procedures; Title II of the Americans with Disabilities Act of 1990, 42 U.S.C §§12101 - 12213; Rehabilitation Act of 1973 § 504, 29 U.S.C § 794; 49 CFR Part 27: Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Assistance; 28 CFR Part 35: Nondiscrimination on the Basis of Disability in State and Local Government Services; 49 CFR Part 28: Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation.

As a condition of federal financial assistance, Subrecipient shall develop and maintain a Title VI Program in accordance with the "Requirements for FHWA Subrecipients" set forth in CDOT's Title VI Program Plan. Subrecipient shall also facilitate compliance with Executive Order 12898 and DOT Order 5610.2(a) by incorporating the principles of environmental justice in planning, project development and public outreach in accordance with applicable CDOT and FHWA guidance.

In any contract utilizing federal funds, land, or other federal aid, Subrecipient shall require the federal-aid recipient or contractor to provide a statement of written assurance that they will comply with Section 504 and not discriminate on the basis of disability. Subrecipient shall develop and maintain an ADA Program in accordance with 28 CFR Part 35, Nondiscrimination on the Basis of Disability in State and Local Government Services and any other requirements established by CDOT for FHWA subrecipients.

Disadvantaged Business Enterprise Requirements

The requirements of 49 CFR Part 26 and CDOT's DOT-approved DBE program are incorporated by reference into this agreement. Subrecipient shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Agreement. Subrecipient shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of this DOT-assisted Agreement. Failure by Subrecipient to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as CDOT deems appropriate. Subrecipient must include this assurance in all DOT-assisted contracts.

Prompt Payment

Subrecipient shall require that all contractors pay subcontractors for satisfactory performance of work no later than 30 days after the receipt of payment for that work from the contractor. If Subrecipient allows contractors to withhold retainage from subcontractors, retainage shall be released within 30 days from the date the work is satisfactorily completed.

Transportation, Airports and Public Works (TAPS) Policy Committee Meeting

June 12, 2025

Members Present:	Council Member (CM) Stephanie Hancock, Chair; Council Member (CM) Amsalu Kassaw Vice-Chair; Council Member (CM) Angela Lawson, Member
Others Present:	Laura Perry, Cathy Valencia, Traci Burton, Adrian Morris, Huiliang Liu, Elizabeth Cadiz, Kurt Muehlemeyer, Leticia Callanen, Haley Busch-Johansen, Mac Callison, Michelle Gardner, Julie Patterson
Guest:	Matt Hopper, President of Aerotropolis Area Coordinating Metropolitan District

1. WELCOME AND INTRODUCTION

2. APPROVAL OF MAY 15, 2025 MEETING MINUTES

3. CONSENT ITEMS (None)

4. GENERAL BUSINESS

4.a Aerotropolis Regional Transportation Authority (ARTA) Project Update

Summary of Issue and Discussion:

Matt Hopper, President of Aerotropolis Area Coordinating Metropolitan District (AACMD), gave an update on the Aerotropolis Regional Transportation Authority (ARTA). He provided some background on ARTA, which was formed in 2018, between Aurora, Adams County, and the AACMD, with the goal of overseeing the design, construction, and financing of critical infrastructure required for economic development. He went over the Board of Directors for ARTA, for which he is the Chair, and CM Gardner and CM Sundberg are also on the Board. He discussed ARTA boundaries and ARTA projects, which include five interchanges, adding 23 miles of arterial roads that comprise 110 lane miles, and improvements to many roads. He also gave an update on the status of each project, with four under construction, one contracting, four completed, five civil drawings completed, and one with design solicitation in progress. He shared that the roads ARTA is building would pave the equivalent of one lane from Aurora to Vail, which is enough to pave 121 football fields 10 inches thick, and they are adding 220 miles of sidewalks.

Committee Discussion:
CM Lawson voiced that it was great to see how this developed. She asked what the funding challenges are, the approximate timeline for the completion of all interchanges, and who would be responsible for the maintenance of the interchanges.

M. Hopper responded that his reference to the funding was that capacity lanes in the future would be required based off of traffic counts, and historically local government has not had the funding in place to be able to add those additional lanes. He added that from a funding standpoint, ARTA continues to be on solid ground and continues to expand its borders. In regard to timing, their current projects are projected to end in 2037, but things are getting advanced much faster than that. He noted that their current financial projections show that between 2027 and 2029, ARTA will be in a position to cash flow most of their projects without having to go to the market for financing, which will allow them to put projects on the ground faster and cheaper. He voiced that L. Perry helped lead the effort to create a replacement fund to look at when they would need maintenance in the future. He said that as they have expanded their boundaries, they have captured some funding for the repair and replacement of the critical infrastructure beyond what the city normally would have constructed, and they identified gaps in the system to make sure they had funding. He assured they are establishing funding for the extraordinary maintenance of interchanges, bridge structures, and big components of what ARTA is constructing for the next 50 to 75 years. However, the city will maintain smaller things like potholes.

CM Hancock commented that we like fast, cheap, and good. She appreciated how thorough Mr. Hopper's presentation was, as it helped her understand it better. She stated that Aurora needs to be the gold standard in what they do in terms of infrastructure, building opportunities for business, and being the example of how a city should do things well, and this is a great example of that.

Outcome:
Information only.

Follow-up Action:
No follow-up action needed.

4.b A Resolution for the IGA with CDOT for the Fuel Impact Reduction Grant Program

Summary of Issue and Discussion:
Cathy Valencia, Transportation Project Delivery Manger, presented the resolution for the IGA with CDOT for the Fuel Impact Reduction Grant. She explained that they are receiving the grant for a gas facility at Chambers and Smith, and that the grant will be administered through the CDOT. The purpose of the funding is to improve hazardous mitigation corridors in the recipient's jurisdiction for transportation infrastructure improvement projects. She talked about some of the potential improvements, including a preliminary analysis for a grade separation at Smith and Chambers, signal changes, minors changes to the I-70 interchange, etc. She shared that they are currently working on a Smith Corridor Study that is in design right now that will recommend improvements, so they could use some of this funding to potentially construct some of those improvements. Regarding funding, she said the state distributes $10 million annually from an enterprise created as part of the grant program, and 20% of the state's fuel is distributed from the City of Aurora. Therefore, Aurora will receive 20% of the revenue and will receive $2 million a year for five years. She discussed the eligibility areas for the grant, which include being transportation related, near the facility at Smith & Chambers, and the hazardous mitigation corridors include Smith Rd, Tower Rd, Airport Blvd, and Chambers Rd. Staff

also must work with CDOT in establishing a spending plan and the funds must be prioritized or encumbered by January 2030. She asked the Committee for support in moving this resolution forward to the next available Study Session.

Committee Discussion:
CM Hancock, CM Kassaw, and CM Lawson approved the resolution.

Outcome:
The Committee recommended the item move forward.

Follow-up Action:
Staff will move the item forward.

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5. MISCELLANEOUS MATTERS

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6. ANTICIPATED TOPICS FOR NEXT MEETING

- Presentation on Phase I of the ADA Transition Plan and draft results

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7. CONFIRM NEXT MEETING

The next meeting was confirmed for July 17, 2025, at 11 a.m., in the Aurora Room.

Approved: ____
CM Stephanie Hancock, Committee Chair Date