

Intergovernmental Agreement Staff Report

Date: April 16, 2026

To: Douglas County Board of County Commissioners

Through: Douglas J. DeBord, County Manager

From: Jennifer L. Eby, AICP, Director of Community Services

CC: Ryan J. Arthur, Community Programs Coordinator
Allison E. Cutting, Community Services Supervisor
Rand E. Clark, CCAP, NCRT, Assistant Director of Community Services
Zeke Lynch, Assistant Director of Public Works Engineering
Janet Herman, Director of Public Works

Subject: **Intergovernmental Agreement between the Town of Castle Rock and Douglas County regarding cost sharing to establish the Link On Demand pilot program**

Board of County Commissioners' Business Meeting

April 28, 2026 @ 1:30 p.m.

I. EXECUTIVE SUMMARY

The request is for approval by the Board of County Commissioners (BCC) of an Intergovernmental Agreement (IGA) between the Town of Castle Rock and Douglas County regarding cost sharing to establish the Link On Demand (Link) Castle Rock pilot program. The Town of Castle Rock has agreed to commit \$400,000 to operate Link in Castle Rock.

II. REQUEST

Approval of an IGA between the Town of Castle Rock and Douglas County regarding cost sharing to establish the Link Castle Rock pilot program.

III. BACKGROUND

Douglas County expanded the City of Lone Tree's Link program into Highlands Ranch in 2025 and into Parker in 2026 in response to recommendations made in Douglas County's Integrated Transit and Multimodal Study (Study). The next phase of the Study's recommendations include expansion into other areas of Douglas County, including Castle Rock.

IV. DISCUSSION

The Town of Castle Rock has agreed to a \$400,000 contribution towards this project. This represents a 20% shared investment with the County of the \$2,000,000 estimated to operate Link within their jurisdiction. The Pilot covers all of the Town's boundaries and connects to the existing Link service in the County. The proposed IGA will facilitate a partnership between Douglas County and the Town through cost sharing and joint operational oversight. Douglas County's portion of the cost to operate will be comprised of Road and Bridge Sales and Use Tax revenues and State, Federal, and other grant funding.

V. RECOMMENDED ACTION

Staff recommends approval of an IGA between the Town of Castle Rock and Douglas County regarding cost sharing to establish the Link Castle Rock pilot program.

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INTERGOVERNMENTAL AGREEMENT BETWEEN THE BOARD OF COUNTY COMMISSIONERS OF DOUGLAS COUNTY AND THE TOWN OF CASTLE ROCK REGARDING COST SHARING TO ESTABLISH THE LINK ON DEMAND MICROTRANSIT PILOT PROGRAM

THIS INTERGOVERNMENTAL AGREEMENT (the “Agreement”) is made and entered into this ____ day of _____, 2026, (the “Effective Date”) by and between the Board of County Commissioners of Douglas County, State of Colorado (the “County”), and the Town of Castle Rock, a Colorado home rule municipal corporation (the “Town”), hereinafter collectively referred to as the “Parties.”

RECITALS

WHEREAS, the County is acting on recommendations made from its Integrated Transit and Multimodal Study (the “Study”) for enhancements to the transit and multimodal transportation network throughout Douglas County; and

WHEREAS, the County is undertaking activities for microtransit services in Douglas County as recommended by the Study; and

WHEREAS, the County has established the Link on Demand microtransit service into the Highlands Ranch Metropolitan District in 2025 as the Study recommended; and

WHEREAS, the County is establishing the Link on Demand microtransit service in Stonegate and Parker in 2026 as the Study recommended; and

WHEREAS, the Town of Castle Rock was identified in the Study to have expanded microtransit services; and

WHEREAS, the County requested the Town to partner on the expansion of microtransit services as recommended by the Study; and

WHEREAS, the proposed boundary of the Town of Castle Rock will define the initial microtransit service zone for the Town; and

WHEREAS, the County will include portions of unincorporated Douglas County areas within the geographic boundary of the Town of Castle Rock to the microtransit service area; and

WHEREAS, the combined areas for the Town of Castle Rock and unincorporated Douglas County, aforementioned, will comprise the zone for expanded microtransit services; and

WHEREAS, the Town and the County have agreed to share in the cost to enhance and expand the Link on Demand pilot program, (the “Pilot”); and

WHEREAS, the Parties agreed to share in the cost to operate the Pilot as part of the Funding Partnership, and the Town will contribute a total of Four Hundred Thousand Dollars (\$400,000.00)

(“Town Contribution”) to the County for one year; and

WHEREAS, the one-year cost for the enhancement and expansion of transit is associated with the Pilot and is estimated to cost Two Million Dollars and Zero Cents (\$2,000,000.00); and

WHEREAS, the operational limits of the Pilot are depicted in **Exhibit A**, attached hereto, and incorporated herein, which includes the proposed zone for the Town of Castle Rock;

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the sufficiency of which is mutually acknowledged, the Parties hereto agree as follows:

1. County Responsibilities and Contribution for the Pilot.

The County is responsible for managing all operations and management activities associated with the Pilot. The County’s responsibilities include but are not limited to the following: procurement, maintaining service contracts, overseeing all operations, determining service needs and monitoring all weather conditions that could negatively impact transit services, managing the contractor(s) and consultants that provide the County with transit services.

The Pilot will operate from 7 AM to 7 PM from Monday through Thursday, 7 AM to 10 PM on Friday, and 10 AM to 10 PM on Saturday, with no service on Sunday or Holidays. A third-party vendor will operate the service daily, provide an information call center, conduct maintenance on the fleet, and make service adjustments in response to Pilot partner input. Pilot partners will collaborate to make operational decisions in response to conditions that would impact the service for riders within the Pilot boundary.

The County is responsible for securing all the necessary funding for the Pilot in excess of the Town Contribution.

The County is responsible for coordinating with the Town on owning, operating, and maintaining all the improvements associated with the Pilot, including any advertising, media relations and signage associated with the Pilot.

The County will collaborate with the Town on meeting key performance benchmarks of the Pilot. Target performance measurements, six months since the launch of service, include wait times under 20 minutes on average, 2.5 - 3.0 rides per vehicle hour, trip completion times under 20 minutes on average, and an optimal number of vehicles during peak hours.

The County will provide the Town service data on a monthly basis to include at a minimum: number of rides, percentage of trips wholly within the Town’s boundary, top destinations and wait times. The County will ensure Town staff has access to the vendor’s data portal to retrieve additional data as needed.

The County will coordinate with the vendor to conduct at least two (2) rider surveys during the Pilot to solicit rider feedback. The County will work with the Town and the vendor to determine the questions asked on the rider survey.

2. Town Responsibilities and Contribution for the Pilot.

The Town agrees to pay the County Four Hundred Thousand Dollars and Zero Cents (\$400,000.00) to the County for the one-year service agreement. In no event will the Town be liable to pay the County any amount more than the Contribution, including for any unforeseen Pilot related costs or claims.

The Contribution may be payable in two equal installments. The first installment for the Pilot is due to the County within thirty (30) days of the date that the County notifies the Town that the County has commenced the enhancement and expansion of the Pilot. The second installment is due no later six (6) months after the same date of commencement.

The Contribution shall be applied to the cost to operate the Pilot. The Contribution shall be utilized solely to fund direct expenses that are incurred for the operation of the Pilot, which include, but are not limited to, payments to contractor(s) and consultants providing the County with professional transit services.

The Town shall have no financial responsibility for owning, operating, or maintaining the Pilot.

The Town will fully cooperate with the County on marketing, media messaging, promotions, designs, operational meetings, service improvements, performance reporting, and incident reporting. The Town will be a part of the Project Team and be included in all collaborative decisions with the County that affect service within the Zone, with no decisions being made that affect the Pilot without prior approval from Town staff or leadership. The Town will work with County during initial service planning to identify and determine key destinations, pick up and drop off points, and restricted areas.

The Town may select up to three staff who shall have access to the vendor's online operations center data portal for the purposes of collecting and reporting data from the Pilot.

3. Term and Time of Performance.

This Agreement shall commence upon the Effective Date and shall continue until completion of the Pilot. If the County does not implement the Pilot before **September 30, 2026**, and unless an extension is agreed to in writing by both Parties prior to **September 15, 2026**, then the Town may terminate this Agreement and the County shall refund the Town Contribution to the Town.

4. Remedies. The Parties hereto acknowledge and agree that each Party may exercise all rights and remedies in law or in equity, or such other legal or equitable relief as may be available.

5. Insurance. The County shall cause the vendor to maintain the insurance

requirements provided in **Exhibit B**, attached hereto and incorporated herein by reference. The County shall provide evidence to the Town that such requirements have been met and shall provide updated information to the Town in the event any changes are made to the vendor's insurance coverage during the term of this Agreement.

6. Notice. Any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by certified mail or registered mail, postage and fees prepaid, addressed to the party to whom such notice is to be given, at the address set forth below, or at such other address as has been previously furnished in writing, to the other party. Such notice shall be deemed to have been given when deposited in the United States mail.

Town of Castle Rock: Town of Castle Rock
Attn: Dave Corliss, Town Manager
100 North Wilcox Street
Castle Rock, Colorado 80104

With electronic copy sent to: dcorliss@crgov.com

Douglas County: Douglas County
Attn: Director of Community Services
100 Third Street
Castle Rock, Colorado 80104

With electronic copy sent to: attorney@douglas.co.us

7. Appropriation. Pursuant to C.R.S. § 29-1-110, the financial obligations of the Town and the County contained herein which are payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted and otherwise made available.

8. No Waiver of Governmental Immunity Act. The Parties hereto understand and agree that the Parties, their commissioners, officials, officers, directors, agents and employees, are relying on, and do not waive or intend to waive by any provisions of this Agreement, the monetary limitations or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, §§ 24-10-101 to 120, C.R.S., or otherwise available to the County.

9. Additional Documents. The Parties agree to execute any additional documents or take any additional action that is necessary to carry out the intent of this Agreement.

10. Amendments. The Town may propose amendments to this Agreement as necessary to reflect changes in operational needs, funding availability, or other material circumstances. Any such amendment shall be effective only upon mutual written agreement of both Parties, duly authorized and executed by their respective governing bodies.

11. Colorado Law. This Agreement shall be governed by the laws of the State of Colorado. Venue for any action hereunder shall be in the District Court, County of Douglas, State of Colorado, and the Parties waive any right to remove any action to any other court, whether state or federal.

12. Separate Entities. The Parties enter into this Agreement as separate, independent governmental entities and shall maintain such status throughout.

13. No Third-Party Beneficiaries. The enforcement of the terms and conditions of this Agreement and all rights of action relating to such enforcement, shall be strictly reserved to the Parties, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person under such Agreement. Any beneficiary of the terms and conditions of this Agreement are not intended beneficiaries but are incidental beneficiaries only.

14. Severability. In the event any of the provisions of this Contract are held to be unenforceable or invalid by any court of competent jurisdiction, the validity of the remaining provisions shall not be affected. Should either party fail to enforce a specific term of this Contract it shall not be a waiver of a subsequent right of enforcement, nor shall it be deemed a modification or alteration of the terms and conditions contained herein.

15. Recitals. The Recitals to this Agreement are incorporated herein by this reference.

16. Entirety. This Agreement merges and supersedes all prior negotiations, representations, and agreements between the Parties hereof and constitutes the entire agreement between the Parties concerning the subject matter hereof.

[Remainder of page intentionally left blank. Signatures on following page.]

IN WITNESS WHEREOF, this Agreement is executed by the Parties hereto as of the date first written above.

TOWN OF CASTLE ROCK, COLORADO

Jason Gray, Mayor

ATTEST:

Lisa Anderson, Town Clerk

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Michael J. Hyman, Town Attorney

David L. Corliss, Town Manager

BOARD OF COUNTY COMMISSIONERS OF DOUGLAS COUNTY

George Teal, Chair

ATTEST:

APPROVED AS TO CONTENT:

Clerk to the Board

Douglas J. DeBord, County Manager

APPROVED AS TO FORM:

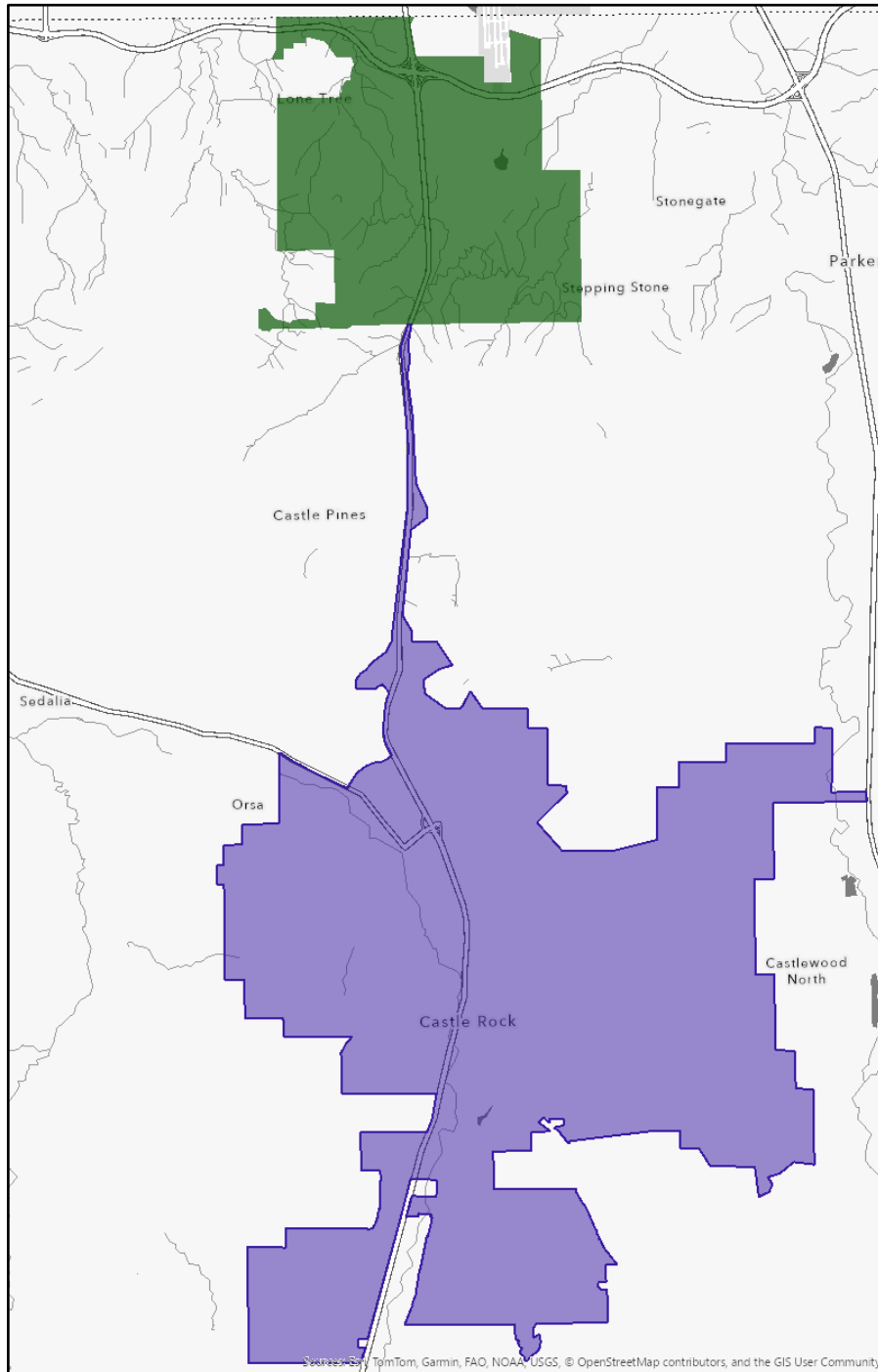
APPROVED AS TO FISCAL CONTENT:

Arielle J. Denis,
Assistant County Attorney


Christie Guthrie, Director of Finance

Exhibit A

Link on Demand Expanded Service Area



Legend

 Castle Rock Service Zone

 Lone Tree Service Zone

Exhibit B
INSURANCE REQUIREMENTS

Vendor shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Vendor, its agents, representatives, or employees.

MINIMUM SCOPE AND LIMIT OF INSURANCE

Coverage shall be at least as broad as:

1. **Commercial General Liability (CGL):** Covering CGL on an “occurrence” basis, including products and completed operations, property damage, bodily injury and personal & advertising injury (including coverage for contractual and employee acts) with limits no less than **\$1,000,000** per occurrence. If a general aggregate limit applies, either the general aggregate limit shall apply separately to this project/location (ISO CG 25 03 or 25 04) or the general aggregate limit shall be twice the required occurrence limit. \$2,000,000.
2. **Automobile Liability:** Insurance Services Office Form covering, Code 1 (any auto), or if vendor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
3. **Workers’ Compensation** insurance as required by the State of Colorado, with Statutory Limits, and Employer’s Liability Insurance with limit of no less than **\$1,000,000** per accident for bodily injury or disease

The Insurance obligations under this agreement shall be the minimum Insurance coverage requirements and/or limits shown in this agreement; whichever is greater. Any insurance proceeds in excess of or broader than the minimum required coverage and/or minimum required limits, which are applicable to a given loss, shall be available to the County and the Town. No representation is made that the minimum Insurance requirements of this agreement are sufficient to cover the obligations of the vendor under this agreement.

OTHER INSURANCE PROVISIONS:

The insurance policies are to contain, or be endorsed to contain, the following provisions:

Additional Insured Status. The County, the Town, and their respective officers, officials, employees, and volunteers are to be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the vendor, including materials, parts, or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the vendor’s insurance (at least as broad as ISO Form CG 20 10 11 85 or both CG 20 10, CG 20 26, CG 20 33, or CG 20 38; and CG 20 37 forms if later revisions used).

Primary Coverage. For any claims related to this contract, the **vendor or vendor’s insurance coverage shall be primary** insurance. Any insurance or self-insurance maintained by the County, the Town, or their respective officers, officials, employees, or volunteers shall be excess and non-

contributory to the vendor's insurance.

Notice of Cancellation. Each insurance policy required above shall state that coverage shall not be canceled, except with notice to the County and the Town.

Waiver of Subrogation. Vendor hereby grants to the County and the Town a waiver of any right to subrogation which any insurer of said vendor or vendor may acquire against the County or the town by virtue of the payment of any loss under such insurance. Vendor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the County or the Town has received a waiver of subrogation endorsement from the insurer.

Self-Insured Retentions, Deductibles and Coinsurance. Vendor agrees to be fully and solely responsible for any costs or expenses as a result of a coverage deductible, coinsurance penalty, or self-insured retention. The County and the Town may require the vendor to provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. The policy language shall provide, or be endorsed to provide, that the self-insured retention may be satisfied by either the named insured or County and/or Town. The vendor will indemnify the County and the Town, in full, for any amounts related to the above.

Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:VII, unless otherwise acceptable to the County and the Town.

Claims Made Policies. If any of the required policies provide coverage on a claims-made basis:

1. The Retroactive Date must be shown and must be before the date of the contract or the beginning of contract work.
2. Insurance must be maintained, and evidence of insurance must be provided *for at least three (3) years after completion of the contract of work.*
3. If coverage is canceled or non-renewed and not *replaced with another claims-made policy form with a Retroactive Date* prior to the contract effective date, the vendor must purchase "extended reporting" coverage for a minimum of *three (3) years* after completion of contract work.

Verification of Coverage. Vendor shall furnish the County and the Town with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the County and the Town before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the vendor's obligation to provide them. The County and the Town reserve the right, but not the obligation, to review and revise any insurance requirement, not limited to limits, coverage, and endorsements. Additionally, the County and the Town reserve the right, but not the obligation, to review and reject any insurance policies failing to meet the criteria stated herein. Failure on the part of the vendor to provide insurance policies to the County and the Town within ten (10) working days of receipt of the written request will

constitute a material breach of contract upon which the County may immediately terminate its contract with the vendor.

The completed certificates of insurance with additional insured endorsements and waivers of subrogation and any notices, within 20 days of cancellation or termination will be sent via mail or e-mail to:

Douglas County Government
Attn: Risk Management
100 Third Street
Castle Rock, Colorado 80104
risk@douglas.co.us

with a copy to:

Town of Castle Rock
Attn: Town Attorney
100 N. Wilcox Street
Castle Rock, Colorado 80104
Legal@crgov.com

Subcontractors. Vendor shall require and verify that all subvendors maintain insurance meeting all the requirements stated herein, and vendor shall ensure the County and the Town are additional insureds on insurance required from subvendors.

Failure to Procure or Maintain Insurance. The vendor will not be relieved of any liability, claims, demands, or other obligations assumed by its failure to procure or maintain insurance, or its failure to procure or maintain insurance in sufficient amounts, durations, or types. Failure on the part of the vendor to procure or maintain policies providing the required coverage, conditions and minimum limits will constitute a material breach of its contract with the County upon which the County may immediately terminate that contract.

Special Risks or Circumstances. Upon their agreement, the County and the Town reserve the right to modify these insurance requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.