

RESOLUTION 2018-116
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROVING AN INTERGOVERNMENTAL AGREEMENT
FOR FIBER MANAGEMENT BETWEEN TOWN OF ESTES PARK,
CITY OF FORT COLLINS, CITY OF LONGMONT, CITY OF
LOVELAND AND PLATTE RIVER POWER AUTHORITY

WHEREAS, the City of Fort Collins (hereinafter referred to as "the City") currently owns and operates an electric utility that acquires and distributes electricity to utility customers (hereinafter referred to as "the Electric Utility"); and

WHEREAS, the Platte River Power Authority ("Platte River") was formed by intergovernmental agreement among the Cities of Fort Collins, Longmont, and Loveland; and the Town of Estes Park (the "Four Municipalities") to provide electric generation and transmission services, pursuant to Colorado Revised Statutes (C.R.S.) Section 29-1-204; and

WHEREAS, Platte River was created by the Four Municipalities for the purposes of generation and transmission of electricity to be sold to the Four Municipalities on a wholesale basis; and

WHEREAS, in order to upgrade its operations in the generation and transmission of electricity, Platte River embarked on a project to link its electric substations in the City with its substations in the cities of Loveland and Longmont by a fiber-optic communication system (the "Fiber Optic Network"); and

WHEREAS, in constructing the Fiber Optic Network, Platte River installed underground and aboveground a fiber-optic cable (hereinafter referred to as the "Cable") that has been located, in part, within the City's boundaries since 1999; and

WHEREAS, the Cable contains approximately 144 fiber-optic strands, which includes one buffer tube of 12 fiber-optic strands ("Platte River Fiber") and the remaining strands in 11 buffer tubes that are dedicated to use by the Four Municipalities (the "Excess Fiber"); and

WHEREAS, the Fiber Optic Network, including the Platte River Fiber and the Excess Fiber, includes fiber configured and serving Platte River facilities within the City (a "Local Loop"), and fiber configured and connecting the Four Municipalities (the "Long-Haul Fiber"); and

WHEREAS, on December 15, 1998, the Council of the City of Fort Collins adopted Ordinance No. 229, 1998 pursuant to which the City Council approved a Franchise and License Agreement dated December 29, 1998 (the "1998 Fiber Franchise Agreement"), granting to Platte River, on the terms and conditions set forth therein, a franchise to use the City's streets and a license to use certain City electric utility facilities; and

WHEREAS, the 1998 Fiber Franchise Agreement is expiring, according to its terms, on December 31, 2018; and

WHEREAS, Platte River and the Four Municipalities have determined to transfer the Excess Fiber in the Local Loops to the respective cities where the Local Loops reside, with Platte River to retain ownership of the Platte River Fiber and Long-Haul Fiber; and

WHEREAS, on September 27, 2018, Platte River's Board of Directors adopted Resolution 15-18 authorizing the General Manager to transfer to the City its Local Loop on execution of an Intergovernmental Agreement for Fiber Management; and

WHEREAS, contemporaneous with this Resolution, the Fort Collins City Council adopted Ordinance No. 172, 2018 pursuant to which the City Council grants a new franchise and license for the Platte River Fiber and the Long-Haul Fiber located within the City's boundaries ("2018 Fiber Franchise Agreement"); and

WHEREAS, the collocation and cooperative management of the Platte River Fiber and Long-Haul Fiber with the City's Local Loop and the other Local Loops transferred to the other municipalities under the proposed Fiber Management IGA is intended to ensure reliability of the electric generation and transmission system operated by Platte River and the retail electric utilities operated by the Four Municipalities and to prevent or minimize controllable outages in the Fiber Optic Network; and

WHEREAS, in accordance with C.R.S. Section 29-1-203, governments may cooperate or contract with one another to provide any function, service or facility lawfully authorized to each of the cooperating or contracting units; and

WHEREAS, under Section 1-22 of the City Code, intergovernmental agreements and other cooperative arrangements between the City and other governmental entities are to be submitted to the City Council for review, unless they fit within one of the exceptions that permit authorization by the City Manager; and

WHEREAS, in consideration of the foregoing benefits accruing to the City and its Electric Utility customers, Utilities staff and the City Manager recommend the City Council approve the Intergovernmental Agreement for Fiber Management between Platte River and the other Four Municipalities, including the City, in substantially the set forth in Exhibit "A" attached hereto; and

WHEREAS, such an agreement will enable the City to share and provide its resources to connected communities, which will in turn further the partnership between Platte River and its founding members, and benefit City utility rate payers through maintaining reliable and efficient regional utility networks.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS, as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That it is in the best interests of the City's utility ratepayers and the City for the City to enter into the Intergovernmental Agreement for Fiber Management with Platte River Power Authority and its founding municipalities to provide coordinate management of an interconnected fiber-optic communication system comprised of local loops and long-haul segments connecting the electric substations served in each municipality by Platte River Power Authority.


Section 3. That the Mayor is hereby authorized to enter into the Intergovernmental Agreement for Fiber Management between Platte River and the Four Municipalities in substantially the form attached hereto as Exhibit "A", with such modifications in form or substance as the City Manager, in consultation with the City Attorney, determines to be necessary or appropriate to protect the interests of the City or to effectuate the purpose of this Resolution.

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 4th day of December, A.D. 2018.



Mayor

ATTEST:


City Clerk



**Intergovernmental Agreement for Fiber Management
Between
Town of Estes Park
City of Fort Collins
City of Longmont
City of Loveland
And
Platte River Power Authority**

THIS INTERGOVERNMENTAL AGREEMENT FOR FIBER MANAGEMENT ("Agreement") is made and entered into by and between The Town of Estes Park ("Estes Park"), the City of Fort Collins ("Fort Collins"), the City of Longmont ("Longmont"), the City of Loveland ("Loveland"), collectively (the "Municipalities"), individually (a "Municipality") and Platte River Power Authority ("Platte River").

1. Background.

Platte River constructed and maintains a fiber optic network in and around the Municipalities and between them to ensure high quality, reliable communications critical to real-time operation of its electric system. The fiber optic network includes the cables and fiber bundles on local fiber loops within the Municipalities, as well as the long-haul cables and fiber bundles that interconnect these local Municipal loops. Installation of the fiber optic network was necessary to replace and upgrade the communication systems used for Platte River's operational control of the transmission substations through which Platte River delivers power to the Municipalities. As installed, the fiber optic network includes more fiber than that required for Platte River's purposes. At the time of installation, the Platte River Board of Directors determined that the incremental costs associated with installing the excess fiber were insignificant. The excess fiber was intended to be dedicated to the Municipalities to be used for their telecommunications purposes. To further the telecommunications purposes of each Municipality, Platte River has conveyed to each Municipality ownership of the excess fiber within their respective local fiber loops. The cost of the excess fiber has been fully depreciated and applied to the equity interests held by each respective Municipality.

To ensure the reliability of its electric system, Platte River must remain responsible for managing the fiber optic network including operations, maintenance and capital replacement services and costs, including the excess fibers regardless of fiber strand ownership. To this end, Platte River adopted an accounting policy through Resolution No. 16-17 that places certain cost responsibilities with Platte River for replacement, operations and maintenance expenses on the fiber optic network in recognition of the importance of the fiber system for electric reliability. Platte River is also willing to perform other services as directed by a Municipality, including but not limited to negotiating dark fiber leases. This Agreement sets forth the terms and conditions whereby Platte River will provide fiber optic network management and related services to the Municipalities.

2. Definitions.

Dark Fiber – Excess Fiber within the Fiber Optic Network that is not in use.

Excess Fiber – Fiber optic strands contained within the Fiber Optic Network that are in excess of the twelve (12) strands (or more in some instances) required for Platte River's electric operations.

Fiber Cable – The cable within the Fiber Optic Network that contains the Platte River Fiber and the Excess Fiber.

Fiber Optic Network – Consists of cables and fiber bundles on the local fiber loops within the electric service area of the Municipalities, as well as the long-haul cables and fiber bundles that interconnect the Municipalities, irrespective of ownership of the individual fibers, which contain fibers that are utilized to operate the bulk electric system. The Fiber Optic Network does not include the Fiber Laterals not owned by Platte River spliced onto the Fiber Optic Network.

Fiber Optic Network Accounting Policy – The policy adopted by Platte River through Resolution No. 16-17 to establish cost responsibility and accounting treatment for the Fiber Optic Network, attached as **Exhibit B**, as such policy may be updated from time to time.

Fiber Laterals – Fiber Optic cables connected to the Fiber Optic Network for the purpose of serving specific uses, which may be owned in whole or in part by Platte River, a Municipality, or other users under leases of Excess Fiber.

Local Loop – The cables and fiber bundles located on the local fiber ring within the electric service area of a Municipality.

Long-Haul – The cables and fiber bundles located on the long-haul sections of the Fiber Optic Network that interconnect the Local Loops.

Platte River Fiber – Generally twelve (12) strands of fiber located within a single buffer tube within the Fiber Optic Network which are required for Platte River's electric operations. There may be instances where Platte River owns additional strands or additional buffer tubes in the Fiber Optic Network.

System-wide Fiber Maintenance Protocol – The set of system-wide fiber optic practices and standards for the Fiber Optic Network, equipment, splicing, and the conditions of hand holes and splice cases adopted by Platte River the initial version of which is attached as **Exhibit A**, as may be updated from time to time by the Technical Committee.

3. Term.

This Agreement may be executed by the parties hereto in counterparts and will be effective as between Platte River and each Municipality upon execution ("Effective Date"). This Agreement will remain in effect between Platte River and a Municipality that has executed the Agreement for as long as the Municipality continues to use the Excess Fiber located within the Fiber Cable and until terminated as set forth in Section 12 herein. If a Municipality intends to discontinue use of the Excess Fiber, that Municipality will provide one-year written notice of its intent to Platte River.

4. Administration.

Two committees will provide assistance in the implementation of this Agreement. Matters coming before the committees will be resolved by majority vote.

- A. The Technical Committee consists of one representative each from Estes Park, Fort Collins, Longmont, Loveland, and Platte River, each of whom shall have one vote. Each Municipality shall appoint a representative who has technical experience in fiber management. The committee will meet no less frequently than once each calendar year in the fourth quarter, or such other time as the parties may mutually agree and will provide technical support and input regarding Platte River's management of the Fiber Optic Network. The Technical Committee shall have the authority to review and update the System-wide Fiber Maintenance Protocol ("Protocol"). Provided, however, that Platte River shall have the final decision-making authority with respect to aspects of the Protocol that impact the reliability of Platte River's electric system. The agenda for the annual meeting may also include consideration of Platte River's fiber management and other issues involving the operation and management of the Fiber Optic Network.
- B. The Executive Committee consists of the utility or broadband directors of each of the four Municipalities and Platte River's General Manager, each of whom shall have one vote. Provided, however, that Platte River shall have the final decision-making authority with respect to decisions of the Executive Committee that impact the reliability of Platte River's electric system. The Executive Committee will meet as necessary or as requested by members of the Executive Committee. The Executive Committee will evaluate Platte River's fiber management, provide policy direction to Platte River relating to the leasing of Excess Fiber on the Long-Haul and operation of the Long-Haul Fiber Account, resolve any disputes that arise in the management of the Fiber Optic Network and address any other policy issues that require executive decision-making authority.

5. Management of the Fiber Optic Network – Platte River's Role and Responsibilities.

In order to prevent or minimize controllable outages the parties hereto acknowledge that it is crucial that a single entity take a holistic system-wide view when managing physical work being performed on the Fiber Optic Network. Platte River will perform the following system-wide management activities:

- a. Coordinate and communicate with the impacted Municipalities when fiber work is performed to ensure that two or more activities are not performed simultaneously thereby opening the fiber loop in multiple places at one time.
- b. Coordinate and communicate with the impacted Municipalities, Platte River's Power System Operations, Substation Engineering, and Telecommunications when fiber work is performed to ensure that no other operational conditions are present which could be compounded by a fiber outage.
- c. In consultation with the Technical Committee, set system-wide fiber optic standards for equipment, splicing, and the conditions of hand holes and splice cases (the "System-wide Fiber Maintenance Protocol"), the initial version of which is attached hereto as **Exhibit A** and incorporated herein, as amended from time to time.
- d. Communicate with the impacted Municipalities and Platte River's Electric Operations so that they know when work is being performed on the Fiber Optic Network.
- e. In consultation with the Technical Committee, ensure that common standards are implemented across the entire Fiber Optic Network and ensure that only qualified entities perform work on the Fiber Optic Network.

- f. Platte River will be responsible for locating the Fiber Optic Network.

Each Municipality shall have the right to perform, with its own forces or through qualified third parties, such physical work as it deems necessary or appropriate to the maintenance, use, and enhancement of its Local Loop and related portions of the Fiber Optic Network, subject to coordination by Platte River in accordance with the forgoing provisions and the System-wide Fiber Maintenance Protocol.

6. Cost Responsibility.

Costs associated with the Fiber Optic Network shall be allocated as set forth in Platte River's Fiber Optic Network Accounting Policy, attached hereto as **Exhibit B** and incorporated herein, as amended from time to time.

Administrative expenses in the amount of ten percent (10%) of the lease revenues collected shall be deducted by Platte River from lease revenues due to the Municipalities to cover Platte River's costs incurred in leasing Excess Fiber on behalf of the Municipalities. The ten percent (10%) fee shall be reviewed and modified periodically by Platte River, as necessary, to ensure that it remains a reasonable estimate of Platte River's actual administrative expenses. No administrative fee shall be assessed for leases that have been pre-paid prior to execution of this Agreement.

Costs to repair damage to the Fiber Optic Network shall be borne by the entity legally responsible for causing such damage.

7. Reliability Standards.

The parties hereto acknowledge that as a "Transmission Operator" (defined by the Glossary of Terms Used in NERC Reliability Standards), Platte River must comply with NERC Standard TOP-001. The parties hereto further acknowledge that Platte River shall follow its adopted outage coordination procedure for TOP-001, as amended from time to time.

8. Role and Responsibilities of the Municipalities.

Each Municipality shall comply with the System-wide Fiber Maintenance Protocol set forth in **Exhibit A** hereto, as amended from time to time by the Technical Committee. No work shall be performed on the Fiber Optic Network by a Municipality without compliance with the System-wide Fiber Maintenance Protocol. Additional temporary and/or limited-area protocols may be agreed upon between Platte River and a Municipality if required to address unique circumstances that affect the Local Loop in that Municipality.

9. Excess Fiber Leasing.

In October 1998, the Platte River Board of Directors adopted Resolution 17-98 which authorized the General Manager to negotiate dark fiber leases on behalf of the Municipalities. Since that time, Platte River has been leasing dark fiber within the Local Loops in Fort Collins, Loveland and Estes Park to third parties and returning the revenue associated therewith to the Municipality within whose electric service area the leased dark fiber is located. Platte River has retained revenue from leases of dark fiber within the Long-Haul to cover its operating expenses.

As requested by a Municipality, Platte River may perform the following tasks on behalf of the Municipalities:

- a. Negotiate and execute leases, or extensions of current leases, of Excess Fiber located within its Local Loop with telecommunications providers and other entities. The terms and conditions set forth in such leases shall be acceptable to the requesting Municipality. Local Loop lease rates shall be determined independently by the requesting Municipality. At any time, a Municipality may choose to assume responsibility for leasing its own fiber within its Local Loop; and
- b. Pay the net revenues from Local Loop leases (gross revenues less administrative expenses deducted in accordance with Section 6 of this Agreement) quarterly to the Municipality within whose electric service area the leased Excess Fiber is located; and
- c. In consultation with, and consistent with the policy direction given by the Executive Committee, negotiate and execute leases, or extensions of current leases, of Excess Fiber within the Long-Haul with telecommunications providers and other entities. To the extent possible the terms and conditions set forth in such leases shall be consistent with leases of fiber located within the Local Loops, and shall be acceptable to the Executive Committee. Long-Haul lease rates shall be determined independently by Platte River; and
- d. So long as Platte River retains ownership of the Excess Fiber within the Long-Haul, net revenues (gross revenues less administrative expenses deducted in accordance with Section 6 of this Agreement) from Long-Haul Leases shall be maintained in an account to be managed by Platte River for the benefit of the Municipalities (the "Long-Haul Fiber Account"). The Long-Haul Fiber Account shall be used by Platte River, in a manner consistent with the policy direction provided by the Executive Committee, to pay for expenses associated with the Long-Haul which are not covered in the Fiber Optic Network Accounting Policy, including, but not limited to easement acquisition and technology upgrades to, or expansion of, the Long-Haul. Expenses shall not exceed the balance in the account. In the event that ownership of the Excess Fiber within the Long-Haul is transferred to the Municipalities, funds remaining in the Long-Haul Fiber Account shall be transferred with such ownership in the same proportion (i.e., if ownership is transferred to each Municipality equally, the account balance shall be distributed equally); and
- e. Perform related fiber leasing tasks at the request of a Municipality including, but not limited to, customer management and billing, customer notices, and response to customer questions.

10. Additional Tasks.

In addition to the leasing of Excess Fiber tasks set forth in Section 9 above, Platte River will perform the following tasks within the Fiber Optic Network upon request of a Municipality:

- a. Fiber optic design
 - (i.) Design fiber circuits that meet the customer's needs
 - (ii.) Provide quotes for proposed fiber work
- b. Fiber optic splicing

- (i.) Build splice diagrams for accepted work
- (ii.) Fiber work coordination
- (iii.) Customer notifications
- (iv.) Equipment maintenance and calibration
- (v.) Traffic control
- (vi.) Document completed work
- c. Fiber optic locating of laterals
- d. Fiber optic database & documentation maintenance
- e. Fiber optic system maintenance, troubleshooting, and repair
 - (i.) Responding to fiber cuts
 - (ii.) Replacing damaged vaults
 - (iii.) Troubleshooting fiber performance issues
 - (iv.) Replacing damaged patch panels
 - (v.) Rebuilding splice cases
- f. Coordinating capital improvements
 - (i.) Procurement
 - (ii.) Project management

Payment for the above tasks shall be made by the requesting Municipality upon billing by Platte River, which billing shall not occur more frequently than monthly and shall identify the tasks performed during the billing period. Platte River will bill the requesting Municipality for labor at the current hourly labor rate and benefits for the Platte River staff performing the work. Platte River will bill the requesting Municipality for equipment use and the actual costs of any contracted labor or parts used in work performed under this Agreement.

Alternatively, each Municipality may perform such work with respect to its Local Loop and other related portions of the Fiber Optic Network through its own forces or a qualified contractor, subject to coordination by Platte River in accordance with Section 5 above and the System-wide Fiber Maintenance Protocol.

11. Confidentiality.

If a party to this Agreement provides confidential information to another party which is identified as such, the receiving party shall, to the extent authorized by law, protect the confidential information from disclosure to third parties with the same degree of care afforded its own confidential and proprietary information. Neither party shall, however, be required to hold confidential any information which becomes publicly available other than through the recipient, which is required to be disclosed by a governmental or judicial order, or by statute, is independently developed by the receiving party, or which becomes available to the receiving party without known restrictions from a third party. Documents and other materials supplied to a party to this Agreement may potentially become public records subject to inspection by outside parties pursuant to the Colorado Open Records Act, C.R.S. § 24-72-200.1, et seq., as amended.

12. Termination.

This Agreement shall terminate between Platte River and a Municipality when either party no longer uses its fiber located within the existing Fiber Cable for a period of twelve (12) consecutive months including any third-party leases. After termination no party shall reuse fiber located within the existing Fiber Cable until such party has provided written acknowledgement that such reuse is subject to the terms of this Agreement. Upon receipt of the notice required under Section 3, the Municipality shall be responsible for the actual costs, if any, associated with reconfiguration of the Local Loop, which costs may include disconnecting any laterals that are no longer necessary. Alternatively, a Municipality may request that Platte River vacate the existing Fiber Cable and, if Platte River agrees to relocate, the Municipality shall build a new fiber route according to Platte River's specifications at its cost for the Platte River Fiber (notwithstanding anything to the contrary in the Fiber Optic Network Accounting Policy). The parties may negotiate the transfer of title of unused or vacated fiber, which may include transfer of title in lieu of costs, if any, associated with reconfiguration. If this Agreement is terminated by one Municipality as set forth herein, Platte River shall have a continuing obligation to provide services under this Agreement to the other Municipalities.

13. Notices.

All notices, requests, demands, and other communications under this Agreement shall be in writing and duly given upon delivery, if delivered personally, or upon depositing in the U.S. Mail, postage prepaid and certified, return receipt requested, and addressed to the proper party as follows:

City of Fort Collins
300 LaPorte Avenue
Fort Collins, CO 80522
Attn: City Manager

City of Longmont
Civic Center Complex
350 Kimbark
Longmont, CO 80501
Attn: City Attorney
Attn: LPC General Manager

Platte River Power Authority
2000 E. Horsetooth Road
Fort Collins, CO 80525
Attn: General Manager/CEO

Town of Estes Park
170 MacGregor Ave
Estes Park, CO 80517
Attn: Utilities Director

City of Loveland
500 E 3rd Street
Loveland, CO 80537
Attn: _____

14. Assignment.

Neither the Municipalities nor Platte River shall assign or transfer any interest in this Agreement, the Excess Fiber or the Fiber Optic Network without the prior written consent of the other parties. This provision shall survive the termination of this Agreement.

15. Provisions Construed as to Fair Meaning.

The provisions of this Agreement shall be construed as to their fair meaning and not for or against any party based upon attribution of the language in question.

16. Headings for Convenience.

All headings, captions and titles are for convenience and reference only and of no meaning in the interpretation of effect of this Agreement.

17. Compliance with Ordinances and Regulations.

Platte River and the Municipalities shall perform their obligations under this Agreement in strict compliance with all federal, state and Municipal laws, rules, statutes, charter provisions, ordinances, and regulations applicable to their performance under this Agreement.

18. No Implied Representations.

No representations, agreements, covenants, warranties, or certifications, express or implied, shall exist as between the parties, except as specifically set forth in this Agreement.

19. No Third-Party Beneficiaries.

None of the terms or conditions in this Agreement shall give or allow any claim, benefit, or right of action by any third person not a party hereto. Any person other than the Municipalities or Platte River receiving services or benefits under this Agreement shall be only an incidental beneficiary.

20. Indemnification.

- A. To the extent allowed by law, in connection with the obligations of each Municipality under this Agreement, each Municipality agrees to indemnify and hold harmless Platte River, and its officers and employees, against all liabilities, claims and demands which arise from any negligent act or omission of the Municipality's officers or employees which occurred during the performance of their duties and within the scope of their employment. In addition, to the extent allowed by law each Municipality agrees to indemnify Platte River, and its officers and employees, from all costs and expenses related to defending such liabilities, claims and demands, including but not limited to, litigation costs and reasonable attorney's fees, whether any such liabilities, claims and demands are groundless, frivolous, false or fraudulent. However, each Municipality and Platte River acknowledge and agree that all such liabilities, claims and demands shall be subject to any notice requirements, defenses, immunities and limitations to liability that the Municipality and its officers and employees may have under the Colorado Governmental Immunity Act (C.R.S. §24-10-101, et seq.) and under any other law.
- B. To the extent allowed by law, in connection with the obligations of Platte River this Agreement, Platte River agrees to indemnify and hold harmless the Municipalities, and their officers and employees, against all liabilities, claims and demands which arise from any negligent act or omission of Platte River's officers or employees which occurred during the performance of their duties and within the scope of their employment. In addition, to the extent allowed by law Platte River agrees to indemnify the Municipalities, and their officers and employees, from all costs and expenses related to defending such liabilities, claims and demands, including but not limited to, litigation costs and reasonable attorney's fees, whether any such liabilities, claims and demands are groundless, frivolous, false or fraudulent. However, Platte River and each Municipality acknowledge and agree that all such liabilities, claims and demands shall be subject to any notice requirements, defenses, immunities and limitations to liability that Platte River and its officers and employees may have under the Colorado Governmental Immunity Act (C.R.S. §24-10-101, et seq.) and under any other law.

- C. In no event will any party be liable to another party for consequential, incidental, or punitive damages.

21. Expenditure Not to Exceed Appropriation.

The financial obligations of the parties hereto under this Agreement are contingent upon the annual appropriation, budgeting and availability of specific funds to discharge those obligations. Nothing in this Agreement shall create a multiple-fiscal year debt or other financial obligation or fiscal obligation of any kind payable in a fiscal year beyond the fiscal year for which funds are so appropriated for the payment of current expenditures.

22. Integrated Agreement and Amendments.

This Agreement is an integration of the entire understanding of the parties with respect to the matters set forth herein. The parties shall only amend this Agreement in writing with the proper official signatures attached hereto.

23. Waiver.

No waiver of any breach or default under this Agreement shall be a waiver of any other or subsequent breach or default.

24. Severability.

Invalidation of any specific provisions of this Agreement shall not affect the validity of any other provisions of this Agreement.

25. Governing Law and Enforceability.

This Agreement shall be governed and construed in accordance with the binding laws of the State of Colorado, venue shall be in the County of Larimer, State of Colorado. In addition, the parties hereto recognize that there are legal constraints imposed upon the Municipalities and Platte River by constitutions, statutes, rules and regulations of the State of Colorado, and of the United States, and imposed upon them by Municipal Charter and Municipal Code, and that, subject to such constraints, the parties intend to carry out the terms and conditions of this Agreement. Notwithstanding any other provision of this Agreement to the contrary, in no event shall either of the parties hereto exercise any power or take any action which shall be prohibited by applicable law. Whenever possible, each provision of this Agreement shall be interpreted in such a manner to be effective and valid under applicable law.

26. Binding Effect.

This Agreement shall be binding upon the parties and their respective successors and assigns.

27. Counterparts.

This Agreement may be executed by the parties hereto in counterparts.

In Witness Whereof, the parties execute this Agreement as of the dates set forth in the signature blocks below.

PLATTE RIVER POWER AUTHORITY

By: _____
General Manager/CEO
Date: _____

APPROVED AS TO FORM:

By: _____
Deputy General Counsel

ATTEST:

By: _____
Secretary

TOWN OF ESTES PARK, COLORADO

By: _____
Mayor
Date: _____

ATTEST:

By: _____
Town Clerk

CITY OF FORT COLLINS, COLORADO

By: _____
City Manager
Date: _____

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
Deputy City Attorney

CITY OF LOVELAND, COLORADO

By: _____
City Manager
Date: _____

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

By: _____
Assistant City Attorney

CITY OF LONGMONT, COLORADO

By: _____
Mayor
Date: _____

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM AND SUBSTANCE:

Director of Longmont Power & Communications

APPROVED AS TO FORM:

Assistant City Attorney

PROOFREAD:

EXHIBIT A

System-wide Fiber Maintenance Protocol Initial Version

Approved by Technical Committee November 7, 2018

1 Purpose

This protocol governs maintenance activities that are performed on the fiber system to ensure work is planned, coordinated, scheduled, and performed in a manner that does not negatively affect the underlying critical services that rely on the fiber system.

2 Scope

Fiber work is defined as a planned fiber cut or planned fiber disconnect.

What: This protocol applies to fiber work that is performed on infrastructure with fibers owned by both Platte River and a third party. This protocol does not apply to work being performed in meet-me vaults or on lateral cables.

Who: This protocol applies to all fiber optic cable owners and their employees and contractors that oversee or perform work on infrastructure with fibers owned by both Platte River and a third party.

3 Fiber Maintenance Protocol

3.1 Central system-wide Local Loop and long-haul fiber work coordination

The fiber system extends from north to south between Fort Collins and Longmont and from east to west between Loveland and Estes Park. The fiber system enables the monitoring, control, and teleprotection of the bulk electric system in and among Estes Park, Fort Collins, Longmont, and Loveland in addition to supporting local municipal services and commercial communication connectivity.

Many of the fiber strands located within each cable are interconnected with other cables to create circuits that extend across the entire fiber system. Work that is performed anywhere on the fiber system can negatively affect underlying communication rings that extend beyond the electric service area where the work is being performed. Work that is not coordinated may unintentionally open a ring and interrupt critical communication. Therefore, it is essential that all work performed on the fiber system be coordinated, reviewed, assessed for its effect on system-wide communications, and scheduled with all parties to reduce the risk to critical communications.

These protocols must be followed to better understand and manage risk to fiber optic dependent communication services.

3.1.1 Fiber work assessments

Fiber optic communication services can be divided into two broad categories: the logical ring and the physical ring. The physical ring includes the fiber optic vault, splice enclosure, splice trays, fiber cable, buffer tubes and fiber optic strand. The logical ring includes the equipment and logical circuits used to light up and transfer data over the physical fiber optic strands.

Some logical and physical rings are protected from a single equipment failure or a single fiber cut. These systems with multiple equipment failures and/or fiber cuts will open both rings and affect communication services. The logical ring is dependent on the physical ring. A single equipment failure in conjunction with a single fiber cut can open the logical ring in two locations resulting in the loss of communication services.

An assessment must be performed by affected municipalities and Platte River to determine if the proposed work may disrupt any communications services.

Physical ring – Assess the proposed fiber work:

1. Determine how the fiber work may impact services
2. Verify the integrity of the existing physical ring
3. Verify that a physical ring will not be opened by two or more planned cuts or disconnects being performed on the fiber system at the same time

Logical ring – Assess the proposed fiber work and proposed equipment work to evaluate if the fiber work and equipment work will conflict such that the logical network ring will not be opened by one or more planned cuts or disconnects being performed simultaneously on either physical or logical ring.

3.1.1.1 Bulk Electric System (BES) assessment

The fiber system is critical to the operation of the bulk electric transmission system. The fiber system supports SCADA and relay protection.

An assessment is required to evaluate if the proposed fiber optic work will have an adverse effect on the bulk electric system.

3.1.1.2 System-wide assessment on customer dark fiber circuits

Multiple entities in addition to the municipalities and Platte River rely on the reliable operation of the fiber system.

An assessment is required to evaluate if the proposed fiber optic work will have an adverse effect on customer connectivity. Customers must be notified if it is determined that their circuit will be affected by the fiber work. The work must be coordinated with the affected fiber customers.

3.1.1.3 Municipal Assessment

An assessment is required to evaluate if the proposed fiber optic work will have an adverse effect on municipal connectivity.

3.1.2 Work Approval

Entities that are performing non-emergency work and plan on cutting or disconnecting fiber strands on the fiber system must notify Platte River's Power System Operations, according to the Platte River Outage Coordination Procedure, and affected municipalities of proposed scheduled work and receive approval from all parties. A response for non-Platte River fiber cuts or disconnects must be given within four (4) business days or

approval is assumed. Platte River fiber cuts and disconnects must be handled according to the Platte River Outage Coordination Procedure.

Power System Operators and the municipalities have the authority to either approve or delay scheduled fiber work.

The municipalities and Platte River can designate time periods when the risk is too high to perform any fiber optic work. Entities will be required to reschedule the non-emergency fiber optic work.

3.1.3 System-wide work scheduling

Fiber work must be scheduled and coordinated so that it does not conflict with other work that is being performed on the fiber system so that the risk of a communication interruption is reduced.

4 Fiber System Standards [to be reviewed by the Technical Committee]

The fiber system is comprised of many interconnected parts that must all work together. Fiber optic strands are delicate and difficult to work with. Fiber technicians depend on a consistent, clean, and orderly fiber implementation to perform their work. Uncommon materials and equipment, incorrect labels, or untidy workmanship can make performing fiber work difficult and presents greater risk to the fiber system.

The installation of common materials allows for consistency amongst different inventories and the ability to share parts in a time of need. Consistent equipment and system configurations allows technicians to be better prepared when providing mutual aid and responding to outages or assisting with large jobs.

The proper maintenance of the fiber system will increase its longevity by protecting each fiber system component. A properly maintained fiber system results in a reduction in component replacements and lower costs over the long-term. Splice cases that have not been properly maintained become difficult to work on. Eventually the splice will be rebuilt which results in a reduction in fiber cable length. The issue then cascades as it eventually leads to a cable replacement. The practice of not scoping and cleaning patch panel connectors and fiber jumpers causes damaged to the connector which reduces light carrying capacity and leads to a patch panel replacement. This too can cascade into a cable replacement.

The following standards must be met when installing or maintaining the fiber system:

- Scope & clean connectors
- Use standardized equipment
- Use ultra-low loss fiber
- Accept a maximum of .03 dB loss for splices
- Components must be labeled
- Hand hole layout
- Splice case layout
- Fiber testing and acceptance requirements
- Limit the number of splice cases in a hand-hole
- Maintain hand-holes and splice cases in a consistent, orderly, and clean state

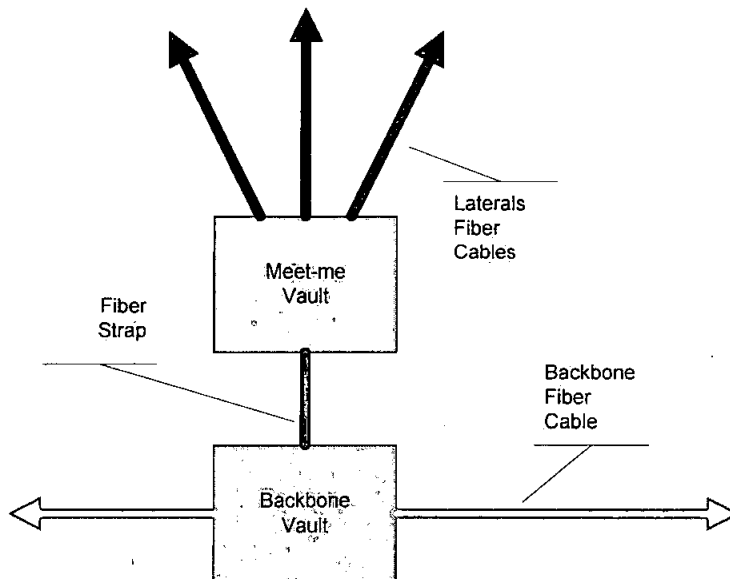
5 Meet-me Vaults

Meet-me vaults are preferred means of construction to allow a connection of customer laterals to the Local Loop without compromising or increasing risk to the Local Loop fiber cable.

The Local Loop is only accessed once to install the fiber strap which is a short fiber optic cable that connects two splice cases. From that point on, all customer laterals and all work associated with connecting customer laterals happen within the meet-me vault. This provides many benefits including:

- Reduction in risk to the Local Loop fiber cable because customer work is not performed directly on the Local Loop
- Fiber strands that contain critical traffic can remain protected in the Local Loop vault
- Outages resulting from work in the meet-me vault are localized to the customers in that vault. This allows for:
 - Easier coordination with affected customers
 - Fewer customer notifications
 - Increased confidence for the fiber technician to know which customers will be affected
- It is much easier to rebuild a meet-me vault
- An accident, like dropping a vault lid onto the fiber, affect a subset of the customers
- The Local Loop is only accessed once to install the meet-me vault. This helps ensure the integrity of the Local Loop is not compromised over time through continuous access.
- Initial splicing and re-splicing reduces fiber strand length. This is confined to the meet-me vault.


Meet-me vaults should be utilized whenever possible.



6 System-wide fiber optic documentation [to be determined by the Technical Committee].

EXHIBIT B

Fiber Optic Accounting Policy

 Platte River Power Authority	Policy	Version #: 1.0 Original Effective Date: 12/07/2017 Next Review Date: 12/07/2022
	Fiber Optic Network Accounting Policy	Page 1 of 2

Purpose:

To establish cost responsibility and accounting treatment for the fiber optic network primarily installed for electric operation communications. For purposes of this policy the term "fiber optic network" includes the cables and fiber bundles on the local fiber rings within the municipalities as well as the long-haul cables and fiber bundles that interconnect the municipalities, irrespective of ownership of the individual fibers. Fiber optic network does not include the fiber laterals spliced onto the fiber optic network.

Without the fiber optic cables connecting transmission substations, Platte River could not monitor, control, or protect the transmission system. The fiber optic network contains excess capacity beyond that necessary for Platte River operations, and this excess capacity is dedicated for municipal uses. Platte River requires a fiber optic network for electric operations independent of the other benefits provided by the extra capacity. It is for this reason, and in recognition that the cost to add the extra capacity was immaterial and would have little to no impact on the rate setting process, that Platte River is proposing the accounting treatment detailed in this policy.

Policy:

This policy covers expenses incurred for the installation of capital fiber assets as well as ongoing operations and maintenance costs.

Capital Costs

Platte River will assume all capital costs for newly installed fiber optic cables or for any replacement after the initial installation of the fiber optic network as a capital asset, regardless of fiber strand ownership. The replacement asset will be depreciated as a Platte River asset and will be recovered through Platte River's rates in the same manner as other capital assets.

If portions of the fiber optic network require replacement, Platte River will assume the costs for replacing the fiber optic network and Platte River owned laterals only. The cost for re-splicing other laterals into the system will be borne by the owner of the lateral.

The accounting treatment applied in 1998 for the costs of the original fiber optic assets will remain the same, which assets will be fully depreciated in 2018.

As discussed with Platte River's auditors, this policy does not require the use of GASB Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989, FASB and AICPA Pronouncements*, Regulated Operations, paragraph 476-500, treatment because the incremental cost to install additional fiber strands beyond those needed for Platte River communications would have little to no impact on the rate setting process.

Operations and Maintenance Costs

Costs associated with operations and maintenance of the fiber optic network will be borne by Platte River. The relocation costs of the fiber optic network, or any portion thereof, will be borne by the entity requesting the relocation. The cost for splicing laterals into the system will be borne by the owner of the lateral cable.

Implementing Parties and Assigned Responsibilities:

 Platte River Power Authority	Policy	Version #: 1.0 Original Effective Date: 12/07/2017 Next Review Date: 12/07/2022
	Fiber Optic Network Accounting Policy	Page 2 of 2

<p>The Controller reviews and implements this policy. During review, the incremental cost will be assessed, in conjunction with the auditors, for materiality and impacts on the rate setting process. Necessary revisions will be brought before the Platte River Board of Directors.</p>
<p>Associated Items (if applicable):</p>
<p>September 2017 Fiber Asset Ownership Whitepaper Fiber optic network asset accounting treatment procedure and Resolution No. 16-17.</p>
<p>Definitions (if applicable):</p>
<p> </p>

Document Owner: Controller	Original Effective Date: 12/07/2017
Authority: Board of Directors	Review Frequency: Every 5 years
Counsel Review: General Counsel or Associate General Counsel	Current Effective Date: 12/07/2017

Version	Date	Action	Author	Change Tracking (new, review, revision)
1.0	12/07/2017	Original Policy by Board Resolution No. 16-17	Shelley Nywall	New