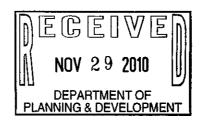


November 23, 2010

Mr. Kim B. Headley
Director of Planning & Development
Pueblo County
229 West 12th Street
Pueblo, CO 81003-2810



Subject:

Southern Delivery System (SDS) - Special Use Permit - Pre-Construction

Activities and Letter of Consent

Dear Mr. Headley,

On behalf of the SDS Project Participants and pursuant to the Pueblo County 1041 Permit No. 2008-002, Mitigation Appendix Condition C-7, No. 2 - Permitting, we have enclosed copies of the Special Use Permit for Pre-Construction Activities and a Letter of Consent to conduct Utility Location within the Fountain Valley Authority Conduit easement for the SDS Project. Both of these approvals for activities were issued by the Bureau of Reclamation.

The Special Use Permit was issued electronically and has been re-circulated for signatures to include Colorado State Parks. A copy of this permit with updated signatures will be sent to your office when it is received. Also please note, the Letter of Consent also has a second letter sent for clarification regarding indemnification language and references the original letter dated October 7, 2010.

If you have any questions regarding this report, please feel free to contact me directly at 719-668-8037, or Keith Riley, Southern Delivery System Planning & Permitting Program Manager, at 719-668-8677.

Sincerely,

John Fredell

John Field

Southern Delivery System Project Director

Attachments:

Bureau of Reclamation - Special Use Permit Bureau of Reclamation - Letter of Consent

Bureau of Reclamation - Letter of Consent clarification

PAGE 2 OF 2

Cc: (without enclosures)

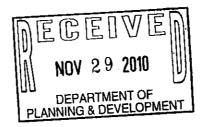
Jeff Chostner, Chairman, Pueblo Board of County Commissioners
Dan Kogovsek, Attorney, Pueblo County
Keith Riley, Southern Delivery System Planning & Permitting Manager, Springs Utilities
Allison Mosser, Southern Delivery System Permitting and Compliance, Springs Utilities

GP-76 (Revised 4-07) Bureau of Reclamation



UNITED STATES DEPARTMENT OF THE INTERIOR BUREAU OF RECLAMATION GREAT PLAINS REGION

Special Use Permit



Contract Number: 10-LM-60-0319

Exhibits Attached: A,B, & C
(Place Contract No. on all Exhibits)

Term: (Not to Exceed 50 Years)

From: September 26, 2010

To: September 26, 2013

Permit Fee: \$ Welved 43 CFR 429.25 (4)

Successive Fee: \$ Welved

Permitee:

Colorado Springs Utilities -- Attention Mr. Keith Riley P.O. Box 1103 MC: 930 Colorado Springs, Colorado 80947-0930

Purpose: (Specify use requested: what, quantitles, dimension, etc.)

Temporary use of Reclamation lands for the following four types of pre-construction activities associated with the Southern Delivery System are authorized:

1) temporary non-surface disturbing activities and surveys, land surveys, facility surveys, resource surveys, and investigations to include diving in the river below the dam; 2) temporary, non-mechanized, and minimally disturbing activities within previously disturbed areas to include geotechnical investigations utilizing a hand suger 6 inches or less in diameter, 3) mechanized temporary surface disturbing activities such as pot-holing and excavation for the purpose of utility location within previously trenched areas, and 4) forming, pouring, and testing of; an approximately six cubic yard concrete batch test, and an approximately 28 cubic yard test block.

This action is consistent with Reciamation Record of Decision for the Southern Delivery System deted March 20, 2009. Construction of facilities, or any long-term occupancy is not authorized by this Permit.

Description of Premises: (Specify legal descriptions of land and major features such as reservoir, canal, etc.)

Proposed activities are located at the Pueblo Dam, Fryingpan-Arkansas Project, Pueblo County, Colorado. Locations Include, portions of: Sections 30 & 31, Township 20 South, Range 65 West; Sections 25 & 36, Township 20 South, Range 66 West; and Section 1, Township 21 South, Range 66 West; 6th Principal Meridian.

Non-surface disturbing pedestrian land and resource survey activity is authorized on all Reclamation lands in the vicinity of Pueblo dam, as needed for the practice of professional standards. The Permit area in which off road vehicular access, surface disturbing, and minor surface disturbing activities may occur encompasses approximately 75 acres, is shown in Exhibit A, and is limited to those areas which have received a Class III Cultural Resource Inventory or have been previously disturbed. Cumulative surface disturbance associated with this permit is limited to 1 acre or less. (See Special Conditions.)

Special Conditions: See Exhibit B

The Permittee hereby accepts this permit subject to the terms, covenants, obligations and reservations, expressed or implied herein.

DATE <u>9-26-10</u>
ATTEST Allison Mosser
SIGNATURE allison Mosser
TITLE SDS Planning and termiting Manager
SIGNATURE Jan Jul
PERMITTEE

GENERAL CONDITIONS

Authority to issue permits by the United States is contained in the Act of Congress of June 17, 1902 (32 Stat. 388), and acts emendatory thereto or supplementary thereto; particularly section 10 of the Act of August 4, 1939 (53 Stat. 1196), as amended by the Act of August 18, 1950 (64 Stat. 483; 43 U.S.C. 387); and 43 CFR 429.

This permit is issued as authorized by Reclamation Law and subject to all conditions contained herein.

- 1. Payments. All payments shall be made to the issuing office of the Bureau of Reclamation on or before the date of issue by a postal money order or a check made payable to the Bureau of Reclamation (Reclamation).
- 2. Use Limitations. The permitted use: (a) is limited to the purposes and Premises herein specified; (b) does not unless specified in the permit grant any rights to water, (c) does not unless provided for in the permit allow restriction of public entry or uses or to the area; (d) is subject to existing essements, rights-of-way, or resevetions; (e) is subject to the right of Reclamation to grant other permits for the same premises upon a finding by the issuing Officer that the additional use is compatible with the use permitted herein; and shall not impede Reclamation, its agents or assigns from carrying on whatever activities are necessary, to: (1) protect and maintain the premises, facilities, and adjacent I lands administered by the United States and its agencies and (2) manage all resources located on the premises and other Reclamation lands.
- 3. Damages. The United States shall not be responsible for any loss or damage to Property arising from the issuance of this permit, including but not limited to damages to growing crops, animals, and machinery; or injury to the Permittee or its associates, officers, agents, employees, or any third parties who are on the premises; or for damages or interference caused by natural phenomena. To the extent permitted by law, the Permittee agrees to save the United States and any of its assigns or agents, harmless from any and all claims by the Permittee, or by third parties, for damages or losses that may arise from or be incident to any activity associated with this permit; except damages caused by the negligent or wrongful act of a Government employee.
- 4. Operating Rules and Laws. The Permittee shall keep the premises in a neat and orderly condition at all times and shall comply with all municipal, county, State, and Federal laws, rules, and regulations applicable to their operations under the permit. Also, the Permittee shall take all reasonable precautions to prevent the escape of fires and to suppress fires and shall render all reasonable assistance in the Suppression of fires.
- 5. Responsibility of Permittee. The Permittee, by operating on the premises, shall be considered to have accepted these premises with all the facilities, fixtures, or improvements in their existing condition as of the date of this permit. At the end of period specified or upon seriler termination, the Permittee shall give up the premises in like condition as when received except for reasonable wear, tear, or damage occurring without fault or negligence. The Permittee will fully repay Reclamation for any and all damage, directly or indirectly, resulting from the Permittee's negligence or failure to use reasonable care.
- 6. Revocation. (a) Violation: This permit may be revoked on the tenth day following written notice to the Permittee upon a finding by Reclamation that the Permittee has violated any of the terms herein or made use of the premises for purposes not herein prescribed: Provided that if said violation or nonprescribed use of the premises ceases within 10 days of receipt of notice, the Permittee will be allowed to maintain occupancy under this permit.
- (b) Nonuse and project purposes: This permit may also be revoked with 30 days written notice to the Permitte upon a finding by Reciamation that:
 (1) The Permittee has falled to use or discontinued use of the premises or
- (2) The premises are needed for project purposes.
- (c) Possession: Upon any such revocation, Reclamation, by and through any authorized representative may take possession of said premises for its Own and sole use in accordance with Section 10
- 7. Cultural Values. Should evidence of historical, archaeological, or paleontological sites be discovered during use of the premises, the Permittee immediately shall suspend operations and advise the issuing officer.
- 8. Compliance. Failure of Reclamation to insist upon strict compilance with any of this permit's terms, conditions, and requirements shall not constitute a wellwaiver or relinquishment of Rectamation's right to thereafter enforce any of permit's terms, Conditions, or requirements.
- 9. Termination. At the termination of this permit, the Permittee shall immediately give up possession to Reclamation, reserving, however, the rights specified in Paragraph 10. Upon failure to do so, the Permittee shall pay the Government, as liquidated damages, an amount double the rate specified in this permit for the entire time possession is retained. The acceptance of any fee for liquidated damages or any other act of administration relating to the continued tenancy is not to be considered as an approval of the Permittee's possession.
- 10. Removal of Permittee's Property. Upon the expiration, termination, or revocation of this permit, if all rental charges and damage claims due the Government have been paid, the Permittee may remove all structures, machinery, or other property from the premises. Upon fallure to remove any of

the said property within 60 days of expiration, termination, or revocation, it shall become the property of the United States and the Permittee shall pay the United States for all expenses related to property removal.

- 11. Transfer of Privileges. This permit is not transferable.
- 12. Refunds. All money paid under this permit shall be retained by the Government. If Section 6(b)(2) is exercised, the fee paid under this permit shall be refunded by a prorate share as determined by Reclamation.
- 13. Official Barred from Participating. No Member of Congress or Resident Commissioner shall participate in any part of this contract or to any benefit that may arise from it, but this provision shall not pertain to this contract if made with a corporation for its general benefit.
- 14. Nondiscrimination in Employment. The Permittee agrees to be bound by the equal opportunity clause of Executive Order 11248.
- 15. Liability. The permitted activities shall be conducted so as not to interfere with the operation, maintenance, and administration of Reclamation Projects. Any additional repairs, maintenance, or expense to Reclametion Projects as a result of the permitted activities shall be reimbursed to the United States by the

Permittee. The Permittee may review such expenses; however, the Secretary of the Interior's determination of such expense shall be final and binding upon the parties hereto.

- 16. Trespass. Any use of the premises not herein prescribed shall be considered a trespass. Any violation or trespass on any Reclamation lands by the Peremittee shall be cause for revocation of this permit, in accordance with Section 6.(a). The Permittee shall be liable for any damages resulting therefrom, and an approximate charge as determined by the Issuing officer shall be made to the Permittee. Any property constructed in trespass shall be considered property of the United States, and the Permittee shall pay the United States for all expenses related to property removal.
- 17. Disclosure. in accordance with the Privacy Act of 1974 (Pt. 93-579), please be advised that: (a) Participation is voluntary; however, failure to answer all questions fully may delay processing of this application or result in denial of (b) information will be used as criteria for the issuance of special use permits and forr identification of personnel having special use permits on Reciamation lands; and (c) in the event there is indicated a violation of a statute, regulation, rule, order, or ilcense, whether civil, criminal, or regulatory in nature, the requested information may be transferred to the appropriate Federal, State, or local egency charged with investigation or processing such violations.
- 18. In Addition:
- (a) The (Contractor) shall comply with all applicable Federal, State, and local laws and regulations, and Reclamation policies and instructions, existing or heresiter enacted or promulgated, concerning any hazardous material that will be used, produced, transported, stored, or disposed of on or in lands, waters, or facilities owned by the United States or administered by Reclamation.
- (b) "Hazardous maieriai" means any substance, poliutant or contaminant listed as hazardous under the Comprehensive Environmental Response. Compensation and Liability Act of 1980, as amended. 42 U.S.C.-1901, et. seq., and the regulations promulgated pursuant to the Act.
- (c) The (Contractor) may not allow contamination of lands, waters or facilities owned by the United States or administered by Reclamation by hazardous materials, thermal poliution, refuse, garbage, sewage efficient, industrial waste, petroleum products, mine tailings, mineral salts, pesticides (including but not limited to, the misuse of pesticides, pesticide containers or any other pollutants.
- (d) The (Contractor) shall report to Reclamation, within 24 hours of its occurrence, any event which may or does result in pollution or contamination adversely affecting lands, water or facilities owned by the Uhited States or administered by Reclamation.
- (e) Violation of any provisions of this Article shall constitute grounds for immediate termination of this permit and shall make the (Contractor) liable for and the cost of full and complete remediation and/or restoration of any Federal resources or facilities that are adversely affected as a result of the violation.
- (f) The (Contractor) agrees to include the provision contained in paragraphs (a) through (e) of this Article in any subcontract or third party contract it may enter into pursuant to the permit.
- (g) Reclamation agrees to provide information necessary for the (Contractor), using reasonable diligence, to comply with the provision of this Article.

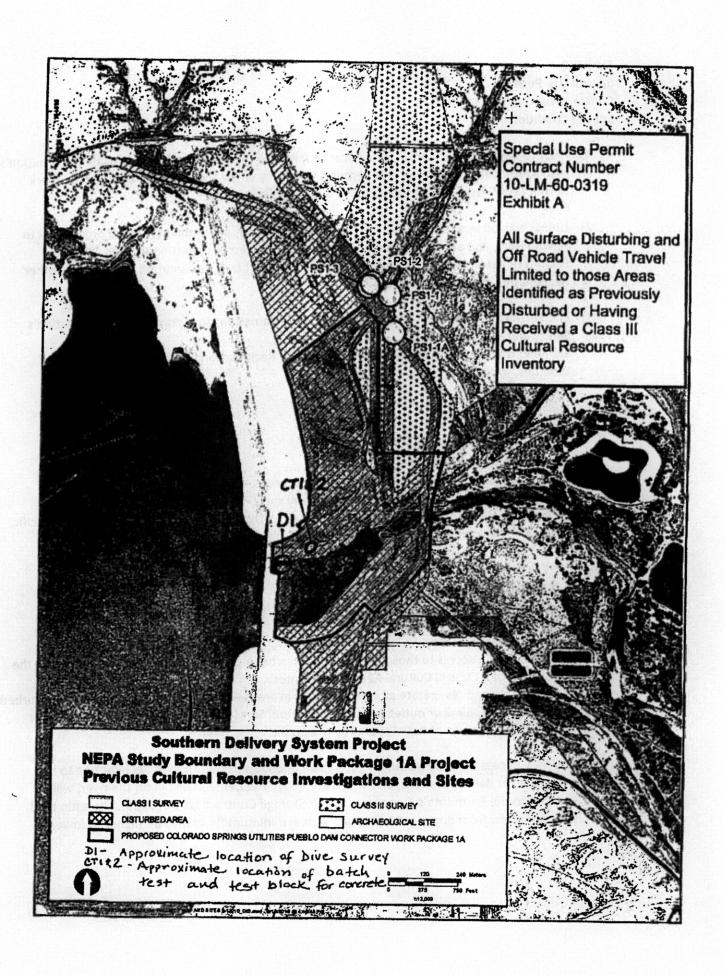


Exhibit B Special Use Permit Contract Number 10-LM-60-0319 Special Conditions

- 1) Prior to any occupancy on, in, or adjacent to, Pueblo Dam, and for all work inside Reciamation's restricted operational areas, this permit is valid only when accompanied by a Special Work Permit (SWP) issued by Reclamation's Pueblo Facility Manager.
- 2) Unless waived in writing by the Pueblo Facility Manager, all occupancy on, in, or adjacent to Pueblo Dam, and all work inside Reclamation's restricted or operational areas, by the Permittee's staff and contractors will require an escort by a Reclamation employee or other Reclamation designated individual.
- 3) The Permittee will ensure that all activities on Reclamation lands conform to Reclamation's Safety and Health Standards.
 - a) The Permittee must provide a Safety Plan(s) to Reclamation which addresses proposed activities, including:
 - i. diving,
 - il. potholing,
 - iii. surveying,
 - iv. video/photographic documentation,
 - v. conducting batch tests,
 - vi. pouring/block cutting and testing of concrete.
 - b) Written acceptance of the Safety Plan for any specific activity must be obtained from Reclamation prior commencement of that activity. The Safety Plan (S) may be activity specific, or group activities together, at the convenience of the Permittee.
- 4) The Permittee will:
 - a) not construct new access roads.
 - b) not blade existing access roads, or
 - c) not drive off improved roadways during periods of wet soil conditions, as evidenced by rutting of more than two inches in depth
 - d) limit vehicle access to those areas which have been previously disturbed, or have been the subject of a Class III Cultural Resource inventory,
 - e) obliterate and revegetate all vehicle tracks, in areas which would not otherwise be disturbed as part of pipeline or outlet works construction, So as to not encourage unauthorized or inappropriate use of travel routes by the public.
- 5) Any flow necessitated by minimum gate/valve openings as determined Reclamation to be necessary for dam operations, and which are above the demand or call on the river, will be charged to the Permittee's Temporary Water Storage Contract 10XX6C0015. The estimated minimum flow from Buttress 11 is 36 cfs. Actual minimum flows may be higher or lower.

- 6) The Permittee will:
 - a) limit mechanized surface disturbing activities, and excavation of test pits greater than 6 inches in diameter, to previously excavated (trenched) areas,
 - b) conduct Potholing and excavation for utility location, including the Fountain Valley conduit, only at locations shown in Exhibit A and identified as PS1-1, PS1-1A, PS1-2, and PS1-3,
 - c) limit forming, pouring, and testing of concrete to those locations shown in Exhibit A as CT1 and CT2,
 - d) limit cumulative surface disturbance associated with this permit to one acre or less.
 - e) limit surface disturbing activities to six inches or less in diameter using hand-held tools outside previously excavated (trenched) areas, but within previously disturbed areas,
 - f) conduct dive survey operations only in the vicinity of the location shown in Exhibit A as D1,
 - g) remove from Reclamation lands any concrete associated with the batch test and test block at the conclusion testing activities,
 - h) repair and revegetate any disturbed areas to a condition comparable to that which existed prior to disturbance,
- 7) In addition to Special Conditions identified in this exhibit, all conditions identified in the Permittee's proposal (Exhibit C) will apply, including those identified for the:
 - a) dive survey of the river channel,
 - b) land survey,
 - c) video/photographing of existing facilities,
 - d) receipt of a test batch,
 - e) conduct of block forming/pouring/testing activities.
- 8) The Permittee will coordinate with Colorado State Parks prior to preconstruction activities, in order to minimize impacts to State Park's operations,
- 9) The Permittee will comply with all terms and conditions set forth in 43 CFR 429.28.

Special Use Permit Contract Number 10-LM-60-0319 Exhibit C

Permittee's Description of Work to be Performed, Prepared by ASI Dam and Water Resource Constructors



Non- Invasive Work Activities under Limited Notice to Proceed

Project:

SDS Pueblo Dam Connections

Work Package 1A

Location:

Pueblo, CO

Client:

Colorado Springs Utilities

l. <u>Purpose</u>

The purpose of this plan is to address the non invasive work activities that we propose to complete in the near future to adhere to our overall progress schedule.

- A. Dive Survey of River Channel This activity will include staging a dive trailer, dive compressor and miscellaneous dive equipment on the north shore of the river channel. Divers will find an area that will allow safe access into the river channel by mounting an extension ladder to rock canyon walls and descending into the river channel, below the outlet works. Divers will proceed to take soundings of the water depth in order to calculate the amount of sediment located in the channel. Divers will also perform visual inspection of the river bottom to determine the type and size of sediment/debris located on the surface of the river bottom. Dives will completed in water that is estimated to be between 20-25' of depth. All dives will be completed using US Navy "No Decompression Dive tables.
- B. Land Survey This task includes allowing a land survey crew into the fenced in area at Buttress No. 16 for the purpose of taking elevation shots for determining limits of excavation and crane pad placement.
- C. Video/Photo Existing Facilities This task will include video recording existing conditions of the dam adjacent to our work area, the inside of the gallery and paved access roads.
- D. Receive a 6 cubic yard test batch at the project location This activity is required per specifications. This task will include delivery of a 6 cubic yard test batch of the underwater mix of concrete. When it arrives at the project site, it will be tested for air, slump, etc. The purpose of the test batch is to obtain data from the concrete in a real work scenario and allow us to test the concrete and make adjustments to the mix prior to the test block demonstration. After testing has been complete, the concreté will be transported to our Corporate facility and placed in a slab.

Form and Pour Test Block — This task will include construction of a water tight box in the area of the turnout, just east of the security gate. This will include a small work crew who will construct the box out of lumber and form ties. After the box has been constructed, the joints will be sealed with silicone sealant and a heavy duty plastic liner will be placed inside to create a water tight container. The box will be 8' high x 8' wide x 12' long. A small sump pump will be used to pump water from the river channel into the box. We will place enough water inside the box to allow us to fill the box ½ full of concrete as to not overflow the water from the box. Prior to placing the second lift, we will pressure wash the first lift to remove any laitance from the top. Concrete will be placed as described in our "Concrete Demonstration Plan".

A second lift will be placed within a few inches of the top a few days later. Each lift is approximately 14 cubic yards. Any overflow of material will be contained in a plastic containment surrounding the formed test block.

E. After a 28 day cure time, the forms will be removed and the concrete block will be using a wet wire cut saw. Fluids from the saw will be contained in the plastic containment area and vacuumed up and hauled away upon completion.	cut



United States Department of the Interior

BUREAU OF RECLAMATION Great Plains Region Eastern Colorado Area Office

11056 West County Road 18E Loveland, Colorado 80537-9711

EC-1310 LND 6.00

OCT - 7 2010

Mr. Keith Riley
Colorado Springs Utilities
PO Box 1103 MC: 0930
Colorado Springs Colorado

Colorado Springs, Colorado 80947-0930

Dear Mr. Riley:

Subject: Consent for Utility Location Within the Easement for the Fountain Valley Conduit,

Fryingpan-Arkansas Project, Colorado

Conditional consent (see conditions 1 through 8 below) is granted to Colorado Springs Utilities (Applicant) to temporarily occupy portions of the Bureau of Reclamation easement for the Fountain Valley Conduit (FVC), to conduct potholing activities to determine the precise location of the FVC. This consent is limited to one potholing location identified as PS1-4 on the drawing provided by Colorado Springs Utilities (copy enclosed). The location is at FVC survey station number 170+00 (approximate), north of Pueblo Dam, and north of the railroad tracks in Lot 2, Section 30, T.20S R.66W., 6th P.M, County of Pueblo, State of Colorado. The FVC is a feature of the Fryingpan-Arkansas Project. The FVC is operated and maintained by the Fountain Valley Authority (FVA).

All actions on the part of the Applicant must be performed in a manner so as not to infringe on rights held by the United States. The term Applicant as used in this document specifically includes Colorado Springs Utilities, its agents, assigns, heirs, and successors. Reclamation holds only an easement; permission to access the property must be granted by the owner.

The following specific terms and conditions are appropriate in order to avoid interference with the operation and maintenance of the FVC:

- 1. All work on or across the FVC easement will utilize only hand digging or hydro/air vacuum excavation, and will be limited to location PS1-4.
- 2. Work will be performed and all excavations conducted in such a manner so as to prevent any damage to the FVC. Activities will be in accordance with USBR Engineering and O&M Guidelines for Crossings, 2008 (copy enclosed). Activities will be as described in General Description of Utility Potholing (copy enclosed).
- 3. Upon completion of work, please provide two copies of the results of the location investigation; one copy to FVA, and one copy to Reclamation.

- 4. The crossing of the FVC easement will be accomplished in a manner, and by means, so as to not create a hazard to the public; or to FVA or Reclamation officials, employees, or contractors. Reclamation and the FVA will not be responsible for any loss or damages to property arising from the potholing activities.
- The Applicant agrees to indemnify and save Reclamation harmless from any and all claims for damages or losses that may arise from, or be incident to, any activity associated with potholing or use of the easement by Colorado Springs Utilities. This includes but is not limited to: a) any loss or damages to property, growing crops, animals, or machinery; b) any injury to the applicant or its associates, officers, agents, employees, or any others who are on the premises, and c) any damages or interference caused by natural phenomena.
- 6. Potholing activities will be conducted in a manner so as to not interfere with, or increase costs to Reclamation or FVA for the operation, use, future use, or administration of the FVC easement. Any additional costs incurred by Reclamation or FVA, due to infringement on rights granted to the United States by the easement, will become the responsibility of the Applicant.
- 7. The Applicant will notify FVA a minimum of 72 hours prior to activity by calling 719-668-9090.
- 8. The Applicant will provide FVA personnel opportunity to be present during any activity on the FVC easement.

Please direct future communication or correspondence regarding this consent to:

Eastern Colorado Area Office, Bureau of Reclamation, 11056 West County Road 18-E Loveland, Colorado 80537. Phone: 970-667-4410, Fax: 970-663-3212

In addition please provide a copy to:

Right-of-Way Department, Fountain Valley Authority, 13250 Ray Nixon Road Fountain, Colorado 80817

Sincerely

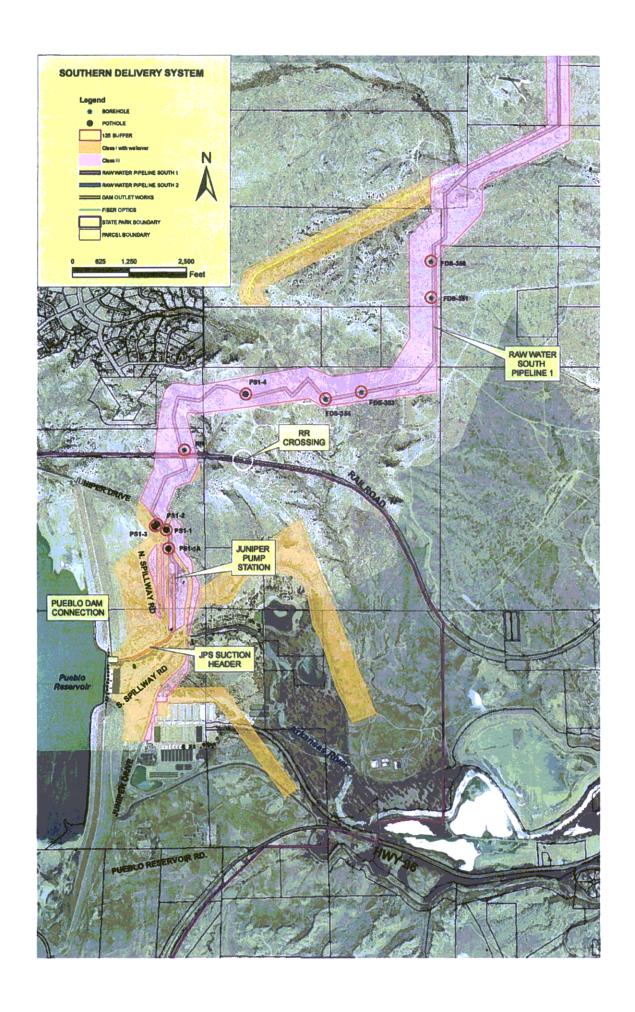
If you have any questions regarding this consent to occupy and conduct activities within the FVC easement please contact Greg Goodenow at 970-962-4366.

Michael P. Collins

Area Manager

Enclosures -3

cc: Mike Urban, Mechanic Specialist Right-of-Way Department Fountain Valley Authority 13250 Ray Nixon Road Fountain, Colorado 80817





Southern Delivery System General Description of Utility Potholing

PREPARED FOR:

Colorado Springs Utilities

PREPARED BY:

CH2M HILL

DATE:

August 18, 2010

Introduction

At the request of Colorado Springs Utilities, this memorandum presents information on potholing activities and methods. The information in this memorandum will be presented to the Bureau of Reclamation to assist in obtaining authorization to conduct utility potholing of the Fountain Valley Authority (FVA) conduit in Pueblo County, Colorado. The purpose of potholing the FVA conduit is to obtain the exact horizontal and vertical location of the buried conduit. This information will be used in the design of the Southern Delivery System (SDS) Raw Water Pipeline (RWP) and will enable the SDS RWP to be designed to meet minimum horizontal and vertical clearance requirements. The majority of the information provided in this memorandum is publically accessible from Sitewise's website at www.sitewisellc.com. Sitewise is the contractor who is currently contracted to conduct the potholing activities for the SDS RWP design.

Subsurface Utility Engineering

According to Sitewise the definition of subsurface utility engineering is as follows:

"Subsurface Utility Engineering commonly referred to as the SUE process, combines utility locating, hydrovec excavation (air vacuum extraction) and data management to produce underground utility mapping of existing underground utilities for design, permitting, construction and record documentation. The SiteWise SUE process provides precise information that mitigates the risk of cost overruns and safety issues for underground utility work. All work is performed per the American Society of Engineers standards. (CI/ASCE 38-02)."

Utility Locating

As required by Colorado State Law, anyone that engages in any type of excavation must provide advance notice of proposed excavation to facility owners. The Utility Notification Center of Colorado (UNCC) will be contacted prior to excavation in order to coordinate with facility owners and to have existing utilities located.

Hydrovac Excavation

Hydro excavation and air vacuum excavation (hydrovac) creates a vertical hole up to 12-inches in diameter, excavated in such a manner as to prevent damage to existing utility wrappings, coatings or other protective coverings. Pressurized water or air is used to break up soil which is then removed through a vacuum and deposited into a debris tank. Once

excavated, the utilities are exposed, allowing for accurate location of the utility to be obtained. All excavated soil is vacuumed into the hydrovac truck and disposed offsite.

Backfill and Restoration

The excavations will be backfilled with squeegee, a pea gravel material that has roughly 93% compaction rating without adding water or vibratory compaction. A truck will be used to deliver the pea gravel to the excavated hole until it is restored to existing grade. For remote locations, Sitewise will manually deliver the pea gravel by wheel-barrel and shovel the pea gravel into the excavation.

Permanent pavement patching/restoration of roadways will be in accordance with the standards of the governmental authority or owner requirements. Areas disturbed outside of roadways will be cleaned, graded and otherwise restored to the pre-existing grade and condition prior to the excavation. All potholes will be surveyed to allow for accurate integration into the design drawings. For survey purposes, off road potholes will be labeled and backfilled with a temporary 2-inch PVC pipe centered on the utility, from the top of the utility to 2-feet above existing grade. The pothole will be surveyed at existing grade and top of utility. The 2-inch PVC pipe will be removed after survey is complete. Potholes in roadways will be marked with color coded above ground markers (P.K. nail or steel pin) installed directly above the centerline of the utility.

Hydrovac Equipment

Depending on availability, two different types of equipment could be used for the SDS potholing activities by Sitewise. General specifications for each type of equipment are provided below:

Max Vax

Vacuum Capacity: 3,000 cfm PD Blower

Water Capacity: 650 gallons Spoil Capacity: 6 cubic yards Remote capabilities: 100'

Maximum Excavation Depth: 20'

Vehicle Dimensions: 32' long x 12 1/2' tall x 8' wide

Maximum vehicle weight 44,000 lbs

Vactor Fan

Vacuum Capacity: 5,100 cfm fan blower

Water Capacity: 1,300 gallons Spoil Capacity: 12 cubic yards Remote capabilities: 300'

Maximum Excavation Depth: 30'

Vehicle Dimensions: 40' long x 12 1/2' tall x 8' wide

Maximum vehicle weight: 54,000 lbs

FVA Conduit Potholing

Two potholes of the FVA conduit are proposed on the parcel owned by the United States of America, parcel No. 625000004. It is anticipated that the approximate depth to the top of the FVA conduit is 8 feet at the southernmost proposed pothole location and 18 feet deep at the

northernmost location. These approximate depths are based on information from the Fountain Valley Conduit Drawings (Drawings) dated 1979.

One pothole of the FVA conduit is proposed on the parcel owned by the State of Colorado, parcel No. 500000069. Based on the Drawings, the approximate depth to the top of the conduit at this proposed pothole location is 8 feet.

Typically, the pothole truck will park directly above the centerline of the buried utility that is being potholed or adjacent to the utility at a distance no greater than 15 feet from the centerline of the utility. Driving over the buried conduit may also be required to access the pothole location.

Additional information including photos of potholing activities and equipment can be found at www.sitewisellc.com.



United States Department of the Interior

BUREAU OF RECLAMATION

Great Plains Region
Eastern Colorado Area Office
11056 West County Road 18E
Loveland, Colorado 80537-9711

IN REPLY REFER TO:

EC-1310 SDS LND-6.00

NOV - 4 2010

Colorado Springs Utilities Attention Mr. Keith Riley P.O. Box 1103 MC: 930 Colorado Springs, Colorado 80947-0930

Subject: Consent for Utility Location Within the Easement for the Fountain Valley Conduit,

Fryingpan-Arkansas Project, Colorado

Dear Mr. Riley:

It is my understanding that Colorado Springs Utilities (Utilities) has a concern regarding their legal ability to carry out condition five as described in the Bureau of Reclamation's letter of consent dated October 7, 2010. This condition would require that Utilities indemnify the United States.

In order to address your concern and provide clarification, condition five, as written in the letter of October 7, 2010, is stricken. Consent is granted with the following replacement condition inserted:

5. The Applicant agrees to indemnify and save the United States harmless, to the extent allowed by law, from any and all claims for damages or losses that may arise from, or be incident to, any activity associated with potholing or use of the easement, except damages caused by the negligent or wrongful act of a Government employee. This indemnification includes, but is not limited to: a) any loss or damages to property, growing crops, animals, or machinery; b) any injury to the Applicant or its associates, officers, agents, employees, or any other third parties who may be on the premises, and c) any damages or interference caused by natural phenomena.

Please update your records to reflect this change to condition five. All other conditions described in Reclamation's letter of October 7, 2010, remain in effect as written. Thank you for your cooperation and assistance on this matter. Should you have any questions, please contact Greg Goodenow at 970-962-4366.

Michael P. Collins

Area Manager