



# Castle Rock Water Commission Agenda - Final

Tony Rathbun, Chair  
Melanie Penoyar-Perez, Vice Chair  
Edward Egnatios  
Brian Gaddie  
David Hammelman  
Chuck Kocher  
Kevin Snow

Wednesday, May 27, 2026

6:00 PM

Castle Rock Water  
171 Kellogg Ct.  
Castle Rock, CO 80109

This meeting is open to the public. Three or more Council members may also attend this meeting, during which the items listed herein will be discussed. If you are unable to access any portion of these materials due to a disability as defined under Colorado House Bill 21-1110, please call us at 303-663-4440, email the Town’s accessibility team at [accessibility@CRgov.com](mailto:accessibility@CRgov.com) or submit an accommodation request form at [CRgov.com/A11yRequest](http://CRgov.com/A11yRequest).

6:00 pm CALL TO ORDER / ROLL CALL

COUNCIL UPDATE

COMMISSION COMMENTS

ADMINISTRATIVE BUSINESS

1. [WC 2026-052](#) Approval of the April 22, 2026 Meeting Minutes

*Attachments:* [Attachment A: April Meeting Minutes](#)

2. [WC 2026-053](#) Update on Water Commission Interview Process and Selection of New Commission Members

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

3. [WC 2026-054](#) Resolution Approving an Equipment and Services Acquisition Agreement between the Town of Castle Rock and xxx for Phase VI of the SCADA Master Plan Design Project [Entire CRW service area] DRAFT
4. [WC 2026-055](#) Resolution Waiving Formal Written Bidding Requirement Based on Sole Source and Approving an On-Call Equipment and Services Agreement with Evoqua Water Technologies LLC. [Entire Castle Rock Water Service Area]

5. [WC 2026-056](#) Resolution Approving the Third Amendment to the Service Agreement between the Town of Castle Rock and Burns & McDonnell Engineering for the Front Street Downtown Connection, RWRWTC Pump Upgrades and Liggett Road Pipe Upsize Projects [Located in various locations throughout Castle Rock, CO]
- Attachments:**      [Attachment A: Resolution](#)  
                                 [Exhibit 1: Agreement](#)  
                                 [Attachment B: Location Map for Front Street](#)  
                                 [Attachment C: Location Map Liggett Rd](#)
6. [WC 2026-057](#) Resolution Approving Funding the Execution of Water Provider Agreement Amendment No. 7 Between the Town of Castle Rock and the Colorado Water Conservation Board for the Purchase of Additional Storage Space in the Chatfield Storage Reallocation Project [Chatfield Reservoir in Douglas and Jefferson Counties]
- Attachments:**      [Attachment A: Resolution](#)  
                                 [Attachment B: Chatfield Program History](#)  
                                 [Attachment C: Preliminary Design Alignment](#)  
                                 [Attachment D: History](#)  
                                 [Attachment E: Preliminary Design Alignment](#)
7. [WC 2026-058](#) Resolution Approving the 2026 Water Lease Agreement between the Town of Castle Rock and Riverview Farms, LLC [Morgan County, Colorado]
- Attachments:**      [Attachment A: Resolution](#)  
                                 [Attachment B: Location Map](#)
8. [WC 2026-059](#) Resolution Approving the 2026 Water Lease Agreement between the Town of Castle Rock and Sublette, Inc. [Morgan County, Colorado]
- Attachments:**      [Attachment A: Resolution](#)  
                                 [Attachment B: Location Map](#)
9. [WC 2026-060](#) Resolution Approving a Second Amendment to the Supplemental Design, Bidding & Construction Support Services Agreement with Olsson, Inc. for the East Plum Creek Reach 5 Phase II Stabilization

**DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS**

10. [WC 2026-061](#) Customer Characteristics Analysis
- Attachments:**      [Staff Report](#)
11. [WC 2026-062](#) Tallgrass Project Phase #2

12. [WC 2026-063](#) Resolution Approving the Water Lease Agreement between the Town of Castle Rock and Central Colorado Water Conservancy District  
*Attachments:* [Attachment A: Central Lease TC Packet](#)
13. [WC 2026-064](#) Resolution Approving the 2026 Spot Water Lease Agreement between the Town of Castle Rock and Climax Molybdenum Co.  
*Attachments:* [Attachment A: Molybdenum Co Lease TC Packet.pdf](#)
14. [WC 2026-065](#) Update: Water Quality Maintenance
15. [WC 2026-066](#) Spring Up the Creek Update
16. [WC 2026-067](#) Upcoming Town Council Items

**COMMISSIONER MEETING COMMENTS**



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 1. **File #:** WC 2026-052

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water

**Approval of the April 22, 2026 Meeting Minutes  
Town Council Agenda Date:** NA

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### Executive Summary

Attached are the meeting minutes for the April 22, 2026 Water Commission Meeting.

### Proposed Motion

*"I move to approval the Meeting Minutes as presented"*

### Attachments

Attachment A: April 22, 2026 Mtg. Minutes



**Castle Rock Water Commission  
Meeting Minutes - Draft**

Tony Rathbun, Chair  
Melanie Penoyar-Perez, Vice Chair  
Edward Egnatios  
Brian Gaddie  
David Hammelman  
Chuck Kocher  
Kevin Snow

**Wednesday, April 22, 2026**

**6:00 PM**

**Castle Rock Water  
171 Kellogg Ct.  
Castle Rock, CO 80109**

**This meeting is open to the public. Three or more Council members may also attend this meeting, during which the items listed herein will be discussed. If you are unable to access any portion of these materials due to a disability as defined under Colorado House Bill 21-1110, please call us at 303-663-4440, email the Town’s accessibility team at [accessibility@CRgov.com](mailto:accessibility@CRgov.com) or submit an accommodation request form at [CRgov.com/A11yRequest](http://CRgov.com/A11yRequest).**

**CALL TO ORDER / ROLL CALL**

- Present** 7 - Chair Tony Rathbun, Vice-Chair Melanie Penoyar-Perez, Edward Egnatios, Brian Gaddie, David Hammelman, Chuck Kocher, and Kevin Snow
- Attendance** 12 - Mark Marlowe, Mark Henderson, Nichol Bussey , Paul Rementer, Lauren Moore, Roy Gallea, Erin Evans, Aaron Stremel, Frank Main, Hannah Branning, MaryJo Reese, and Jason Gray

**COUNCIL UPDATE**

Time was allowed for Mayor Gray to share a council update.

**COMMISSION COMMENTS**

Time was allowed for Commissioner Comments.

**ADMINISTRATIVE BUSINESS**

[WC 2026-039](#)      **Approval of the March 25, 2026 Meeting Minutes  
Town Council Agenda Date: NA**

I move to approve the Minutes as presented.

- Yes:** 7 - Chair Rathbun, Vice-Chair Penoyar-Perez, Egnatios, Gaddie, Hammelman, Kocher, and Snow

**ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)**

[WC 2026-040](#)      **Resolution Approving a Spot Water Lease Agreement  
between the Town of Castle Rock and Highlands Ranch  
Water [Chatfield Reservoir, Douglas County]  
Town Council Agenda Date: May 5, 2026**

Ms. Moore shared that this item is requesting approval of a spot water lease agreement with Highlands Ranch Water and the Town for a Temporary lease of surplus water stored in Chatfield Reservoir. Castle Rock currently has a significant

amount of stored water, 1,600 Acre Feet (AF). Leasing the water ensures water is put to a beneficial use for Castle Rock Water revenues instead of sitting idle.

The purpose of this agreement is to:

- Utilize excess stored water that Castle Rock cannot currently use.
- Support regional water needs while generating revenue.
- Align with the Town’s strategy to maximize value of idle water rights.

The terms of the agreement include:

- Volume: Minimum 200 AF, up to 1,000 AF
- Rate: \$420 per acre-foot
- Term: May 2026 - December 31, 2026
- Delivery: Book-over transfer within Chatfield Reservoir

The minimum revenue is \$84,000 with a maximum potential revenue of \$420,000.

**I move to recommend Town Council approval of the Resolution as presented.**

[WC 2026-041](#)

**Fourth Amendment to the Services Agreement with J-U-B Engineers, Inc. for Oversight Services on the 6400 East Tributary at Paintbrush Park Phases 1 and 2 Project**  
*[Paintbrush Park]*  
**Town Council Agenda Date:** May 5, 2026

Mr. Stremel explained that this item is to request approval of a Fourth Amendment to the services agreement with J-U-B Engineers to provide construction-phase engineering and project closeout services for the 6400 East Tributary at Paintbrush Park for Phases 1 & 2 Project. The purpose is to move the project from final design into construction and through completion.

The scope of service for this amendment is:

- Submittal and Request For Information review
- Construction observation and field support
- Record drawings and documentation
- Post-construction survey coordination
- Federal Emergency Management Agency Letter of Map Revision (LOMR)

The previous contract total was \$206,345. Currently there is \$112,000 remaining in the original contract. The amendment requests an addition \$421,200 for a new contract total of \$627,545. The work will be funded through the Stormwater Fund. Construction is anticipated to start in the Summer of 2026 and be completed in May 2027.

**I move to recommend Town Council approval of the Resolution as presented.**

**Yes:** 7 - Chair Rathbun, Vice-Chair Penoyar-Perez, Egnatios, Gaddie, Hammelman, Kocher, and Snow

[WC 2026-042](#)

**Resolution Declaring an Advisory Drought Stage (Stage 1) in the Castle Rock Water Service Area** *[Town of Castle Rock and extraterritorial service areas]*  
**Town Council Agenda Date:** May 19, 2026

Mr. Henderson explained that Castle Rock Water (CRW) will likely be declaring a

Stage 1 (Advisory) Drought. This is due to below-average snowpack, warm, dry conditions and increased demand and regional drought concerns. With the goal being to take early, proactive action to protect water supplies and avoid stricter restrictions later.

Currently Douglas County is largely in moderate to severe drought conditions, snowpack is at a historical low, which raises concerns for future supply. Mr. Henderson also shared that other Front Range providers have already implemented restrictions.

The key measures:

- Voluntary conservation with ~10% water savings target
- Continue existing watering schedules and restrictions
- Encourage:
  - Efficient irrigation
  - Reduced outdoor water use
  - General water-saving behaviors
  - No mandatory indoor restrictions

**I move to recommend Town Council approval of the Resolution as presented.**

**Yes:** 7 - Chair Rathbun, Vice-Chair Penoyar-Perez, Egnatios, Gaddie, Hammelman, Kocher, and Snow

[WC 2026-043](#)

**Ordinance to Prohibit Homeowners Associations (HOA) from issuing violations for not watering grass during Town drought declarations - including changes for consistency to the Drought Management Plan [Castle Rock Water Service Area]**

**Town Council Agenda Date:** May 19, 2026

Mr. Henderson reported this item is to propose an ordinance that would prohibit Homeowners Associations (HOAs) in Castle Rock from issuing violations, fines or enforcement actions against residents for allowing grass to turn brown or dormant during officially declared drought.

The ordinance is intended to eliminate conflicts between Castle Rock Water’s drought conservation requirements and HOA landscaping rules. The key provisions of the ordinance include.

- Applies only during officially declared drought stages
- Prevents HOA enforcement related to turf condition, irrigation levels, or drought-related landscaping impacts
- Requires suspension of existing HOA enforcement actions during the drought declaration
- Preserves HOA authority over unrelated property maintenance and governance matters.

Commissioner Kocher asked if legal has looked at and approved the ordinance changes and made sure that it does not conflict with other laws? Mr. Henderson explained that yes, the Town’s legal team has been involved with this item from the beginning.

Commissioner Gaddie asked if the Water Supply Index (WSI) is water that we physically have? Staff explained that yes, the WSI takes into account actual

available supplies and daily demands.

Commissioner Gaddie asked how quickly the WSI can change? Staff explained that the WSI is calculated on a 10-day running average to ensure that the values don't overreact to daily impacts.

**I move to recommend Town Council approval of the Resolution as presented.**

**Yes:** 7 - Chair Rathbun, Vice-Chair Penoyar-Perez, Egnatios, Gaddie, Hammelman, Kocher, and Snow

[WC 2026-044](#)

**Resolution Approving a Design Services Agreement between the Town of Castle Rock and Tetra Tech, for the Hillside Pump Station Upgrade Project [Castle Rock Heights]**  
**Town Council Agenda Date:** May 5, 2026

Mr. Stremmel shared that this item is to request approval of a design services agreement for the Hillside Pump Station Upgrade project, in the Castle Rock Heights area. The project focuses on improving the reliability, capacity, and resilience of the town's potable water delivery system.

The pump station was originally constructed in 1985 and currently transfers water from the Yellow Zone to the Blue Zone. The facility pumps approximately 500-650 gallons per minute (GPM), but the aging infrastructure and undersized distribution piping have become operational constraints as development and water demand in the Blue Zone have increased. The proposed scope includes:

- Design of a new pump station that is capable of delivering up to 2,600 GPM.
- Evaluation of alternative pipeline alignments.
- Design of a new 12-inch discharge pipeline.
- Coordinate with nearby residents regarding neighborhood impacts.
- Complete all required permitting and engineering design work.

Castle Rock Water (CRW) staff sent the request for proposal (RFP) to nine prequalified vendors. Staff received 6 bids back. Tetra Tech was the selected vendor. The base agreement is \$583,575 with a 10% contingency for a total approximate authorization of \$641,932.50

The project schedule includes an alternatives analysis to be completed by June 2026, and final design completed by April 2027.

**I move to recommend Town Council approval of the Resolution as presented.**

**Yes:** 7 - Chair Rathbun, Vice-Chair Penoyar-Perez, Egnatios, Gaddie, Hammelman, Kocher, and Snow

[WC 2026-045](#)

**Resolution Approving a Services Agreement Between the Town of Castle Rock and Muller Engineering Company, for the 2026 Stormwater Master Plan Update [Within the Town Limits]**  
**Town Council Agenda Date:** May 5, 2026

Mr. Main shared that this item is to request approval of a services agreement to complete the 2026 Stormwater Master Plan (SWMP) Update. The original

Stormwater Master Plan was developed in 2004 for the purpose of establishing a long-term strategy for managing drainage and runoff systems in a way that:

- Reduces hazards and flooding risks,
- Protects citizens and property,
- Improves environmental quality, and
- Enhances beneficial uses of waterways and drainage systems.

The existing master plan was last updated in 2017. The updates requested include:

- Finalizing updates to the 2017 Stormwater Master Plan,
- Assessing all stream reaches throughout Town,
- Updating remaining capital improvement priorities and cost estimates,
- Developing a new prioritization strategy for future improvements,
- Creating plan exhibits showing recommended improvement areas,
- Developing a detention pond retrofit plan to improve water quality and reduce operational burdens,
- Reviewing upcoming MS4, floodplain, and stormwater regulatory updates, and
- Evaluating the cost-benefit of adopting privately owned stormwater facilities.

CRW sent the RFP to 8 pre-qualified vendors and received 6 bids back. Muller Engineering was selected as the best overall value.

The base agreement is for \$442,610 with a 10% contingency for an approximate total authorization of \$486,871.

The project is expected to take approximately 12 months to complete.

Commissioner Hammelman asked for an example of how the contingency might be used? Mr. Main explained that if there was an increase in the scope of work or if the MS4 permit costs more.

**I move to recommend Town Council approval of the Resolution as presented.**

**Yes:** 7 - Chair Rathbun, Vice-Chair Penoyar-Perez, Egnatios, Gaddie, Hammelman, Kocher, and Snow

**DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS**

[WC 2026-046](#)

**Resolution Approving the 2026 Town of Castle Rock/United Water & Sanitation District Spot Water Lease Agreement**

*[Chatfield Reservoir, Douglas County]*

**Town Council Agenda Date:** April 21, 2026

Ms. Moore reported that this item is to approve a spot water lease agreement with United Water & Sanitation District (United) for surplus reusable water stored in Chatfield Reservoir. United would like to lease excess CRW reusable water to augment downstream reservoir diversions along the South Platte River system. CRW currently owns 848 AF of storage in Chatfield Reservoir and plans to purchase an additional 129 AF in 2026, while the Colorado Water Conservation Board allows use of up to 2,000 AF of total storage capacity through leased storage options. CRW currently has approximately 1,750 AF stored in Chatfield. The agreement stipulates an initial lease of 20 AF with the ability to lease up to 200 AF. The cost of the water is \$420 per AF. With a minimum revenue of \$8,400 and

a maximum of \$84,000.

[WC 2026-047](#)

**Ordinance Authorizing the Exercise of the Town's Powers of Eminent Domain to Acquire Certain Real Property Interests Necessary for the Highway 85 Wastewater Collection and Treatment System Project [Located in Sedalia, CO]  
Town Council Agenda Date: April 21, 2026**

Mr. Marlowe reported that this item is to request approval of an ordinance authorizing the Town's use of eminent domain, if necessary, to acquire property interests needed for the Highway 85 Wastewater Collection and Treatment System Project near Sedalia, CO. The purpose of the project is to construct major wastewater infrastructure to serve Sedalia and surrounding areas by conveying wastewater to the Plum Creek Water Reclamation Authority (PCWRA) treatment facility.

CRW has been negotiating with property owners through Western States Land Services. At the time of the meeting, staff are working with 9 property owners to finalize easements and temporary easements. Mr. Marlowe emphasized that eminent domain would only be used if negotiations fail and the project would be delayed.

Mr. Marlowe requested Water Commission approval of the Ordinance as presented.

**I move to recommend Town Council approval of the Ordinance as presented.**

**Yes:** 7 - Chair Rathbun, Vice-Chair Penoyar-Perez, Egnatios, Gaddie, Hammelman, Kocher, and Snow

[WC 2026-048](#)

**Update on Water Quality Maintenance  
Town Council Agenda Date: na**

Ms. Branning explained that CRW has used monochloramines as its primary disinfectant since 2013 and had not completed a full system-wide free chlorine conversion during that time. Over time, harmless biofilm naturally develops in water distribution systems and storage facilities, which can reduce disinfectant effectiveness if not periodically cleaned.

To address this, CRW temporarily converted the water system to free chlorine in February 2026 to clean the distribution system. Staff has reported that the conversion was successful and has maintained stable disinfectant levels throughout the process.

CRW is now ready to transition the system back to monochloramines. The schedule for transitioning back is to begin the week of May 11th and then conduct spot checks and flushing of dead-end lines the week of May 18th.

[WC 2026-049](#)

**County Water Plan Focus Group  
Town Council Agenda Date: na**

Mr. Marlowe shared an update on the Douglas County Water Plan and the next steps.

[WC 2026-050](#)     **Preliminary Budget/CIP Planning**  
**Town Council Agenda Date: NA**

Mr. Rementer shared the 2027 Budget schedule.

[2026-051](#)     **Upcoming Town Council Items**  
**Town Council Agenda Date: NA**

This is a standing item that will be used to share information about projects that are being worked on at the time of the meeting, but that staff doesn't have information ready yet.

Ms. Moore shared: Resolution Approving USACE Easement Agreement for the PLUCHACO Stream Gauge.

**COMMISSIONER MEETING COMMENTS**

Time was allowed for Commissioner Comments.



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 2. **File #:** WC 2026-053

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water

**Update on the Interview Process and Selection of New Commission Members**  
**Town Council Agenda Date:** May 19, 2026

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### Executive Summary

On May 13, 2026 interviews were held for appointments to the Castle Rock Water Commission. Mayor Jason Gray, Chair Tony Rathbun, and Mark Marlowe Director of CRW were on the interview panel. Eighteen individuals were interviewed.

The following recommendations were presented to Town Council on May 19, 2026 for appointment.

Edward Egnatious (re-appointment)  
Chuck Kocher (re-appointment)  
Gerald (Jerry) Duncan (new member)

Terms will start June 1, 2026 and election of officers will be held at the June 24, 2026 Water Commission meeting.



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date: 5/27/2026**

**Item #: 3. File #: WC 2026-054**

**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
 Shawn Griffith, Assistant Director of Operations  
 Nicolas Van Kooten, P.E., SCADA Superintendent

**Resolution Approving an Equipment and Services Acquisition Agreement between the Town of Castle Rock and XXX for Phase VI of the SCADA Master Plan Design Project [Entire CRW service area] *DRAFT***  
**Town Council Agenda Date: June 16, 2026**

### Executive Summary

Castle Rock Water (CRW) staff requests Town Manager approval for a services agreement with xxx for assistance in creating the SCADA MP Phase VI Meadows and Remotes Sites System Design and Bid Phase Services project, for the not-to-exceed amount of \$xxx, with a 10% Town managed contingency of \$xxx, for a total authorization request of \$xxx (**see Attachment A**).

The table below shows the total approved expenditures to date on the SCADA MP by vendor:

Project	PO	Vendor	Year	Amount
<b>Projects 2021-2023 MP Phases I-III</b>				<b>\$4,804,556</b>
SCADA Master Plan Phase IV	2787	Tetra Tech	2024	\$90,744
Screen Development	2797	LSI	2024	\$302,800
Miller WTP PLC Equipment	2805	Rexel	2024	\$124,750
O&M Building PLC Equipment	2833	Rexel	2024	\$46,327
OWL Data Diode Renewal & Historian	2843	Rexel	2024	\$31,704
Remote Sites Screen Development	2854	LSI	2024	\$102,630
RFP for SCADA Master Plan Phase IV	2880	Burns & McDonnell	2024	\$79,236
Founders Emergency Programming & Commissioning	2907	Techneaux	2024	\$72,450
SCADA Master Plan Phase IV Founders Oversight	2937	Burns & McDonnell	2024	\$117,241
RFP for SCADA Master Plan Phase V	2880	Burns & McDonnell	2024	\$79,236
SCADA All Hazards Assessment	2979	Tetra Tech	2025	\$38,765
Edge MQTT Device Purchase	3119	LSI	2025	\$30,210
Portable Lift Station Panel Purchase	n/a	EMC	2025	\$13,396
Phase V -Ray Waterman Design Project	3018	Burns & McDonnell	2025	\$479,759
<b>Subtotal:</b>				<b>\$6,413,804</b>
<b>Completed Projects to Date</b>				
<b>Pending Projects</b>				
Phase IV- Miller WTP & Remote Sites Upgrade	2934	LSI	2024	\$4,475,720
Phase V -Ray Waterman Oversight Project	3229	Burns & McDonnell	2025	\$234,495
Phase V -Ray Waterman Implementation Project	3230	LSI	2026	\$6,513,320
Phase VI -Meadows Design Project	pending	pending	2028	pending
Phase VI -Meadows Implementation Project	pending	Master Plan Estimate	2027	\$6,500,000
<b>Total Expenses</b>				<b>\$24,137,339</b>

I would like to add a summary of each phase of the SCADA MP here and status.

The SCADA system is crucial to the security and efficient operation of CRW's water and wastewater facilities. In 2019, the SCADA Master Plan (MP) was completed to assess the system and develop a plan for its upgrade, maintenance, and operation. The Town Council approved the SCADA MP on December 17, 2019, which identified approximately \$12 million in expenditures over seven years.

In late 2023, the SCADA MP implementation cost was reviewed and updated, revealing a 26% increase in equipment and implementation costs since 2019. Additionally, the update included newly identified work not previously covered in the 2019 scope. As a result, the revised estimated cost for full implementation of the plan over the next six years is approximately \$24.5 million.

**Notification and Outreach Efforts**

This project is security-sensitive, and no public outreach is planned. Work will be performed at various CRW water treatment facilities and will be done out of the public eye.

**Discussion**

An engineering consultant is required to develop a comprehensive SCADA system design for Phase VI of the MP, including upgrades to the Meadows Water Treatment Plant (Meadows) and 17 remote sites. The scope of work for this project encompasses a complete SCADA system and electrical drawings; detailed scopes of work (SOW); equipment and Input/Output (I/O) lists; Process and Instrumentation Diagrams (P&ID) drawings; network diagrams; and site-specific control narratives. These deliverables are essential to ensure an accurate project estimate and proper implementation details. Additionally, the project will include bid-phase services.

Staff submitted a Request for Proposal (RFP) to two qualified consultants in April of 2026, as shown in the chart below:

<b>Consultant</b>	<b>Proposal Cost</b>
Burns & McDonnell Engineering	\$xxx
Tetra Tech	\$xxx

Staff recommends selecting XXX as the design consultant for the MP Phase VI project. xxx is a preferred engineering consultant and has submitted a comprehensive quote detailing all the deliverables requested in the original Request for Proposal (RFP). The items outlined in their proposal are critical to the success and efficient execution of the MP Phase VI project.

xxx has extensive experience providing key consulting services for various segments of the SCADA MP and has participated in multiple SCADA MP RFPs. Their team has been consistently relied upon for their expertise on numerous related projects. Additionally, their principal engineers and technical staff will be pivotal in the Phase VI design.

Given the security-sensitive nature of the Cybersecurity portion of the MP, XXX has signed a non-disclosure agreement with the Town to ensure confidentiality and protect sensitive information.

XXx will conduct site investigations at each facility listed below in collaboration with staff. Based on these investigations, a scope of work (SOW) will be developed and summarized for bid inclusion, detailing the identified work at each facility:

- Meadows Water Treatment Plant
- Diamond Ridge Pump Station
- Crystal Valley Pump Station / Tank 15
- Tank 8
- Tank 11
- Meadows 5 Lift Station
- Meadows 15 Lift Station
- Meadows 17 Lift Station
- Meadows A-1
- Meadows A-2
- Meadows A-3
- Meadows A-4
- Meadows A-5
- Meadows A-7
- Meadows A-8 (Well 49 only)
- Meadows A-11
- Meadows A-12 (ASR Wells)
- Meadows A-13

This project will also include the following deliverables:

- Site investigations and data gathering
- Progress meetings and project management
- Technical Memorandum summarizing the SOW for each site
- SCADA programmable logical control (PLC) cabinet design requirements and drawings
- Individual Control Narratives for each site
- New P&ID drawings for each site, aligned with CRW standards
- Electrical site plans
- Instrumentation lists
- Input/Output (I/O) lists
- Electrical lists
- Network diagrams
- Design and project scope documents
- Bid Phase services

xxx has submitted a target completion date of xxx, 2026. Upon completion of the design phase, they will assist with bid-phase activities, including vendor selection and contractor award-related tasks.

### **Budget Impact**

Funds have been budgeted each year, through 2026 for the Master Plan Implementation. Funds for

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**Item #: 3. File #: WC 2026-054**

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this project will be taken from the Water, Water Resources and Wastewater CIP SCADA System Improvements line items as follows:

<b>Fund Name</b>	<b>Account Number</b>	<b>Cost</b>	<b>2026 Account Balance</b>
Water SCADA System Improvements	210-4275-442.75-41	\$xxx	\$1,182,745
Water Resources SCADA System Improvements	211-4375-443.75-41	\$xxx	-\$654,913
Wastewater SCADA System Improvements	213-4575-445.75-41	\$xxx	\$537,824
Total		\$	\$

**Staff Recommendation**

Staff recommends a services agreement withto create the SCADA MP Phase VI Meadows and Remote Sites System Design and Bid Phase Services project, for the not to exceed amount of \$xxx, with a 10% Town managed contingency of \$xxx, for a total authorization request of \$xxx.

**Proposed Motion**

*"I move to recommend to Town Council approval of the Resolution as presented"*

**Attachments**

Attachment A: Resolution  
Exhibit 1: Contract



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 4. **File #:** WC 2026-055

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water

**Resolution Waiving Formal Written Bidding Requirement Based on Sole Source and Approving an On-Call Equipment and Services Agreement with Evoqua Water Technologies LLC. [Entire Castle Rock Water Service Area]  
Town Council Agenda Date:** June 16, 2026

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### Executive Summary

Castle Rock Water (CRW) seeks Town Council approval of a Resolution (**Attachment A**) approving an On-call equipment and services agreement (**Exhibit 1**) with Evoqua Water Technologies LLC (Evoqua), for a total authorization amount of \$600,000, as a sole source justification (**Attachment B**). In previous years, the total annual amount of Bioxide use from Evoqua has been on the order of \$XXX,XXX. Changes in Bioxide usage have been recommended as a result of studies on the Woodlands Sewer Interceptor which runs through the Woodlands and Escavera neighborhoods. Based on these changes, the estimated cost of Bioxide for implementation in 2026 is \$600,000.

### Notification and Outreach Efforts

Customer outreach has been conducted for the Woodlands Sewer Interceptor and Odor Control station near the Woodlands and Escavera neighborhoods, including CRW staff attending several Woodlands Homeowner Association (HOA) meetings to provide updates on the findings from sampling and modeling efforts conducted on the sewer interceptor, Castle Oaks Lift Station, and Mitchell Creek Lift Station.

### History of Past Town Council, Boards & Commissions, or Other Discussions

There have been Town Council discussions regarding customer complaints and Bioxide use for odor and hydrogen sulfide (H<sub>2</sub>S) control at Town wastewater lift stations and force mains. Most recently, meetings and customer interactions have occurred regarding Woodland's main interceptor, and the sewer odors generated in the Escavera/Woodland's bowl open space. On May 29, 2025, the Town approved a professional services agreement with Carollo Engineers, Inc. to collect and analyze wastewater liquid gas samples, model odor generation based on sampling results, and make recommendations to CRW for operational changes and facility upgrades.

On May 29, 2025, the Town approved a professional services agreement with Carollo Engineers, Inc.

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to collect and analyze wastewater liquid gas samples, model odor generation based on sampling results, and make recommendations to CRW for operational changes and facility upgrades.

On October 21, 2025, the Town authorized an amendment to Carollo's service agreement to evaluate taking Castle Oaks Lift Station sewer flows by gravity to the Pinery Wastewater Treatment Plant.

### **Discussion**

Bioxide is a chemical that reduces the production of H<sub>2</sub>S that CRW utilizes at four of our sewer lift stations. They are Mitchell Creek, Castle Oaks, Maher Ranch, and Castlewood 1. The chemical is injected into the lift station wet wells to decrease the development of sulfides in the force mains. This process reduces the release of toxic, corrosive, and odorous H<sub>2</sub>S gas in the collection system. Bioxide is currently CRW's only chemical additive option for odor and H<sub>2</sub>S control, and Evoqua Water is the sole nationwide provider of the proprietary chemical.

The Woodlands Interceptor sewer line runs through a valley, starting in Escavera and continuing through the Woodlands neighborhoods. This sewer interceptor has several drops, causing turbulent flows in the sewer. These flows allow excessive sewer odor to accumulate in the manholes, creating an off-putting odor that is detectable by surrounding residents and trail users.

This condition has worsened over time, leading to increased customer and HOA complaints about sewer odor. In response to these complaints, CRW contracted with Carollo Engineering to collect liquid and gas wastewater samples at the Castle Oaks and Mitchell Creek lift stations, perform odor-generation modeling based on the sample results, and recommend operational changes and facility upgrades to CRW. Carollo generated short and medium-term recommendations during this analysis. Below are the short-term recommendations, summarized:

- Seal off and discontinue use of the current odor control system, capping any foul airflow into the building or surrounding neighborhood.
- Improve Bioxide dosing method through the use of flow pacing and saddle taps for ideal mixing
- Increase the quantity of Bioxide dosing until the desired H<sub>2</sub>S levels are reached in the gravity sewer.

CRW immediately implemented the first recommendation and shut down and capped the existing odor control facility located along the Woodlands Sewer Interceptor in the Woodlands neighborhood. The investigation also revealed that increasing the dose of Bioxide at two Town lift stations (Mitchell Creek and Castle Oaks) that flow through the Woodlands interceptor and improving chemical mixing were the next immediate solutions to reduce H<sub>2</sub>S production and associated sewer odors in the area. Carollo recommended increasing Bioxide dosing to as much as double the current dosage of Bioxide at each lift station while CRW continued to coordinate optimizing chemical mixing. Once the mixing system was in place, a sustained 25% increase in Bioxide was recommended to fully control liquid phase sulfide formation.

In addition to supplying the chemical and feed system, Evoqua will also provide testing for H<sub>2</sub>S and Nitrate levels at downstream sample sites and Vapor Link monitoring services. Vapor Link monitoring provides real-time atmospheric H<sub>2</sub>S data displayed on the Evoqua Link2Site website. Woodland's

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**Item #: 4. File #: WC 2026-055**

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Link unit is deployed in the Woodlands interceptor downstream of the Castle Oaks and Mitchell Creek outfalls. Evoqua Link2site also provides data on Bioxide levels and feed rates at the Castle Oaks and Mitchell Creek lift stations.

This information allows staff to adjust Bioxide dosage manually via remote control or by visiting the site to respond to changing H2S levels in wastewater force mains. Unusual data, such as H2S spikes, will also alert operators to potential increases in odors in the collection system. This ensures that corrosive H2S levels and customer odor complaints are kept to a minimum. This monitoring service is included in the Bioxide agreement, at no charge.

**Budget Impact**

Funding for this agreement will come from the Wastewater Field Services Chemicals & Fertilizer line item, after a budget transfer from the Wastewater CIP Operations & Maintenance Replacement fund, as follows:

<b>Fund Name</b>	<b>Account Number</b>	<b>Budget Transfer</b>	<b>Current Balance</b>	<b>Cost</b>	<b>Balance After Transfer</b>
O&M Replacements	213-4575-445.40-90	\$500,000	\$311,000		\$0
Chemicals & Fertilizer	213-4540-445.61-26		\$100,001	\$600,000	\$600,001

**Proposed Motion**

*"I move to recommend to Town Council approval of the Resolution as presented"*

**Attachments**

- Attachment A: Resolution
  - Exhibit 1: Agreement
- Attachment B: Evoqua Water Technologies Sole Source Justification



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

**Item #:** 5. **File #:** WC 2026-056

**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Mark Henderson, P.E., Assistant Director  
Roy Gallea, P.E., Engineering Manager  
Emily Huth, P.E., Project Manager  
David Choi, Water Engineer

**Resolution Approving the Third Amendment to the Services Agreement between the Town of Castle Rock and Burns & McDonnell Engineering for the Front Street Downtown Connection, RWRWTC Pump Upgrades and Liggett Road Pipe Upsize Projects** *[Located in various locations throughout Castle Rock, CO]*  
**Town Council Agenda Date:** June 2, 2026

### Executive Summary

Castle Rock Water (CRW) staff seeks Town Council approval of a Resolution (**Attachment A**) approving the Third Amendment to the services agreement with Burns & McDonnell Engineering (BMcD) for the Front Street Downtown Connection, Ray Waterman Regional Water Treatment Center (RWRWTC) Pump Upgrades and Liggett Road Pipe Upsize Projects (**Exhibit 1**). This proposed Third Amendment is a contract addition in the amount of \$126,613 and an extension of the contract through March 31, 2027. The new revised contract amount would be \$703,512 which is outside the current Council Authorization of \$595,228. The primary purpose of the Third Amendment is to retain BMcD for construction phase services on the Front Street Downtown Connection project, as well as include some additional design services to accommodate a revised alignment for the Liggett Road pipeline after negotiations with property owners in the original alignment were unsuccessful.

### History of Past Town Council, Boards & Commissions, or Other Discussions

The original agreement was approved by Town Council on April 16, 2024 in the amount of \$405,500, plus a Town-managed contingency in the amount of \$40,550. Amendment 2 was approved by Town Council on June 3, 2025 to add \$149,178 to the total authorization amount.

This design services agreement was approved by Town Council on April 16, 2024 in the amount of \$405,500, plus a Town-managed contingency in the amount of \$40,550. In the effort to reduce administrative and contracting costs, gain economies of scale and generate more competitive engineering bids, CRW staff combined three separate but smaller design projects into one request for proposals. Included in the scope of this design project are 1) new Front Street Downtown Connection

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**Item #: 5. File #: WC 2026-056**

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pipeline (up to 12" diameter for approximately 2,600 Linear Feet) to connect the Yellow Pressure Zone on Front Street to Wilcox Street, 2) recommendations for upgrades to the Red Zone and Green Zone pumps at Ray Waterman Regional Water Treatment Center (RWRWTC), and 3) upsizing the Liggett Road Pipeline from Plum Creek Water Purification Facility (PCWPF) to the distribution system on Liggett Road to accommodate the PCWPF expansion from 6 Million Gallons Per Day (MGD) to 12 MGD, which will eliminate the bottleneck in the Town's distribution system from PCWPF.

The First Amendment added \$22,221 to BMcD's contract for additional survey required after selecting alignments for the two pipeline projects. The Second Amendment added \$149,178 for specialized geotechnical and trenchless design services for challenging railroad crossings, additional field investigations and a Geotechnical Baseline Report to reduce construction risk, and revisions to pumping and clearwell analyses at RWRWTC to better align with long-term system needs.

BMcD has completed preparation of the Issued for Bid (IFB) documents for the Front Street Downtown Connection project. The project is currently undergoing review with Union Pacific Railroad (UPRR), and upon completion of that process, all required permits and regulatory approvals will be in place to bid the package for construction. The Third Amendment will add construction phase services for the Front Street Downtown Connection portion of the project to BMcD's contract, including review of shop drawings and submittals, responses to contractor requests for information (RFI's), site visits and inspections, and completion of record drawings. The Front Street Downtown Connection portion of the project is anticipated to be bid and constructed in XXXX. The estimated total cost of this portion of the project is \$XXX.

This amendment does not include any additional work on the RWRWTC pumps. The design has been completed, and that project is scheduled for construction in XXXX with an estimated cost of \$XXXX.

Additionally, as the Town advanced final easement negotiations for the Liggett Road Pipe Upsize project, negotiations were unsuccessful with the Scotts, the affected private property owners. As a result, the Town evaluated an alternative alignment across an adjacent parcel owned by JRW Family Limited Partnership (Walkers). Productive coordination with the Walkers supported development of a new proposed pipeline alignment within their property. The Third Amendment includes redesign of the Liggett Road pipeline by BMcD to accommodate the revised alignment, along with additional topographic and subsurface utility surveys necessary to support the redesign.

Upon execution of this amendment, BMcD will begin additional survey work along Liggett Road, and the Town will finalize easement agreements with the Walkers. The Town and BMcD will coordinate to complete the Liggett Road Pipe Upsize Project design by the end of 2026 in preparation for future construction which is planned for construction in XXXX. The estimated total cost for this portion of the project is \$XXXX.

### **Budget Impact**

The proposed Third Amendment is in the amount of \$126,613. This will exceed the remaining contingency available in the current \$595,228 total authorization amount. Staff recommends approving BMcD's proposed Third Amendment in the amount of \$126,613 which would bring the total

**Item #: 5. File #: WC 2026-056**

contract amount to \$703,512. The remaining contingency of \$18,329 will be retained. The following account information applies to all agreements related to design services for the Front Street Downtown Connection, RWRWTC Pump Upgrades, and Liggett Road Upsize projects.

<b>CRW Project No.</b>	<b>Account Name</b>	<b>Account Number</b>	<b>PO Number</b>	<b>2026 Available Budget</b>
250011 & 250012	Frnt St to Dwntrn Wtrline	210-4275-442.79-29	2848	\$1,917,082.60

The following table summarizes budget impacts for requests that have been previously approved and the budget impact for the currently proposed Amendment 3.

<b>Agreement</b>	<b>Contract \$</b>	<b>Contingency \$</b>	<b>Authorization \$</b>
Original Agreement <i>(approved 4/16/2025)</i>	405,500	40,550	446,050
Amendment 1 <i>(approved 4/10/2025)</i>	22,221	(22,221)	0
Amendment 2 <i>(approved 6/12/2025)</i>	149,178	0	149,178
<b>Current Totals</b>	576,899	18,329	595,228
Amendment 3 <i>(under consideration)</i>	126,613	0	126,613
<b>Amended Totals</b>	703,512	18,329	<b>721,841</b>

**Staff Recommendation**

Staff recommends Town Council approval of the resolution to approve the Third Amendment to the Service Agreement between the Town of Castle Rock and Burns & McDonnell for the Front Street Downtown Connection, RWRWTC Pump Upgrades, and Liggett Road Pipe Upsize Projects in the amount of \$126,613, for a total authorization amount of \$721,841 (includes BMCD total contract amount of \$703,512 and retained contingency of \$18,329).

**Proposed Motion**

*"I move to recommend to Town Council approval of the Resolution as presented"*

**Attachments**

- Attachment A: Resolution
- Exhibit 1: Third Amendment
- Attachment B: Location Map for Front Street Downtown Connection
- Attachment C: Location Map for Liggett Road Pipe Upsize

**RESOLUTION NO. 2026-\_\_**

**A RESOLUTION APPROVING THE THIRD AMENDMENT TO THE SERVICES AGREEMENT BETWEEN THE TOWN OF CASTLE ROCK AND BURNS & MCDONNELL ENGINEERING COMPANY, INC. FOR THE FRONT STREET DOWNTOWN CONNECTION, RWRWTC PUMP UPGRADES, & LIGGETT ROAD PIPE UPSIZE PROJECTS**

**WHEREAS**, the Town of Castle Rock (the “Town”) and Burns & McDonnell Engineering Company, Inc. (the “Consultant”) are parties to the Town of Castle Rock Services Agreement (Front Street Downtown Connection, RWRWTC Pump Upgrades, & Liggett Road and Pipe Upsize Projects – CRW) dated April 16, 2024 (the “Agreement”), to provide engineering and design services for the aforementioned projects; and

**WHEREAS**, pursuant to Resolution No. 2024-039, the Town Council approved the Agreement and authorized expenditure and payment for the Town’s financial obligations thereunder in a not-to-exceed amount of \$405,500.00, plus a Town-managed contingency in the amount of \$40,550.00, for a total authorization of \$446,050.00; and

**WHEREAS**, the Town and Consultant entered into the First Amendment to the Agreement (the “First Amendment”) dated April 11, 2025, to update the scope of services and to increase the payment amount, within the originally authorized contingency amount, by \$22,221.00; and

**WHEREAS**, the Town and Consultant then entered into the Second Amendment to the Agreement (the “Second Amendment”) dated June 3, 2025, to update the scope of services and increase the payment amount by \$149,178.00, which exceeded the scope of the remaining contingency amount of \$18,329.00; and

**WHEREAS**, pursuant to Resolution No. 2025-066, the Town Council approved the Second Amendment and authorized the expenditure and payment for the Town’s financial obligations thereunder for a total amount of \$595,228.00, consisting of a not-to-exceed amount of \$576,899.00 and a remaining contingency of \$18,329.00; and

**WHEREAS**, the Town and Consultant wish to further amend the Agreement (the “Third Amendment”) to extend the expiration date to March 31, 2027, to update the scope of services to provide for additional recommended engineering and design services, and to increase the payment amount by \$129,562.00; and

**WHEREAS**, subject to Town Council’s approval, the Town and the Consultant have agreed to the terms and conditions governing the Third Amendment.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO AS FOLLOWS:**

**Section 1. Approval.** The Third Amendment to the Agreement between the Town and the Consultant is hereby approved in substantially the same form as presented at tonight’s meeting,

with such technical changes, additions, modifications, deletions, or amendments as the Town Manager may approve upon consultation with the Town Attorney. The Mayor and other proper Town officials are hereby authorized to execute the Third Amendment to the Agreement and any technical amendments thereto by and on behalf of the Town.

**Section 2. Encumbrance and Authorization for Payment.** In order to meet the Town’s financial obligations under this Third Amendment to the Agreement, the Town Council authorizes the expenditure and payment in an amount not to exceed \$129,562.00, unless otherwise authorized in writing by the Town. The total authorized payment under the Agreement, the First Amendment, the Second Amendment, and the Third Amendment to the Agreement, including the remaining contingency amount of \$18,329.00, is \$724,790.00. Any expenditure of the Town-managed contingency for purposes within the scope of the Agreement may be authorized through a technical amendment to the Agreement as provided in Section 1 of this Resolution.

**PASSED, APPROVED AND ADOPTED** this 2nd day of June, 2026, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading, by a vote of \_\_\_\_\_ for and \_\_\_\_\_ against.

**ATTEST:**

**TOWN OF CASTLE ROCK**

\_\_\_\_\_  
Lisa Anderson, Town Clerk

\_\_\_\_\_  
Jason Gray, Mayor

**Approved as to form:**

**Approved as to content:**

\_\_\_\_\_  
Michael J. Hyman, Town Attorney

\_\_\_\_\_  
Mark Marlowe, Director of Castle Rock Water

**THIRD AMENDMENT TO THE TOWN OF CASTLE ROCK  
 SERVICES AGREEMENT  
 (Front Street Downtown Connection, RWRWTC Pump Upgrades, & Liggett Road Pipe  
 Upsize Projects – CRW)**

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**THIS THIRD AMENDMENT TO TOWN OF CASTLE ROCK SERVICES AGREEMENT** (the “Third Amendment”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2026 by and between **BURNS & MCDONNELL ENGINEERING COMPANY, INC.**, a Missouri corporation, whose local office address is 9191 S. Jamaica Street, Englewood, Colorado 80112 (“Consultant”), and the **TOWN OF CASTLE ROCK**, a home rule municipal corporation, 100 North Wilcox Street, Castle Rock, Colorado 80104 (the “Town”) (collectively, the Town and Consultant are referred to as the “Parties” and each party may be referred to individually as a “Party”).

**RECITALS:**

- I. The Town and Consultant entered into the Town of Castle Rock Services Agreement (Front Street Downtown Connection, RWRWTC Pump Upgrades, & Liggett Road Pipe Upsize Projects – CRW) on April 16, 2024, the First Amendment to said Agreement on April 11, 2025, and the Second Amendment to said Agreement on June 3, 2025, collectively referred to herein as “Agreement” and attached hereto as *Exhibit A-3*.
- II. The Parties desire to amend the Agreement to revise the payment section, update the scope of services, and extend the Term of the Agreement.
- III. The Parties wish to memorialize these changes in this Third Amendment. The Parties agree that there are no other changes being made to the Agreement in this Third Amendment other than as set forth below.

**TERMS:**

1. **Effective Date.** This Third Amendment is effective as of the date stated in the preamble contained herein (the “Effective Date”).
2. **Amendment.** Section 1 of the Agreement is amended to read as follows:
  - “1. **Scope of Services.** Consultant shall perform all of the services as set forth on *Exhibit 1* to the Agreement, *Exhibit B* to the First Amendment, *Exhibit B-2* to the Second Amendment, and *Exhibit B-3* to the Third Amendment (“Services”). Consultant shall complete the Services consistent with standards and practices of the profession.”
3. **Amendment.** Section 2 of the Agreement is amended to read as follows:
  - “2. **Payment.** Consultant shall invoice Town upon completion of Services rendered in accordance with the rate and fee schedule set forth *Exhibit 1* to the Agreement, *Exhibit B* to the First Amendment, *Exhibit B-2* to the Second



Amendment, and *Exhibit B-3* to the Third Amendment. The Town shall not be required to pay for Services found to be defective, untimely, unsatisfactory, or otherwise not conforming to this Agreement, or not in conformance with all applicable federal, state, and local laws, ordinances, rules and regulations. The Town shall remit payment to Consultant within thirty (30) days receipt of such invoice. In no event shall the total payment to the Consultant under this Agreement exceed **\$706,461.00**, unless authorized in writing by Town.”

4. **Amendment.** Section 3 of the Agreement is amended to read as follows:
 

“3. **Term.** The term of this Agreement shall commence upon execution of the Agreement and expire on **March 31, 2027** (the “Term”). The Parties may mutually agree to extend the Term of this Agreement for no more than three (3) years under the same terms and conditions by executing a written amendment to this Agreement prior to March 31, 2027. Nothing in this Section prohibits the Parties from amending the payment section and/or incorporating an updated rate and fee schedule should the Parties elect to extend the Term of the Agreement. Consultant shall complete any Services in progress as of the expiration date unless directed otherwise by the Town. Consultant shall devote adequate resources to assure timely completion of the Services in accordance with the standards specified in this Agreement. Consultant shall perform the Services under this Agreement using a standard of care, skill and diligence ordinarily used by reputable professionals performing under circumstances similar to those required by this Agreement.”
5. **Certificate of Insurance.** An updated Certificate of Insurance for the Consultant is attached as *Exhibit C-3*.
6. **Ratification.** In all other respects, the Agreement shall remain in full force and effect.

**ATTACHED EXHIBITS:**

EXHIBIT A-3 – AGREEMENT

EXHIBIT B-3 – SUPPLEMENTARY SCOPE OF SERVICES AND FEE SCHEDULE

EXHIBIT C-3 – CONSULTANT’S UPDATED CERTIFICATE OF INSURANCE

**[SIGNATURE BLOCK TO FOLLOW]**



To evidence their assent to this Third Amendment and its exhibits, the Parties hereby execute and deliver this Third Amendment as of the Effective Date.

**ATTEST:**

**TOWN OF CASTLE ROCK**

\_\_\_\_\_  
Lisa Anderson, Town Clerk

\_\_\_\_\_  
Jason Gray, Mayor

**Approved as to form:**

**Approved as to content:**

\_\_\_\_\_  
William Langford, Assistant Town Attorney

\_\_\_\_\_  
Mark Marlowe, Director of Castle Rock Water

**CONSULTANT:**

**BURNS & MCDONNELL ENGINEERING COMPANY, INC.**

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

Its: \_\_\_\_\_  
(Title)

**EXHIBIT A-3**  
AGREEMENT

CON-2025-0257



**SECOND AMENDMENT TO TOWN OF CASTLE ROCK  
SERVICES AGREEMENT  
(Front Street Downtown Connection, RWRWTC Pump Upgrades, & Liggett Road Pipe Upsize  
Projects - CRW)**

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**DATE:**                     JUNE 3, 2025                    

**PARTIES:** **TOWN OF CASTLE ROCK**, a Colorado municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 (“Town”).

**BURNS & MCDONNELL ENGINEERING COMPANY, INC.**, a Missouri corporation with a local address of 9191 S. Jamaica Street, Englewood, Colorado 80112 (“Consultant”).

**RECITALS:**

- I. The Town and Consultant are Parties to the Town of Castle Rock Services Agreement (Front Street Downtown Connection, RWRWTC Pump Upgrades, & Liggett Road Pipe Upsize Projects - CRW) dated April 16, 2024 (the “Agreement”), which Agreement was approved by the Town Council pursuant to Resolution No. 2024-039 (the “Resolution”).
- II. The Parties entered into the First Amendment to the Agreement dated April 11, 2025 (“First Amendment”), to update the scope of Services and increase the payment amount.
- III. The Agreement and the First Amendment are attached hereto as *Exhibit A-2*.
- IV. The Parties desire to amend the Agreement to extend the expiration date of the Agreement to September 30, 2026, and to update the scope of Services and increase the payment amount by the amount of \$149,178.00, as provided in the supplementary scope of Services and fee schedule attached as *Exhibit B-2*.
- V. The Town and Consultant wish to memorialize these changes in this Second Amendment to the Agreement (“Second Amendment”).

**TERMS:**

- 1. **Amendment.** Section 1 of the Agreement is amended to read as follows:  
  - “1. **Scope of Services.** Consultant shall perform all of the services as set forth on *Exhibit 1* to the Agreement, *Exhibit B* to the First Amendment, and *Exhibit B-2* to the Second Amendment (“Services”). Consultant shall complete the Services consistent with standards and practices of the profession.”
- 2. **Amendment.** Section 2 of the Agreement is amended to read as follows:  
  - “2. **Payment.** Consultant shall invoice Town upon completion of Services rendered in accordance with the rate and fee schedule set forth in *Exhibit 1* to the Agreement, *Exhibit B* to the First Amendment, and *Exhibit B-2* to the Second Amendment. The Town shall not be required to pay for Services found to be defective, untimely, unsatisfactory, or otherwise not conforming to this Agreement, or not in conformance with all applicable federal, state, and local laws, ordinances, rules and regulations. The Town shall remit

CON-2025-0257



payment to Consultant within thirty (30) days receipt of such invoice. In no event shall payment to Consultant under this Agreement exceed \$576,899.00, unless authorized in writing by the Town.”

3. **Amendment.** Section 3 of the Agreement is amended to read as follows:

“3. **Term.** The term of this Agreement shall commence upon execution of the Agreement and expire on **September 30, 2026** (the “Term”). The Parties may mutually agree to extend the Term of this Agreement for no more than four (4) additional one-year terms under the same terms and conditions by executing a written amendment to this Agreement prior to September 30, 2026. Nothing in this Section prohibits the Parties from amending the payment section and/or incorporating an updated rate and fee schedule should the Parties elect to extend the term of the Agreement. Consultant shall complete any Services in progress as of the expiration date unless directed otherwise by the Town. Consultant shall devote adequate resources for timely completion of the Services in accordance with the standards specified in this Agreement. Consultant shall perform the Services under this Agreement using a standard of care, skill and diligence ordinarily used by reputable professionals performing under circumstances similar to those required by this Agreement.”

4. **Ratification.** In all other respects, the Agreement shall remain in full force and effect.

**ATTACHED EXHIBITS:**

EXHIBIT A-2 – AGREEMENT

EXHIBIT B-2 – SUPPLEMENTARY SCOPE OF SERVICES AND FEE SCHEDULE

**ATTEST:**

DocuSigned by:  
  
298A8A4FDEE34AF...  
Lisa Anderson, Town Clerk

**TOWN OF CASTLE ROCK**

DocuSigned by:  
  
A7938A42F3A828A...  
Jason Gray, Mayor

**Approved as to form:**

Signed by:  
  
4B4400493FA3464...  
Kaitlin Parker, Assistant Town Attorney

**Approved as to content:**

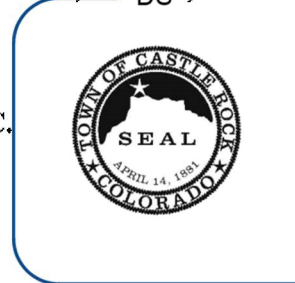
Signed by:  
  
FEA6D2E651B241D...  
Mark Marlowe, Director, Castle Rock Water

**CONSULTANT:**

BURNS & MCDONNELL ENGINEERING COMPANY, INC.

By:   
(Signature)  
Daniel D. Korinek  
(Print Name)

Its: Senior Vice President  
(Title)





**EXHIBIT A-2**

**AGREEMENT AND FIRST AMENDMENT**

PREVIOUSLY EXECUTED

CON-2025-0017



**FIRST AMENDMENT TO TOWN OF CASTLE ROCK SERVICES AGREEMENT**

**(Front Street Downtown Connection, RWRWTC Pump Upgrades, & Liggett Road Pipe Upsize Projects - CRW)**

4/11/2025 | 1:47 PM MDT

**DATE:** \_\_\_\_\_

**PARTIES:** **TOWN OF CASTLE ROCK**, a Colorado municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 (“Town”).

**BURNS & MCDONNELL ENGINEERING COMPANY, INC.**, a Missouri corporation with a local address of 9191 S. Jamaica Street, Englewood, Colorado 80112 (“Consultant”).

**RECITALS:**

- I. The Town and Consultant are parties to the Town of Castle Rock Services Agreement (Front Street Downtown Connection, RWRWTC Pump Upgrades, & Liggett Road Pipe Upsize Projects - CRW) dated April 16, 2024 (the “Agreement”), which Agreement was approved by the Town Council pursuant to Resolution No. 2024-039 (the “Resolution”). The Agreement is attached hereto as *Exhibit A*.
- II. The Parties desire to amend the Agreement to update the scope of Services and increase the payment amount by the amount of \$22,221.00, as provided in the supplementary scope of Services and fee schedule attached as *Exhibit B*.
- III. The Town and Consultant wish to memorialize these changes in this First Amendment to the Agreement (“First Amendment”).

**TERMS:**

- 1. **Amendment.** Section 1 of the Agreement is amended to read as follows:  
 “1. **Scope of Services.** Consultant shall perform all of the services as set forth on *Exhibit I* to the Agreement and *Exhibit B* to the First Amendment (“Services”). Consultant shall complete the Services consistent with standards and practices of the profession.”
- 2. **Amendment.** Section 2 of the Agreement is amended to read as follows:  
 “2. **Payment.** Consultant shall invoice Town upon completion of Services rendered in accordance with the rate and fee schedule set forth in *Exhibit I* to the Agreement and *Exhibit B* to the First Amendment. The Town shall not be required to pay for Services found to be defective, untimely, unsatisfactory, or otherwise not conforming to this Agreement, or not in conformance with all applicable federal, state, and local laws, ordinances, rules and regulations. The Town shall remit payment to Consultant within thirty (30) days receipt of such invoice. In no event shall payment to Consultant under this Agreement exceed \$427,721.00, unless authorized in writing by the Town.”
- 3. **Certificate of Insurance.** An updated Certificate of Insurance for Consultant is attached as *Exhibit C*.

CON-2025-0017



4. **Ratification.** In all other respects, the Agreement shall remain in full force and effect.

**ATTACHED EXHIBITS:**

EXHIBIT A – AGREEMENT

EXHIBIT B – SUPPLEMENTARY SCOPE OF SERVICES AND FEE SCHEDULE

EXHIBIT C – CONSULTANT'S UPDATED CERTIFICATE OF INSURANCE



**ATTEST:**

DocuSigned by:

*Lisa Anderson*

Lisa Anderson, Town Clerk

**TOWN OF CASTLE ROCK**

Signed by:

*David L. Corliss*

David L. Corliss, Town Manager

**Approved as to form:**

Signed by:

*Kaitlin Parker*

Kaitlin Parker, Assistant Town Attorney

**Approved as to content:**

Signed by:

*Mark Marlowe*

Mark Marlowe, Director, Castle Rock Water

**CONSULTANT:**

**BURNS & MCDONNELL ENGINEERING COMPANY, INC.**

By:

*Jason Schaefer*  
(Signature)

Jason Schaefer  
(Print Name)

Its:

Regional GP Manager  
(Title)

Previously Executed

CON-2025-0017



**EXHIBIT A**  
**AGREEMENT**

*Previously Executed*

CON-2024-0174



**TOWN OF CASTLE ROCK SERVICES AGREEMENT**  
**(Front Street Downtown Connection, RWRWTC Pump Upgrades, & Liggett Road Pipe Upsize Projects – CRW)**

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**DATE:** April 16, 2024

**PARTIES:** TOWN OF CASTLE ROCK, a Colorado municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 (the “Town”).

BURNS & MCDONNELL ENGINEERING COMPANY, INC., a Missouri corporation with a local address of 9191 S. Jamaica Street, Englewood, Colorado 80112 (“Consultant”).

**RECITALS:**

- I. The Town issued a Request for Proposals from qualified consultants in engineering and design services.
- II. Consultant timely submitted its Proposal.
- III. The Town engages Consultant to provide the services more fully described in the following Agreement and Exhibits.

**TERMS:**

- 1. **Scope of Services.** Consultant shall perform all of the services as set forth on *Exhibit 1* (“Services”). Consultant shall complete the Services consistent with standards and practices of the profession.
- 2. **Payment.** Consultant shall invoice Town upon completion of Services rendered in accordance with the rate and fee Schedule set forth in *Exhibit 1*. The Town shall not be required to pay for Services found to be defective, untimely, unsatisfactory, or otherwise not conforming to this Agreement, or not in conformance with all applicable federal, state, and local laws, ordinances, rules and regulations. The Town shall remit payment to Consultant within thirty (30) days receipt of such invoice. In no event shall payment to Consultant under this Agreement exceed \$405,500.00, unless authorized in writing by Town.
- 3. **Term.** The term of this Agreement shall commence upon execution of the Agreement and expire on September 30, 2025 (the “Term”). The Parties may mutually agree to extend the Term of this Agreement for no more than five (5) additional one-year terms under the same terms and conditions by executing a written amendment to this Agreement prior to September 30, 2025. Nothing in this Section prohibits the Parties from amending the payment section and/or incorporating an updated rate and fee schedule should the Parties elect to extend the term of the Agreement. Consultant shall complete any Services in progress as of the expiration date unless directed otherwise by the Town. Consultant shall devote adequate resources for timely completion of the Services in accordance with the standards specified in this Agreement. Consultant shall perform the Services under this Agreement using a standard of care, skill and diligence ordinarily used by reputable professionals performing under circumstances similar to those required by this Agreement.
- 4. **Termination.** Town shall have the right to terminate this Agreement with or without cause at any time with ten (10) days’ written notice to Consultant. The Town’s only obligation in the event of

PREVIOUSLY EXECUTED

CON-2024-0174



termination shall be payment of fees and expenses incurred up to and including the effective date of termination. Upon termination, Consultant shall immediately turn over all work product, materials, and or deliverables created up to the point of termination.

5. **Subcontractors.** Consultant may utilize subcontractors to assist with specialized services as necessary to complete the Services. Consultant will submit any proposed subcontractor and the description of subcontractor services to the Town for its prior approval.

6. **Annual Appropriation.** The continuance of this Agreement is contingent upon the appropriation of funds to fulfill the requirements of the Agreement by the Town. If the Town fails to appropriate sufficient monies to provide for the continuance of the Agreement, the Agreement shall terminate on the final day preceding the date of the beginning of the first fiscal year for which funds are not appropriated. The Town's only obligation in the event of termination shall be payment of fees and expenses incurred up to and including the effective date of termination.

7. **Assignment.** This Agreement shall not be assigned by either party without the written consent of the other party.

8. **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 on the first page of this Agreement, or at such other address as has been previously furnished in writing to the other Party or Parties. Such notice shall be deemed given when deposited in the United States mail.

9. **Insurance.**

A. **General Conditions:** Consultant agrees to secure, at or before the time of execution of this Agreement, the following insurance covering all operations, goods or services provided pursuant to this Agreement. Consultant shall keep the required insurance coverage in force at all times during the term of the Agreement, including any extension thereof, and during any warranty period. The required insurance shall be underwritten by an insurer licensed or authorized to do business in Colorado and rated by A.M. Best Company as "A-VII" or better. Each policy shall require notification to the Town in the event any of the required policies be canceled or non-renewed before the expiration date thereof. Such written notice shall be sent to the Parties identified in the Notices section of this Agreement. Such notice shall reference the Town. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-payment of premiums for which notice shall be sent ten (10) days prior. If such written notice is unavailable from the insurer, Consultant shall provide written notice of cancellation, non-renewal and any reduction in coverage to the Town by certified mail, return receipt requested within three (3) business days of such notice by its insurer(s). Consultant shall be responsible for the payment of any deductible or self-insured retention. The insurance coverages specified in this Agreement do not lessen or limit the liability of the Consultant. The Consultant shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Agreement. All commercial and automobile liability policies shall have the following additional provisions:

- Severability of interests or separation of insureds provision;
- Provision that coverage is primary and non-contributory with other coverage maintained by the Town;
- The underlying Agreement is an "insured contract" under the policy;
- Defense costs shall be outside the policy limits for liability coverage.

B. **Proof of Insurance:** Consultant may not commence services or work relating to this Agreement prior to placement of coverages required under this Agreement. Consultant certifies that the



certificate of insurance attached as *Exhibit 2*, preferably an ACORD form, complies with all insurance requirements of this Agreement. The Town’s acceptance of a certificate of insurance or other proof of insurance that does not comply with all insurance requirements set forth in this Agreement shall not act as a waiver of Consultant’s breach of this Agreement or of any of the Town’s rights or remedies under this Agreement. Each certificate shall identify the Project and shall provide that coverage afforded under the policies shall not be cancelled or terminated until at least 30 days prior written notice has been given to the Town. If the words “endeavor to” appear in the portion of the certificate addressing cancellation, those words shall be stricken from the certificate by the agent(s) completing the certificate.

C. **Additional Insureds:** For Commercial General Liability and Automobile Liability, Consultant and subcontractor’s insurer(s) shall include the Town, its elected and appointed officials, officers, employees, agents and volunteers acting within the course and scope of their duties for the Town as additional insured.

D. **Waiver of Subrogation:** Town and Consultant waive all rights of recovery and subrogation against each other and their officers, directors, agents, or employees for damage covered by property insurance (including deductibles) during and after the completion of Consultant’s services.

E. **Subcontractors:** Consultant shall confirm and document that all (including independent contractors, suppliers or other entities providing goods or services required by this Agreement) procure and maintain coverage as approved by the Consultant and appropriate to their respective primary business risks considering the nature and scope of services provided.

F. **Workers’ Compensation and Employer’s Liability Insurance:** Consultant shall maintain the coverage as required by statute for each work location and shall maintain Employer’s Liability insurance with limits of \$100,000 per occurrence for each bodily injury claim, \$100,000 per occurrence for each bodily injury caused by disease claim, and \$500,000 aggregate for all bodily injuries caused by disease claims.

G. **Commercial General Liability:** Consultant shall maintain a Commercial General Liability insurance policy with combined single limits of \$1,000,000 for each occurrence and \$2,000,000 products and completed operations aggregate, and \$2,000,000 general aggregate (per project). The policy shall provide coverage for all claims for bodily injury, property damage (including loss of use), products and completed operations, and contractual liability.

H. **Automobile Liability:** Consultant shall maintain Automobile Liability with limits of \$1,000,000 combined single limit applicable to all owned, hired and non-owned vehicles used in performing services under this Agreement.

I. **Professional Liability (Errors & Omissions):** Consultant shall maintain limits of \$1,000,000 per claim and \$1,000,000 policy aggregate limit.

10. **Colorado Governmental Immunity Act.** The Parties understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this contract, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S., as from time to time amended, or otherwise available to Town, its officers, or its employees.

11. **Indemnification.** Consultant expressly agrees to indemnify the Town or any of its officers, agents or employees from any and all claims for bodily injury and property damage or claims resulting from Consultant’s professional services which are the subject of this Agreement, including by, but not limited



to, any person, firm, partnership, or corporation, to the extent caused by the negligent acts, errors or omissions of Consultant or any of their employees or agents in performing Services pursuant to this Agreement. In the event that any such suit or action is brought against Town, Town will give notice within ten (10) days thereof to Consultant. These defense and indemnification obligations shall survive the expiration or termination of this Agreement.

12. **Delays.** Any delays in or failure of performance by any Party of the obligations under this Agreement shall be excused if such delays or failure are a result of acts of God, fires, floods, strikes, labor disputes, accidents, regulations or orders of civil or military authorities, shortages of labor or materials, or other causes, similar or dissimilar, which are beyond the control of such Party.

13. **Additional Documents & Entire Agreement.** The Parties agree to execute any additional documents or take any additional action that is necessary to carry out this Agreement. Further, this Agreement represents the entire agreement between the Parties and there are no oral or collateral agreements or understandings. This Agreement may be amended only by an instrument in writing signed by the Parties. If any other provision of this Agreement is held invalid or unenforceable, no other provision shall be affected by such holding, and all of the remaining provisions of this Agreement shall continue in full force and effect.

14. **Time is Important.** If any payment or any other condition, obligation, or duty is not timely made, tendered or performed by either Party, then this Agreement, at the option of the Party who is not in default, may be terminated by the non-defaulting Party, in which case, the non-defaulting Party may recover such damages as may be proper.

15. **Default and Remedies.** In the event either Party should default in performance of its obligations under this agreement, and such default shall remain uncured for more than ten (10) days after notice of default is given to the defaulting Party, the non-defaulting Party shall be entitled to pursue any and all legal remedies and recover its reasonable attorney's fees and costs in such legal action. In addition, no Party will be entitled to lost profits, economic damages, or actual, direct, incidental, consequential, punitive or exemplary damages in the event of a default.

16. **Waiver.** A waiver by any Party to this Agreement of the breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either Party.

17. **Venue and Choice of Law.** Venue for all legal actions shall lie in the District Court in and for the County of Douglas, State of Colorado, and shall be governed by the laws of the State of Colorado as well as the Charter and Municipal Code, rules, regulations, Executive Orders, and fiscal rules of the Town.

18. **Americans with Disabilities Act.** Consultant agrees that any deliverables, work, services, or equipment developed, designed, constructed or produced pursuant to this Agreement, to include website design services, will comply with all requirements of the Colorado Anti-Discrimination Act, Title II of the Americans with Disabilities Act and, where applicable, Section 504 of the Rehabilitation Act and the Architectural Barriers Act. To the extent any deliverables, work, services, or equipment developed, designed, constructed or produced pursuant to this Agreement fail to comply with the requirements of this Section, Consultant shall indemnify the Town in accordance with the terms of this Agreement and, at the Town's option, shall re-visit, re-construct, or similar, the non-compliant deliverable, work, service, or equipment, or reimburse the Town for the cost associated with bringing the non-compliance deliverable, work, service or equipment into compliance.



19. **No Discrimination in Employment.** The Town is a governmental agency and, therefore, in connection with the performance of Work or Services under this Agreement, Consultant shall not refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, national origin, gender, age, military status, sexual orientation, gender identity or gender expression, marital status, or physical or mental disability, or any other protected class under Federal or State law; and Consultant shall insert the foregoing provision in any subcontracts hereunder.

20. **Title VI Compliance.** To the extent applicable, Consultant shall maintain its current and future compliance with Title VI of the Civil Rights Act of 1964, 42 U.S.C. § 2000d et seq., as amended, which prohibits the exclusion from participation, denial of the benefits of, or subjection to discrimination under programs and activities receiving federal financial assistance, of any person in the United States on the ground of race, color, or national origin.

21. **Advertising and Public Disclosure.** Consultant shall not include any reference to this Agreement or goods or services provided pursuant to this Agreement in any of Consultant's advertising or public relations materials without first obtaining the written approval of the Town. Nothing herein, however, shall preclude the transmittal of any information to officials of the Town, including without limitation, the Town Attorney, Town Manager, and the Town Council.

22. **Ownership of Documents, Open Records, and Copyright.** Any work product, materials, and documents produced by the Consultant pursuant to this Agreement shall become joint property of the Town and Consultant upon delivery and shall not be made subject to any copyright or made confidential or protected in any manner unless authorized by the Town. Other materials, methodology and proprietary work used or provided by the Consultant to the Town not specifically created and delivered pursuant to the Services outlined in this Agreement may be protected by a copyright held by the Consultant and the Consultant reserves all rights granted to it by any copyright. However, Consultant acknowledges and understands that the Town is subject to the Colorado Open Records Act, C.R.S. § 24-72-201, et seq. The Town shall not reproduce, sell, or otherwise make copies of any copyrighted, confidential or protected material, subject to the following exceptions: (1) for exclusive use internally by Town staff and/or employees; or (2) pursuant to a request under the Colorado Open Records Act, C.R.S. § 24-72-201, et seq., to the extent that such statute applies; or (3) pursuant to law, regulation, or court order. The Consultant waives any right to prevent its name from being used in connection with the Services.

Consultant shall strive so that all Services or Work performed under this Agreement shall comply with all applicable patent, trademark and copyright laws, rules, regulations and codes of the United States. Consultant shall not utilize any protected patent, trademark or copyright in performance of the Work or Services unless Consultant has obtained proper permission and all licenses, releases and other necessary documents. Consultant releases, defends, indemnifies and holds harmless the Town, its officers, agents, and employees from any and all claims, damages, suits, costs, expenses, liabilities actions or proceedings of any kind or nature whatsoever, of or by anyone whomsoever, in any way resulting from, or arising out of, directly or indirectly, the performance of the Work or Services under this Agreement which infringes upon any patent, trademark or copyright protected by law. These defense and indemnification obligations shall survive the expiration or termination of this Agreement.

23. **Authority.** The individuals executing this Agreement represent that they are expressly authorized to enter into this Agreement on behalf of the Town and the Consultant and bind their respective entities. This Agreement is executed and made effective as provided above.

24. **Independent Contractor.** Consultant has completed the Affidavit of Independent Contractor Status, attached as *Exhibit 3*, and submitted same at the time of execution of this Agreement. In



addition to the Affidavit, Consultant and the Town hereby represent that Consultant is an independent contractor for all purposes hereunder. Consultant is not covered by any worker’s compensation insurance or any other insurance maintained by Town except as would apply to members of the general public. Consultant shall not create any indebtedness on behalf of the Town.

25. **No Third-Party Beneficiaries.** It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to Town and Consultant, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the Parties that any person other than Town or Consultant receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

26. **Counterparts & Electronic Signatures.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall be deemed to constitute one and the same instrument. Each of the Parties hereto shall be entitled to rely upon a counterpart of the instrument executed by the other Party and sent by electronic mail. Each Party agrees that this Agreement and any other documents to be delivered in connection herewith may be electronically signed, and that any electronic signatures appearing on this Agreement or such other documents are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.

27. **Licenses/Taxes.** Consultant affirms it is licensed to do business in the State of Colorado and is in good standing. Further, Consultant shall be solely responsible for paying all applicable taxes associated with or arising out of this Agreement.

28. **Confidentiality.** Consultant agrees that it shall treat as confidential all information marked as such provided by the Town regarding the Town’s business and operations. All confidential information provided by the Town hereto shall be used by Consultant solely for the purposes of rendering services or work pursuant to this Agreement and, except as may be required in carrying out the terms of this Agreement, shall not be disclosed to any third party without the prior consent of the Town. The foregoing shall not be applicable to any information that is publicly available when provided or which thereafter becomes publicly available or which is required to be disclosed by any regulatory authority in the lawful and appropriate exercise of its jurisdiction over a Party, any auditor of the Parties hereto, by judicial or administrative process or otherwise by applicable law or regulation.

29. **Work with Construction Contractors.** In the event the Town enters into a construction contract with a third party contractor (“Construction Contractor”), and Consultant works with the Construction Contractor on the Front Street Downtown Connection, RWRWTC Pump Upgrades, and or Liggett Road Pipe Upgrade Projects, this Section applies to the Agreement. Consultant shall not be responsible for the construction means, methods, techniques, sequences, or procedures, or safety precautions or programs for which the Construction Contractor is responsible for. Nor will Consultant be responsible for a Construction Contractor’s failure to perform construction work in accordance with a contract entered into between the Town and the Construction Contractor, nor will Consultant be responsible for damage to the Project site solely attributable to a Construction Contractor, and nothing in this Agreement is intended to create any such responsibility of Consultant. Consultant shall not have control over or charge of, and shall not be responsible for, ensuring the Construction Contractor is performing construction work in accordance with a construction contract entered into between the Town and the Construction Contractor.

30. **Priority of Provisions.** In the event that any terms of this Agreement and any Exhibit, attachment, or other referenced document are inconsistent, the following order of priority shall control: (1) this Agreement; (2) Exhibit containing Certificate of Insurance; (3) Exhibit containing Services and Fee Schedule; and (4) Exhibit containing Town of Castle Rock Affidavit of Independent Contractor Status.

CON-2024-0174



**ATTACHED EXHIBITS:**

EXHIBIT 1 – SCOPE OF SERVICES AND FEE SCHEDULE

EXHIBIT 2 – CONSULTANT’S CERTIFICATE OF INSURANCE

EXHIBIT 3 – TOWN OF CASTLE ROCK AFFIDAVIT OF INDEPENDENT CONTRACTOR STATUS

**ATTEST:**

DocuSigned by:  
*Lisa Anderson*

298A8A4EDEC34AF  
Lisa Anderson, Town Clerk



**TOWN OF CASTLE ROCK**

DocuSigned by:  
*Jason Gray*

A7938A42F3A948A  
Jason Gray, Mayor

**Approved as to form:**

DocuSigned by:  
*Kaitlin Parker*

4B1400493EA3484  
Kaitlin Parker, Assistant Town Attorney

**Approved as to content:**

DocuSigned by:  
*Mark Marlowe*

FEA6D2E651B241D  
Mark Marlowe, Director of Castle Rock Water

**CONSULTANT:**

**BURNS & MCDONNELL ENGINEERING COMPANY, INC.**

By: *Jason Schaefer*  
(Signature)

*Jason Schaefer*  
(Print Name)

Its: *Regional GP Manager*  
(Title)

Previously Executed

CON-2024-0174



**EXHIBIT 1**

**SCOPE OF SERVICES AND FEE SCHEDULE**

*Previously Executed*



## 2 \\ Action Plan & Schedule

### Scope of Services

Our team is proposing the following scope of services.

#### Task Series 100 – Project Management

Task 101 – Project Kickoff Meeting – Burns & McDonnell will initiate, coordinate, and lead a Project Kickoff meeting at Castle Rock Water’s (CRW) offices. During the Project Kickoff meeting the collective project team will identify the project goals, discuss project requirements, identify key project components, coordinate planned activities, establish a project schedule and milestones, identify key project issues/concerns, identify key personnel who are to provide input on the project, and get initial input on design items. Burns & McDonnell will prepare a meeting agenda, meeting content in conjunction with the other partners, and provide meeting minutes that include a decision log and action item log.

Task 102 – Monthly Progress Meetings – Burns & McDonnell will initiate, host, and prepare for monthly in-person meetings throughout the project duration to keep CRW informed regarding progress and to receive input on design criteria and other key project considerations. Burns & McDonnell will prepare a meeting agenda, meeting content, and provide meeting minutes that include a decision log and action item log.

Task 103 – Project Management and Team Coordination - Burns & McDonnell will perform daily project coordination and management for the design phase, which includes coordination between CRW, Burns & McDonnell, and project subconsultants. The project manager will monitor project status, monitor project schedule, monitor project deliverables, track project budget, coordinate resources, and submit monthly invoicing. This task also encompasses half hour weekly internal meetings with the Burns & McDonnell design team to collaborate on design, track internal action items and discuss status updates, and review work-sharing needs to keep the project on schedule and within budget.

Task 104 – Quality Control and Quality Assurance Reviews – Burns & McDonnell will perform company-standard QA/QC design reviews on calculations and design deliverables. Burns & McDonnell has an established, formalized quality control program that is described herein and is mandatory on all projects. A copy of our corporate quality control manual is available upon request. The deliverables anticipated within the first six (6) months of work is a Paired Comparison Analysis Technical Memorandum which will detail our alignment selection process and ultimate recommendation based on our collaborative Paired Comparison Analysis Workshop with the larger team as well as any hydraulic modeling results.

Task 105 – 30% Design Review Meeting (Ligget Road and Front Street) – Burns & McDonnell will initiate and prepare for a 30% design review meeting at CRW offices after CRW has had an opportunity to review the 30% design documents. Burns & McDonnell will prepare a meeting agenda and provide meeting minutes with a decision log and a list of action items. Meeting minutes will be distributed via e-mail and document comments will be incorporated into the 90% design documents as appropriate. This task assumes one combined review meeting for the Ligget Road and Front Street designs.

Task 106 – 90% Design Review Meeting (Ligget Road and Front Street) - Burns & McDonnell will initiate and prepare for a 90% design review meeting at CRW offices after CRW has had an opportunity to review the 90% design documents. Burns & McDonnell will prepare a meeting agenda and provide meeting minutes with a decision log and a list of action items. Meeting minutes will be distributed via e-mail and document

comments will be incorporated into the 100% design documents as appropriate. This task assumes one combined review meeting for the Ligget Road and Front Street designs.

## Task Series 200 - Site Investigation

Task 201 - Survey - Burns & McDonnell will subcontract with a licensed surveyor, Encompass Services, to conduct field surveys in sufficient detail to provide a topographic map suitable for detailed design. The survey will show property boundaries, existing designated utilities, mapped utilities, surface features, and easements necessary for the project that are within identified survey limits.

Task 202 - Geotechnical Investigation - Burns & McDonnell will subcontract with a licensed geotechnical firm, Kumar & Associates, to conduct soil borings, asphalt cores, and laboratory tests at identified locations, as needed, to identify subsurface conditions. The geotechnical firm will provide a geotechnical data report discussing geotechnical design and construction considerations, ground water depth measurements, and soil corrosivity.

Task 203 - Potholing - Burns & McDonnell will subcontract with a potholing subconsultant to perform locates of existing utilities that will be crossed or connected to by the proposed construction to identify their location, elevation, size, material, and alignment. For the purposes of this proposal, twenty (20) potholes have been assumed for each project with 50% of potholes outside of pavement limits. For the purpose of this fee, potholes outside of the pavement are assumed to be completed for \$1,000/each and potholes within a pavement section are assumed to be completed for \$1,250/each. If the alignment requires more utility potholing than the amount assumed at the time of the proposal, additional scope and fee can be included through amendment.

## Task Series 300 - Pre-Design & Reports

Task 301 - Existing Document Review - Burns & McDonnell will review existing documents made available by CRW. These documents are anticipated to include available record drawings of existing infrastructure and easement documents. We will also review available geographical information, property ownership, and data that Burns & McDonnell has obtained from available online resources (e.g., Utility owner, Douglas County, and Town GIS data) and from previous projects within this corridor (e.g., survey data, utility documentation, etc.). Our findings will be discussed in the monthly progress meeting(s).

Task 302 - Engineering (811) Locate Requests - Burns & McDonnell will request engineering one-call (811) locates as due diligence to understand what existing utilities may exist in the area during preliminary alignment development. This information will be used as we begin to develop, evaluate, and present conceptual waterline alignment alternatives to CRW. Burns & McDonnell will digitize gathered information (as GIS shapefiles) to be incorporated into our conceptual level alignment exhibits within Task 303.

Task 303 - Routing Studies and GIS Map Books - Burns & McDonnell will develop and evaluate up to two (2) different alignment alternatives for both the Ligget Road Pipe Upsize and Front Street Downtown Connection projects. Evaluation of the alignment alternatives will include the development of conceptual level alignment exhibits (GIS Map Books). The GIS Map Book will use available geographical information, aerial photography, engineering locates, and existing record documents. Data obtained from engineering (811) locate requests, and the Environmental Studies (if additional service is selected) will be incorporated into these map books to consolidate information. The alternatives will be evaluated and summarized in a decision matrix. The decision matrix and recommendations will be discussed during a monthly progress meeting with CRW.

Task 304 –Engineer's Opinion of Probable Construction Cost for Alternatives – Burns & McDonnell will prepare the engineer's opinion of probable cost for the identified alignment alternatives. This cost opinion will be submitted along with the Alternatives Technical Memorandum for review and comment by CRW. The cost opinion will be based on recent bid tabulation information, historical cost data, and discussions with local suppliers and contractors. Assumptions will be included for reference.

The EOPCC will be based on recent bid tabulation and information, historical cost data, and discussions with local suppliers and contractors. The EOPCC will be shown in the current year's dollars. Consideration should be made for increases in material and labor costs for the construction during subsequent years. The construction industry has experienced dramatic cost changes in materials in the past decade and materials costs continue to fluctuate.

Many other items can also influence the local bidding environment. Burns & McDonnell has no control over weather, cost and availability of labor, material and equipment, labor productivity, construction contractor's procedures and methods, unavoidable delays, construction contractor's methods of determining prices, economic conditions, government regulations and laws (including the interpretation thereof), competitive bidding or market conditions and other factors affecting such opinions or projections; consequently, the final costs may vary from the opinions of costs. Moreover, the cost opinions presented here are only conceptual in nature and can vary significantly as design and detail is added to the project. Project budgets should continue to be carefully reviewed at regular intervals to assist in the decision-making process.

Task 305 – Land Ownership and Easement Requirements – Burns & McDonnell will develop a Land Ownership Map within the GIS Map Book exhibits showing the parcels surrounding the alternative alignments. The intent of this Land Ownership Map is to evaluate existing ROW and permanent and temporary construction easement requirements for each of the proposed alignment alternatives. Burns & McDonnell will populate this map based on information available from Douglas County assessor's databases. This land ownership information will help inform the routing study by evaluating land acquisition requirements.

#### Task Series 400 – Pump Station Hydraulic Analysis and Improvement Plan

Task 401 – Hydraulic Analysis Report and Phasing Plan – Burns & McDonnell will work with CRW to identify scenarios to be run through CRW's existing hydraulic model. The results of the hydraulic model provided by CRW will be summarized in a technical memorandum. The memorandum will include recommendations for pump upgrades.

In addition to the hydraulic analysis, the memorandum will include an evaluation of the existing pump station, including the clearwell, electrical, and pump accessories (i.e., piping and valves). The recommendations from the pump station evaluation will be summarized in the technical memorandum.

Burns & McDonnell will issue a draft memorandum which will be revised per CRW's comments and reissued as final.

Task 402 – Pump Station Improvement Plan Engineer's Opinion of Probable Construction Cost – Burns & McDonnell will prepare the engineer's opinion of probable cost for each phase of the multi-phase improvement plan based on the developed pump station improvement plan. These cost opinions will be submitted along with the memorandum for review and comment by the CRW.

The EOPCC will be based on recent bid tabulation and information, historical cost data, and discussions with local suppliers and contractors. The EOPCC will be shown in the current year's dollars. Consideration should

be made for increases in material and labor costs for the construction during subsequent years. The construction industry has experienced dramatic cost changes in materials in the past decade and materials costs continue to fluctuate.

Many other items can also influence the local bidding environment. Burns & McDonnell has no control over weather, cost and availability of labor, material and equipment, labor productivity, construction contractor's procedures and methods, unavoidable delays, construction contractor's methods of determining prices, economic conditions, government regulations and laws (including the interpretation thereof), competitive bidding or market conditions and other factors affecting such opinions or projections; consequently, the final costs may vary from the opinions of costs. Moreover, the cost opinions presented here are only conceptual in nature and can vary significantly as design and detail is added to the project. Project budgets should continue to be carefully reviewed at regular intervals to assist in the decision-making process.

### Task Series 500 – Front Street & Liggett Road Pipeline Design

Task 501 – 30% Design Documents – Burns & McDonnell will develop plans and specifications at the 30% Design Level. The 30% Design Documents will be constructed as two separate packages and include each of the following:

- ▶ General Sheets (Cover, Index, Legend, Survey Control General Notes)
- ▶ Specification Table of Contents
- ▶ Pipeline Plan View Drawings
- ▶ Detail Drawings

CRW will be given at least two weeks to review the plans and outline specifications prior to holding the 30% Design Review Meeting. PDF documents of the plans along with the specifications will be provided to the CRW for review.

Task 502 – 30% Engineer's Opinion of Probable Construction Cost - Based on the 30% design documents, Engineer will prepare the engineer's opinion of probable cost for each project. These cost opinions will be submitted along with the design documents for review and comment by the Owner.

The EOPCC will be based on recent bid tabulation and information, historical cost data, and discussions with local suppliers and contractors. The EOPCC will be shown in the current year's dollars. Consideration should be made for increases in material and labor costs for the construction during subsequent years. The construction industry has experienced dramatic cost changes in materials in the past decade and materials costs continue to fluctuate.

Many other items can also influence the local bidding environment. Burns & McDonnell has no control over weather, cost and availability of labor, material and equipment, labor productivity, construction contractor's procedures and methods, unavoidable delays, construction contractor's methods of determining prices, economic conditions, government regulations and laws (including the interpretation thereof), competitive bidding or market conditions and other factors affecting such opinions or projections; consequently, the final costs may vary from the opinions of costs. Moreover, the cost opinions presented here are only conceptual in nature and can vary significantly as design and detail is added to the project. Project budgets should continue to be carefully reviewed at regular intervals to assist in the decision-making process.

Task 503 - 90% Design Documents - Burns & McDonnell will develop plans and specifications at the 90% design level which will incorporate comments received by CRW during the 30% design review meeting. The 90% Plans will be constructed as two separate packages and include each of the following:

- ▶ General Sheets (Cover, Index, Legend, Survey Control General Notes)
- ▶ Technical Specifications
- ▶ Pipeline Plan and Profile Drawings
- ▶ Detail Drawings

CRW will be given at least two weeks to review the plans and outline specifications prior to holding the 90% Design Review Meeting. PDF documents of the plans along with the specifications will be provided to the CRW for review.

Task 504 - 90% Engineer's Opinion of Probable Construction Cost - Based on the 90% design documents, Engineer will prepare the engineer's opinion of probable cost for each project. These cost opinions will be submitted along with the design documents for review and comment by the Owner.

The EOPCC will be based on recent bid tabulation and information, historical cost data, and discussions with local suppliers and contractors. The EOPCC will be shown in the current year's dollars. Consideration should be made for increases in material and labor costs for the construction during subsequent years. The construction industry has experienced dramatic cost changes in materials in the past decade and materials costs continue to fluctuate.

Many other items can also influence the local bidding environment. Burns & McDonnell has no control over weather, cost and availability of labor, material and equipment, labor productivity, construction contractor's procedures and methods, unavoidable delays, construction contractor's methods of determining prices, economic conditions, government regulations and laws (including the interpretation thereof), competitive bidding or market conditions and other factors affecting such opinions or projections; consequently, the final costs may vary from the opinions of cost. Moreover, the cost opinions presented here are only conceptual in nature and can vary significantly as design and detail is added to the project. Project budgets should continue to be carefully reviewed at regular intervals to assist in the decision-making process.

Task 505 - Easement Descriptions and Exhibits (additional @ \$1,100/ea.) - Burns & McDonnell's surveyor subconsultant, Encompass Services, will complete up to two (2) legal descriptions for permanent easements for the Front Street Downtown Connection Project and up to three (3) legal descriptions for permanent easements for the Liggett Road Pipe Upsize Project. Temporary construction easements will be included with the permanent easement descriptions. Legal descriptions will include the written description and be supported by an exhibit. Additional legal descriptions/exhibits can be provided at \$1,100 each.

Task 506 - TESC Plan and Report - Burns & McDonnell will prepare a Temporary Erosion and Sediment control (TESC) plan and report, in accordance with the Town of Castle Rock's requirements. The GESC submittal will include a water control plan. The TESC package will be included with the 90% and 100% submittals.

Task 507 - Issued for Bid (100%) Design Documents - Burns & McDonnell will prepare and submit 100% (Issue for Bid) plans and specifications for bidding purposes. The plans and specifications will incorporate final Owner comments prior to bidding.

Task 508 – Issued for Bid (100%) Engineer's Opinion of Probable Construction Cost - Based on the 100% design documents, Engineer will prepare the engineer's opinion of probable cost for the project. This cost opinion will be submitted along with the design documents for review and comment by the Owner.

The EOPCC will be based on recent bid tabulation and information, historical cost data, and discussions with local suppliers and contractors. The EOPCC will be shown in the current year's dollars. Consideration should be made for increases in material and labor costs for the construction during subsequent years. The construction industry has experienced dramatic cost changes in materials in the past decade and materials costs continue to fluctuate.

Many other items can also influence the local bidding environment. Burns & McDonnell has no control over weather, cost and availability of labor, material and equipment, labor productivity, construction contractor's procedures and methods, unavoidable delays, construction contractor's methods of determining prices, economic conditions, government regulations and laws (including the interpretation thereof), competitive bidding or market conditions and other factors affecting such opinions or projections; consequently, the final costs may vary from the opinions of costs. Moreover, the cost opinions presented here are only conceptual in nature and can vary significantly as design and detail is added to the project. Project budgets should continue to be carefully reviewed at regular intervals to assist in the decision-making process.

### Task Series 600 - Bid Support

Task 601 –Distribute Bid Documents and Keep Bidders List - Burns & McDonnell will distribute the Issued for Bid Documents to the Contractors at the CRW's request. We will coordinate with CRW on how the advertisement should be provided to prospective bidders. Burns & McDonnell will keep an updated plan holders list. That will be used to deliver the addenda or any other important notices.

Task 602 –Address Bidder Questions - Burns & McDonnell will respond to questions from Contractors during the bidding process.

Task 603 –Draft and Distribute Addenda - Burns & McDonnell will assemble addenda and transmit addenda to Contractors during the bidding process. The addenda will be incorporated into the Contract Documents. Based upon comments, questions, and feedback from Contractors during the bidding process, multiple addenda may be required to be issued.

Task 604 – Prepare Agenda and Host Pre-Bid Conference - Burns & McDonnell will prepare for and host a pre-bid conference with potential bidding Contractors. A meeting agenda will be provided to cover noteworthy conditions and requirements associated with work. We will keep a sign-in sheet for all Contractors attending. We will take meeting minutes and distribute them to meeting attendees and prospective bidders.

Task 605 – Attend Bid Opening - Burns & McDonnell will attend and assist with the bid opening. Our team will help with the management and collection of bidding documents. Bid discrepancies and irregularities will be documented.

Task 606 – Validate Bid Document for Responsiveness - Burns & McDonnell will collect all the submitted bids and evaluate each bid for conformance, completeness, and costs. Irregularities and discrepancies will be documented.

Task 607 - Provide Bid Tabulation Summary - We will compile a bid tabulation summary showing the provided bid costs from all contractors in a single document. Computation errors and uncertainties will be documented and provided.

Task 608 – Provide Recommendation for Contract Award – Burns & McDonnell will provide a formal written Contractor recommendation for Award, which may be presented to Town Council. Our recommendation will consider the Contractor’s qualifications, bid irregularities, value to the Town, and experience with work.

Task 609 – Deliver Issued for Construction Drawings and Specifications (IFC Documents) – Burns McDonnell will provide Issued for Construction Drawings and Specifications. Final revisions based on addenda will be included in these documents. The Issued for Construction Documents will be delivered to the successful Contractor for the Construction Phase.

### Task Series 700 – Permitting Services and Environmental Studies

Task 701 – Permitting with Railroad and CDOT – Burns & McDonnell will aid in acquiring permits required for construction with CDOT (interstate) ROW and BNSF/Union Pacific ROW for each alignment. If an alignment is selected that runs parallel to interstate 25, a memo requesting acceptance will be required. Note that executed agreements or permits may only be issued by both entities at the end of design or before commencement of construction activities.

Task 702 – Environmental Studies (PJM, Wetlands) - Burns & McDonnell environmental scientists and cultural resource specialists will evaluate each pipeline alignment site for historical, cultural, and biological features (e.g., the Preble Jumping Mouse, wetlands, and nesting birds & raptors.) The evaluation will start as a desktop evaluation to inform the route study and then expanded to field investigations based on the desktop findings. An Environmental Report will summarize the findings at both sites and advise on coordination with any further regulatory entities such as the USACE, Colorado Parks and Wildlife, and the National Fish and Wildlife Foundation.

Previously Executed

CON-2024-0174



**EXHIBIT 2**

CONSULTANT'S CERTIFICATE OF INSURANCE

*Previously Executed*



# CERTIFICATE OF LIABILITY INSURANCE

12/1/2024

DATE (MM/DD/YYYY)  
4/16/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Lockton Companies 444 W. 47th Street, Suite 900 Kansas City MO 64112-1906 (816) 960-9000 kcasu@lockton.com	<b>CONTACT NAME:</b> _____ <b>PHONE (A/C, No, Ext):</b> _____ <b>FAX (A/C, No):</b> _____ <b>E-MAIL ADDRESS:</b> _____														
	<table border="1"> <thead> <tr> <th>INSURER(S) AFFORDING COVERAGE</th> <th>NAIC #</th> </tr> </thead> <tbody> <tr> <td>INSURER A : Liberty Mutual Fire Insurance Company</td> <td>23035</td> </tr> <tr> <td>INSURER B : Steadfast Insurance Company</td> <td>26387</td> </tr> <tr> <td>INSURER C :</td> <td></td> </tr> <tr> <td>INSURER D :</td> <td></td> </tr> <tr> <td>INSURER E :</td> <td></td> </tr> <tr> <td>INSURER F :</td> <td></td> </tr> </tbody> </table>		INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Liberty Mutual Fire Insurance Company	23035	INSURER B : Steadfast Insurance Company	26387	INSURER C :		INSURER D :		INSURER E :		INSURER F :
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INSURER D :															
INSURER E :															
INSURER F :															
<b>INSURED</b> 1334942 BURNS & MCDONNELL ENGINEERING COMPANY, INC. PO BOX 419173 KANSAS CITY MO 64141-6173 LEBRASSE, KYLE															

**COVERAGES \* CERTIFICATE NUMBER: 20503296 REVISION NUMBER: XXXXXXXX**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: _____	Y	Y	TB2-641-432888-473	12/1/2023	12/1/2024	EACH OCCURRENCE \$ 2,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 2,000,000 GENERAL AGGREGATE \$ 4,000,000 PRODUCTS - COMP/OP AGG \$ 4,000,000 \$
A	<input checked="" type="checkbox"/> AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	AS2-641-432888-043	12/1/2023	12/1/2024	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$ XXXXXXXX
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below.	Y	N/A	WC2-641-432888-013	12/1/2023	12/1/2024	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
B	<b>PROFESSIONAL LIABILITY</b>	N	N	EOC 7042179-03	12/1/2023	12/1/2024	\$1,000,000 PER CLAIM; \$1,000,000 AGGREGATE

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
\*\*\*SEE ATTACHED\*\*\*

<b>CERTIFICATE HOLDER</b>  20503296 TOWN OF CASTLE ROCK, COLORADO 100 N. WILCOX ST. CASTLE ROCK CO 80104	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
---	--

RE: FRONT STREET DOWNTOWN CONNECTION, RWRWTC PUMP UPGRADES, & LIGGETT ROAD PIPE UPSIZE. THE TOWN, ITS ELECTED AND APPOINTED OFFICIALS, OFFICERS, EMPLOYEES AGENTS AND VOLUNTEERS ACTING WITHIN THE COURSE AND SCOPE OF THEIR WORK ARE ADDITIONAL INSURED AS RESPECTS GENERAL LIABILITY AND AUTO LIABILITY, AND THESE COVERAGES ARE PRIMARY AND NON-CONTRIBUTORY, AS REQUIRED BY WRITTEN CONTRACT. WAIVER OF SUBROGATION APPLIES TO GENERAL LIABILITY, AUTO LIABILITY AND WORKERS COMPENSATION/EMPLOYER'S LIABILITY WHERE ALLOWED BY STATE LAW AND AS REQUIRED BY WRITTEN CONTRACT. THIRTY (30) DAYS NOTICE OF CANCELLATION BY THE INSURER WILL BE PROVIDED TO THE CERTIFICATE HOLDER, TEN (10) DAYS NOTICE IN THE EVENT OF NONPAYMENT OF PREMIUM).

*Previously Executed*



EXHIBIT 3

**TOWN OF CASTLE ROCK  
AFFIDAVIT OF INDEPENDENT CONTRACTOR STATUS**

In accordance with Section 8-70-115, C.R.S., Burns & McDonnell Engineering Company, Inc. certifies the following:

- With respect to the Agreement, **BURNS & MCDONNELL ENGINEERING COMPANY, INC.** (“Entity”) represents that it is the Entity’s express intention to be employed as an independent contractor of the Town of Castle Rock (the “Town”) for purposes of performing the work or services which are the subject of the Agreement, to include all employees and agents of the above-named Entity. Entity understands and confirm that the Town reasonably relied on this intention in entering into the Agreement.
- The Town does not require Entity work exclusively for the Town, except that Entity may choose to work exclusively for the Town for a finite period of time specified in the document.
- The Town does not establish a quality standard for the work or services performed pursuant to the Agreement, except that the Town may provide plans and specifications regarding the work but cannot oversee the actual work or provide instruction as to how the work is performed.
- The Town does not pay a salary or hourly rate but rather a fixed or contract rate, as noted in the terms and conditions of the Agreement, and any Exhibits made part of the Agreement.
- The Town cannot terminate the work or services performed during the contract period unless otherwise agreed to in the terms and conditions of the Agreement.
- Entity is not provided with anything, if at all, more than minimal training from the Town.
- The Town does not provide Entity with tools or benefits for the performance of the work or services which are the subject of the Agreement, except materials and equipment may be supplied.
- The Town does not dictate the time of performance, except that a completion schedule and a range of mutually agreeable work hours may be established in the Agreement.
- The Town does not pay Entity personally but rather makes checks payable to the trade or business name of the Entity, who is a Party to the Agreement; and the Town does not combine their business operations in any way with the Entity’s business, but instead maintains such operations as separate and distinct.
- Entity understands that if a professional license to practice a particular occupation under the laws of the State of Colorado requires the exercise of a supervisory function with regard to the work of services performed under this Agreement, such supervisory role shall not affect the independent contractor relationship with the Town.
- **ENTITY UNDERSTANDS THAT NEITHER ENTITY NOR ITS EMPLOYEES ARE ENTITLED TO UNEMPLOYMENT INSURANCE BENEFITS OF THE TOWN. THE**

PREVIOUSLY EXECUTED

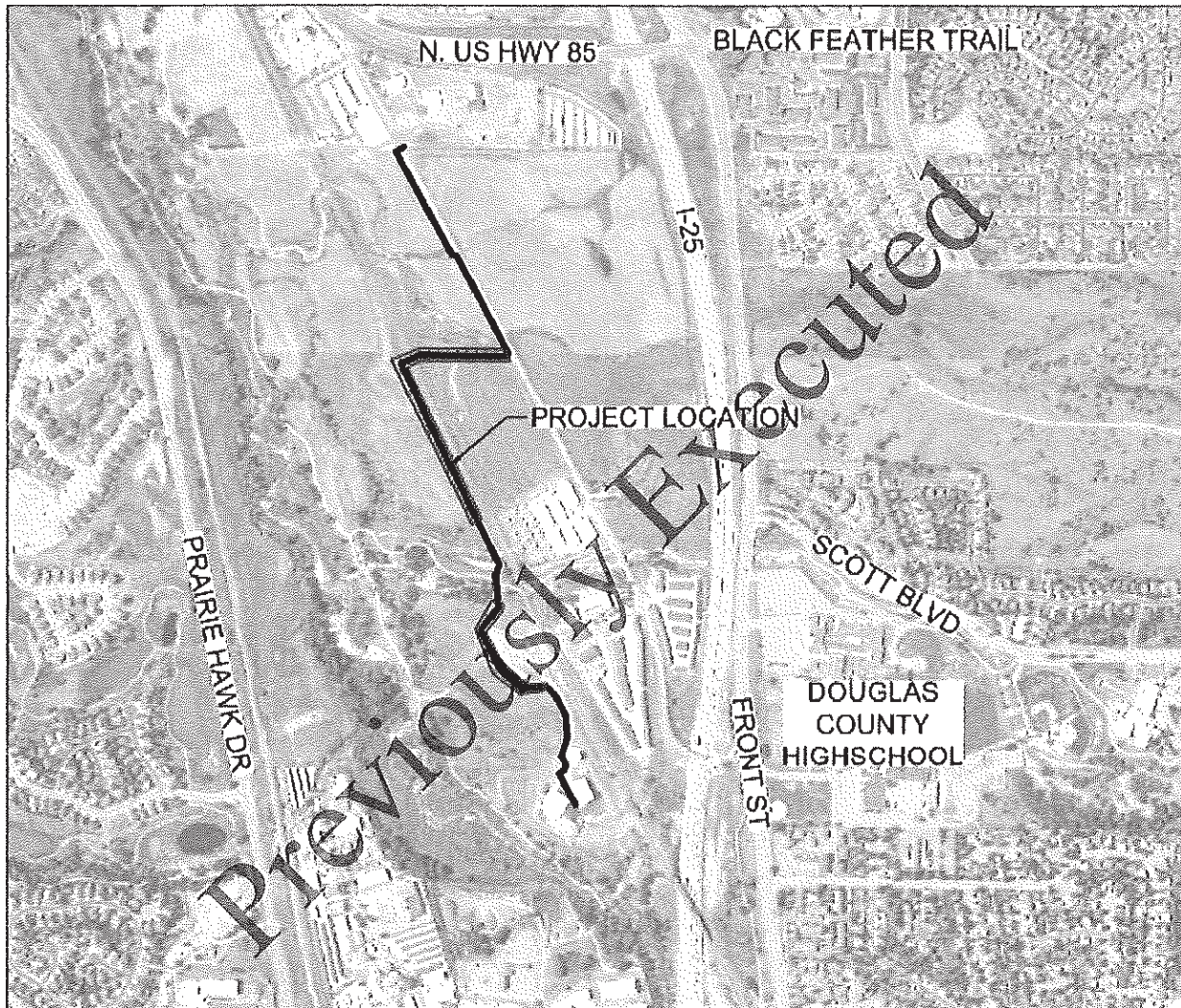


**EXHIBIT B**

**SUPPLEMENTARY SCOPE OF SERVICES AND FEE SCHEDULE**

**TASK SERIES 200 – SITE INVESTIGATIONS**

Task 201 – Survey – This task is amended to include the survey of the below red-hatched areas which will be performed by Burns & McDonnell's subconsultant, Encompass Services.



**TASK SERIES 300 – PRE-DESIGN AND REPORTS**

Task 306 – Right-of-Entry – Burns & McDonnell will correspond with the owner of the ADAM B SCOTT & KYLE A SCOTT parcel adjacent to Liggett Road in an effort to acquire Right-of-Entry to support survey and geotechnical investigations.

Castle Rock Water

Amendment #1 - ROE and Additional Liggett Survey

Task	Project Manager	Lead Pipeline	ROE Support
Task 201	Ryan Brong, PE	Brett Holzman	Sara Crooks
Task Subtotal	4	4	0
Task 305			
Task Subtotal	0	0	2
<b>Project Total</b>	<b>4</b>	<b>4</b>	<b>2</b>

Total Hours	Total Cost	Expenses	Subcontracts	Subtotal
6	\$ 1,668	\$ 67	\$ 19,898	\$ 21,632
8	\$ 1,668	\$ 67	\$ 19,898	\$ 21,632
2	\$ 868	\$ 23	-	\$ 899
2	\$ 988	\$ 23	-	\$ 989
<b>10</b>	<b>\$ 2,234</b>	<b>\$ 90</b>	<b>\$ 19,898</b>	<b>\$ 22,221</b>

Previously Executed

11/21/2024

CON-2025-0017



**EXHIBIT C**

**CONSULTANT'S UPDATED CERTIFICATE OF INSURANCE**

*Previously Executed*



RE: FRONT STREET DOWNTOWN CONNECTION, RWRWTC PUMP UPGRADES, & LIGGETT ROAD PIPE UPSIZE. THE TOWN, ITS ELECTED AND APPOINTED OFFICIALS, OFFICERS, EMPLOYEES AGENTS AND VOLUNTEERS ACTING WITHIN THE COURSE AND SCOPE OF THEIR WORK ARE ADDITIONAL INSURED AS RESPECTS GENERAL LIABILITY AND AUTO LIABILITY, AND THESE COVERAGES ARE PRIMARY AND NON-CONTRIBUTORY, AS REQUIRED BY WRITTEN CONTRACT. WAIVER OF SUBROGATION APPLIES TO GENERAL LIABILITY, AUTO LIABILITY AND WORKERS COMPENSATION/EMPLOYER'S LIABILITY WHERE ALLOWED BY STATE LAW AND AS REQUIRED BY WRITTEN CONTRACT. THIRTY (30) DAYS NOTICE OF CANCELLATION BY THE INSURER WILL BE PROVIDED TO THE CERTIFICATE HOLDER, TEN (10) DAYS NOTICE IN THE EVENT OF NONPAYMENT OF PREMIUM).

Previously Executed



**EXHIBIT B-2**

**SUPPLEMENTARY SCOPE OF SERVICES AND FEE SCHEDULE**

PREVIOUSLY EXECUTED



## Amendment 2 Work Breakdown

### TASK SERIES 100 – PROJECT MANAGEMENT

Task 103 – Project Management and Team Coordination – This task is amended to include daily project coordination and management between CRW, Burns & McDonnell, and subconsultants for the tasks outlined in this Amendment #2.

### TASK SERIES 200 – SITE INVESTIGATION

Task 202 – Geotechnical Investigation – This task is amended to include an additional three (3) borings along the Front Street alignment and two (2) borings along the Liggett Road Alignment. Four (4) of these five (5) bore holes will be converted to groundwater monitoring wells. Kumar will take four (4) subsequent groundwater readings at each monitoring well. CRW will be responsible for abandoning the monitoring wells or re-permitting with the State beyond the initial 18-month period.

The borings will be drilled to a depth agreed to between BMcD and Kumar, ranging between approximately 15' and 50' beneath ground surface.

Task 204 – Front Street Union Pacific RR – Geotechnical Investigation Observation  
Burns & McDonnell Subconsultant, GEI, will monitor boring activities and soil sampling completed by Kumar as described in Task 202.

Task 205 – Front Street Union Pacific RR – Trenchless Feasibility Memorandum  
Burns & McDonnell, Subconsultants, GEI, will evaluate the boring data provided by Kumar (see Task 202) and draft a Trenchless Feasibility Memorandum. Burns & McDonnell along with GEI will meet with CRW to discuss trenchless technology options for this the railroad crossing.

Task 206 – Front Street Union Pacific RR – Geotechnical Baseline Report  
Burns & McDonnell's subconsultant, GEI, will provide a geotechnical baseline report which will be incorporated in the bid documents.

### TASK SERIES 400 – PUMP STATION HYDRAULIC ANALYSIS AND IMPROVEMENT PLAN

#### Task 401 – Hydraulic Analysis Report and Phasing Plan

This task will be amended to include one additional pump capacity evaluation at a new hydraulic scenario, as identified by CRW. The pump capacity evaluation will be limited to new pump selection, pipe sizing evaluation, and clearwell sizing evaluation. The clearwell sizing evaluation will be limited to determining what modifications may be required to target Hydraulic Institute standards for pump intake design.

Castle Rock Water

Page 2

**Task 402 – Pump Station Improvement Plan Engineer’s Opinion of Probable Construction Cost**

This task will be amended to include an engineer’s opinion of probable construction cost for the new hydraulic scenario included in Task 401.

**TASK SERIES 500 – FRONT STREET & LIGGETT ROAD PIPELINE DESIGN**

**Task 503 – 90% Design Documents**

This task is amended to include the following for the Front Street Pipeline Design package:

- Tunnel Technical Specifications
- Updated Trenchless Alignment & Drawings
- Trenchless Detail Drawings

**Task 504 – 90% Engineer’s Opinion of Probable Construction Cost**

This task is amended to include a revised 90% EOPCC capturing the changes to the design described in Task 503 of this Amendment #2.

**Task 507 – Issued for Bid (100%) Design Documents**

This task is amended to include the Front Street pipeline trenchless design documents described in Task 503, which will incorporate final Owner comments prior to bidding.

**Task 508 – Issued for Bid (100%) Engineer’s Opinion of Probable Construction Cost**

This task is amended to include the 100% Front Street Pipeline trenchless design within the 100% EOPCC.

**Task 509 – Front Street Waterline – Stormwater Outfall Improvements – Burns & McDonnell** will design improvements to the stormwater outfall near Station 12+00 (see 90% design drawings).

**TASK SERIES A200 – MISCELLANEOUS SCOPE**

**Task A201 – Pinery Easement Staking – Burns & McDonnell’s subconsultant, Encompass Services,** will stake the easement near station R1 28+00 (see Pinery Pipeline & Pump Station bid drawings). This will include physical markings to aid in CRW’s site walk with the landowner.

Castle Rock Water  
Page 3

**ADD ALTERNATES (TASKS 001 AND 002)**

**Task 001 – Union Pacific RR Rush Permitting Review – Tier II**  
This task is amended to include the optional Tier II rush permit review services as offered by Union Pacific (if available).

**Task 002 – Front Street Union Pacific RR – HDD Package**  
If HDD is selected from the memorandum provided in Task 205 as the trenchless alternative, GEI will provide HDD design calculations and alignment for the design submittals discussed in Task 206.

PREVIOUSLY EXECUTED



Castle Rock Water  
 Front Street Downtown Connection, RWRWC Pump  
 Upgraded, & Liggert Road Pipe Upside Projects (CON-2024-  
 0174): Request for Amendment 2

Project Manager	Lead Pipeline	Quality Control	Process
Ryan Bromberg, PE	Britt Hildan, P/E	Wesley Chin, PE	Kelly Horton, PE

Task	Total Hours	Total Cost	Expenses	Subcontracts	Subtotal
Task 103	20	\$ 5,638	\$ 293	\$ -	\$ 5,663
Task 104	20	\$ 5,638	\$ 228	\$ -	\$ 5,863
Task 204	8	\$ 2,255	\$ 90	\$ 16,987	\$ 21,342
Task 205	0	\$ -	\$ -	\$ 9,525	\$ 9,525
Task 206	4	\$ 2,255	\$ 131	\$ 1,748	\$ 4,134
Task 207	4	\$ 2,255	\$ 269	\$ 53,558	\$ 56,072
Task 401	41	\$ 11,579	\$ 463	\$ -	\$ 12,042
Task 402	5	\$ 1,492	\$ 57	\$ -	\$ 1,489
Task 403	46	\$ 13,011	\$ 530	\$ -	\$ 13,522
Task 503	14	\$ 3,552	\$ 142	\$ 11,850	\$ 15,640
Task 504	7	\$ 1,778	\$ 71	\$ 2,888	\$ 4,867
Task 507	12	\$ 2,893	\$ 120	\$ 11,850	\$ 15,053
Task 508	7	\$ 1,778	\$ 71	\$ 2,888	\$ 4,867
Task 509	16	\$ 4,168	\$ 167	\$ -	\$ 4,332
Task Subtotal	58	\$ 14,272	\$ 571	\$ 28,276	\$ 44,719
Task 601	0	\$ -	\$ -	\$ 5,144	\$ 5,144
Task 602	0	\$ -	\$ -	\$ 5,144	\$ 5,144
Task Subtotal	0	\$ -	\$ -	\$ 10,288	\$ 10,288
<b>Project Total</b>	<b>146</b>	<b>\$ 39,649</b>	<b>\$ 1,586</b>	<b>\$ 88,678</b>	<b>\$ 129,813</b>
<b>Add Alternates</b>					
Task 002	10	\$ 2,697	\$ 108	\$ 16,668	\$ 19,355
Task Subtotal	12	\$ 3,255	\$ 5,185	\$ 16,668	\$ 25,007
<b>Optional Services Total</b>	<b>12</b>	<b>\$ 3,255</b>	<b>\$ 5,185</b>	<b>\$ 16,668</b>	<b>\$ 25,007</b>
<b>Total</b>					<b>\$149,178</b>

Task	Project Management and Team Coordination	Geotechnical Investigations	Front Street Pacific RR - Geotechnical Investigation Observation	Front Street Pacific RR - Geotechnical Investigation Summary	Front Street Pacific RR - Geotechnical Baseline Report	Hydraulic Analysis Report and Pumping Plan	Pump Station Improvement Plan, Engineer's Opinion of Probable Construction Cost	50% Design Documents	90% Engineer's Opinion of Probable Construction Cost	Issued for Bid (100%) Design Documents	Issued for Bid (100%) Engineer's Opinion of Probable Construction Cost	Front Street Waterline - Stormwater Outfall Improvements	Priority Erosion Striking
Task 103	20	0	0	0	0	40	4	2	1	4	0	0	0
Task 104	20	0	0	0	0	44	4	2	1	4	0	0	0
Task 204	8	0	0	0	0	0	8	2	1	4	0	0	0
Task 205	0	0	0	0	0	0	0	2	2	0	0	0	0
Task 206	4	0	0	0	0	0	4	1	4	0	0	0	0
Task 207	4	0	0	0	0	0	4	1	4	0	0	0	0
Task 401	41	0	0	0	0	0	41	13	0	0	0	0	0
Task 402	5	0	0	0	0	0	5	0	0	0	0	0	0
Task 403	46	0	0	0	0	0	46	0	0	0	0	0	0
Task 503	14	0	0	0	0	0	14	0	0	0	0	0	0
Task 504	7	0	0	0	0	0	7	0	0	0	0	0	0
Task 507	12	0	0	0	0	0	12	0	0	0	0	0	0
Task 508	7	0	0	0	0	0	7	0	0	0	0	0	0
Task 509	16	0	0	0	0	0	16	0	0	0	0	0	0
Task Subtotal	58	0	0	0	0	0	58	0	0	0	0	0	0
Task 601	0	0	0	0	0	0	0	0	0	0	0	0	0
Task 602	0	0	0	0	0	0	0	0	0	0	0	0	0
Task Subtotal	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>Project Total</b>	<b>146</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44</b>	<b>36</b>	<b>20</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>0</b>
<b>Add Alternates</b>													
Task 002	10	0	0	0	0	0	4	4	4	4	0	0	0
Task Subtotal	12	0	0	0	0	0	4	4	4	4	0	0	0
<b>Optional Services Total</b>	<b>12</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>0</b>

PRELIMINARY EXECUTED



Below is Consultant’s Schedule of Hourly Professional Service Billing Rates for Services performed under this Agreement through December 31, 2025:

**Schedule of Hourly Professional Service Billing Rates**

<u>Position Classification</u>	<u>Classification Level</u>	<u>Hourly Billing Rate</u>
General Office *	5	\$78.00
Technician *	6	\$99.00
Assistant *	7	\$120.00
	8	\$165.00
	9	\$195.00
Staff *	10	\$222.00
	11	\$243.00
Senior	12	\$275.00
	13	\$297.00
Associate	14	\$306.00
	15	\$308.00
	16	\$310.00
	17	\$313.00

**NOTES:**

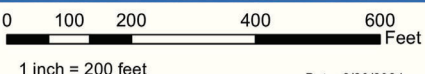
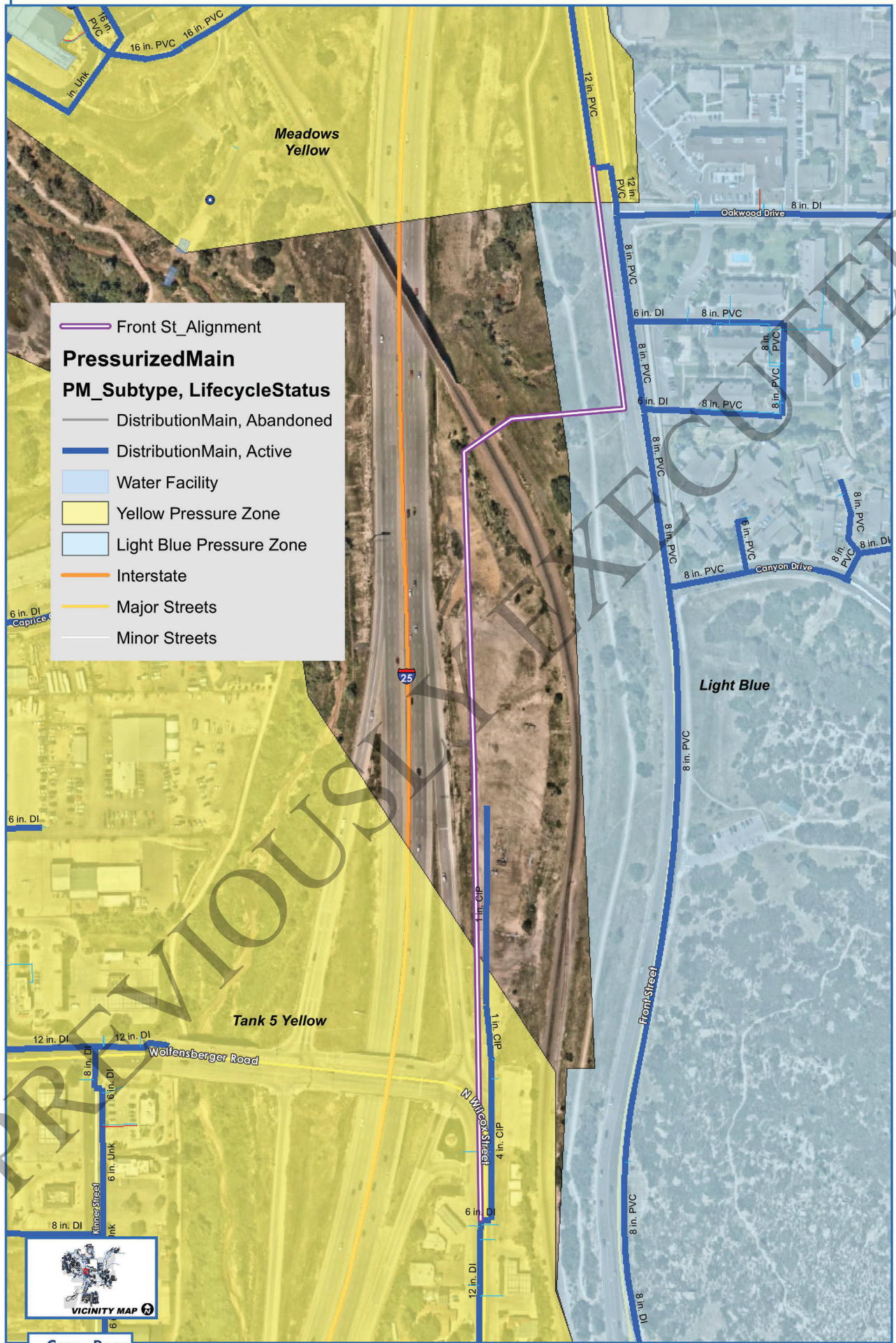
1. Position classifications listed above refer to the firm's internal classification system for employee compensation. For example, "Associate", "Senior", etc., refer to such positions as "Associate Engineer", "Senior Architect", etc.
2. For any nonexempt personnel in positions marked with an asterisk (\*), overtime will be billed at 1.5 times the hourly labor billing rates shown.
3. For outside expenses incurred by Burns & McDonnell, such as authorized travel and subsistence, and for services rendered by others such as subcontractors, the client shall pay the cost to Burns & McDonnell plus 10%.
4. Monthly invoices will be submitted for payment covering services and expenses during the preceding month. The Town shall remit payment to Burns & McDonnell within thirty (30) days receipt of such invoice, pursuant to Section 2 of the Agreement.
5. The services of contract/agency and/or any personnel of a Burns & McDonnell parent, subsidiary, affiliate, or related or associated entity shall be billed to Owner according to the rate sheet as if such personnel is a direct employee of Burns & McDonnell.
6. The rates shown above are effective for services through December 31, 2025, and are subject to revision thereafter. The composition or build-up of the rates shown above are not subject to audit, inspection, or review.

Front St\_Alignment

**PressurizedMain**

**PM\_Subtype, LifecycleStatus**

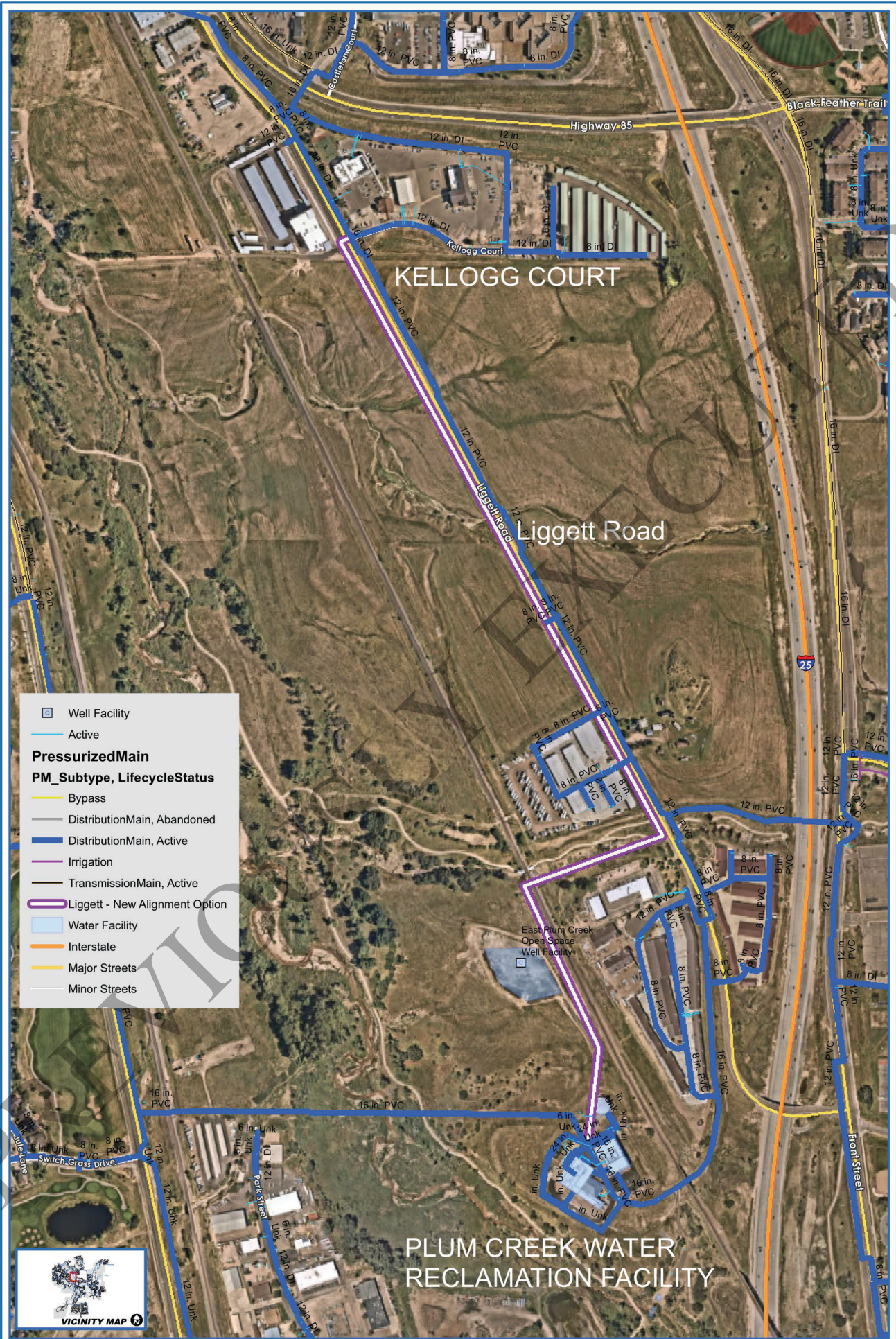
- DistributionMain, Abandoned
- DistributionMain, Active
- Water Facility
- Yellow Pressure Zone
- Light Blue Pressure Zone
- Interstate
- Major Streets
- Minor Streets



Date: 2/29/2024

Disclaimer: The data presented has been compiled from various sources, each of which introduces varying degrees of inaccuracies or inconsistencies. Such inaccuracies in data are inherent and in supporting the product the Town of Castle Rock assumes no liability for its use or accuracy. Questions or comments regarding the cartographic composition of this map including, but not limited to, errors, omissions, corrections, and/or updates, should be directed to the Utility Department, Town of Castle Rock, (720) 735-8000. Copyright 2024, Town of Castle Rock Utilities Mapping.

**FRONT STREET  
DOWNTOWN  
CONNECTION**



- Well Facility
- Active
- Pressurized Main**
- PM\_Subtype, LifecycleStatus**
- Bypass
- Distribution Main, Abandoned
- Distribution Main, Active
- Irrigation
- Transmission Main, Active
- Liggett - New Alignment Option
- Water Facility
- Interstate
- Major Streets
- Minor Streets



**PLUM CREEK WATER RECLAMATION FACILITY**



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**LIGGETT ROAD PIPE UPSIZE**

## EXHIBIT B-3

### SUPPLEMENTARY SCOPE OF SERVICES AND FEE SCHEDULE

#### **TASK SERIES 100 – PROJECT MANAGEMENT**

**Task 103 – Project Management and Team Coordination** – This task is amended to include two hours per week over eight (8) weeks of additional project management for the Amendment 3 scope of work.

#### **TASK SERIES 200 – SITE INVESTIGATIONS**

**Task 201 – Survey** – This task is amended to include additional topographic and subsurface utility survey along the Walker parcel (parcel # 2351353000019). This area is depicted on the map included below. Additional potholing to Achieve SUE Quality Level A (QL-A) is not included within the Walker parcel.

#### **TASK SERIES 500 – FRONT STREET & LIGGETT ROAD PIPELINE DESIGN**

**Task 507 – Issued for Bid (100%) Design Documents** – This task is amended to include pipeline plan view realignment and profile updates within the Walker Parcel (parcel # 2351353000019).

#### **TASK SERIES 600 – BID SUPPORT**

**Task 610 – Geotechnical Engineer Bid Support** – Consultant’s geotechnical subcontractor, GEI, will assist with tunnel-related pre-bid questions, clarifications, and addenda related to the Union Pacific Railroad trenchless crossing design.

#### **TASK SERIES A300 – MISCELLANEOUS ITEMS**

**Task A301 – Pinery Pipeline – Kiowa Engineer Design Review** –

This task includes meetings with Kiowa Engineering to discuss the potential impacts of this project and the “Sanitary Sewer Extension Concept Plan – Castle Rock Fire Station” project, per Town request.

#### **TASK SERIES 800 – CONSTRUCTION PHASE SERVICES – FRONT STREET**

The Scope of Services described herein represents the Consultant’s professional engineering activities necessary for engineering services during construction and post-construction activities. Consultant’s Construction Phase Services will in no way relieve Town designated construction contractors (“Town’s Construction Contractor”) of their obligations for complete compliance with the drawings and specifications. Consultant shall not make exhaustive or continuous on-site assessments to check the quality or quantity of such work. Consultant shall not be responsible for the means, methods, techniques, sequences, or procedures of Town’s Construction Contractor, or for their safety precautions and programs incident to their work. Consultant shall not be responsible for the failure of Town’s Construction Contractor to perform the work in accordance with the Contract Documents.

Insofar as job site safety is concerned, Consultant is only responsible for its employees' activities on the job site, and this shall not be construed to relieve Town or any Town’s Construction

Contractor from their responsibilities for maintaining a safe job site. Neither the professional activities of Consultant, nor presence of Consultant or its employees and subcontractors shall be construed to imply Consultant has any responsibility for methods of work performance, superintendence, sequencing of construction, or safety in, on or about the job site. Town agrees that the Town's Construction Contractor is solely responsible for job site safety, and this intent shall be made evident in Town's agreement with Town's Construction Contractor. Town and Consultant shall be made additional insureds under the Town's Construction Contractors' general liability insurance policy.

Consultant will not be a party to any construction contract and all authority and responsibility to stop work belongs to the Town. Consultant shall not be liable for the results of any reasonable interpretations or reasonable decisions rendered by it in good faith when acting as an arbitrator or interpreter of the Contract Documents; provided, however, that all interpretations and decisions of Consultant shall be consistent with the intent of, and reasonably inferable from, the Contract Documents and shall be in writing or in the form of drawings.

Consultant has based the scope of services level of effort on a construction duration of 120 days. If more time is required and agreed to by the Town, an equitable adjustment will be made to the Consultant's contract by means of a written amendment executed by both Parties.

**Task 801 – General Management of Construction Contract** - Consultant shall provide for general management during the construction contract. Consultant shall maintain, at Consultant's office, orderly files for correspondence, reports of job conferences, Shop Drawings and Samples, reproductions of original Contract Documents including Requests for Information, Construction Change Directives, Addenda, Change Orders, Field Orders, additional Drawings issued subsequent to the execution of the Contract, clarifications and interpretations of the Contract Documents, progress reports, Shop Drawing submittals, quality control testing reports (as received from Town's Construction Contractor's 3rd party testing lab), and other project related documents.

**Task 802 – Pre-Construction Conference** – Consultant's Project Manager and Lead Pipeline engineer will conduct a preconstruction conference. This meeting will be held at Town's offices. Consultant will provide meeting agendas and distribute meeting minutes. It is assumed that the meeting will take three (3) hours.

**Task 803 – Progress Meetings** – Consultant's Project Manager and Lead Pipeline engineer will attend weekly construction progress meetings. These meetings will be held via Microsoft Teams or on-site. This task assumes a total of sixteen (16) meetings for this task, with eight (8) occurring on-site. It is assumed that the Town's Construction Contractor will provide meeting agendas and distribute meeting minutes. It is assumed virtual meetings will take thirty (30) minutes and on-site meetings will take one (1) hour.

**Task 804 – RFI Review and Response** - Consultant will review and respond to RFIs in writing and prepare and issue supplemental drawings and specifications as necessary in response to RFIs. Consultant will maintain a record of RFIs, responses provided to the Town's Construction Contractor, and documentation of each RFI's resolution. This task includes written responses to

twelve (12) RFIs with a review, determination, and response time of approximately three (3) hours per RFI.

**Task 805 – Submittal and Resubmittal Reviews** - Consultant will review submittals for the project and provide a response and status for each submittal. Consultant will maintain a record of submittals, responses provided to the Town’s Construction Contractor, and documentation of each submittal. This task includes written responses to twenty-five (25) submittals with a review, determination, and response time of approximately 1 (one) hour per submittal. This task also includes that each submittal will have one (1) resubmittal with a review, determination, and response time of approximately one (1) hour per resubmittal.

**Task 806 – Change Orders/Work Change Directives** - Consultant will review and comment on prospective change orders. Consultant will evaluate and make recommendations to Town on change orders. Consultant will provide Work Change Directives as needed. Consultant will track changes and obtain Town approval prior to returning direction to the Town’s Construction Contractor. Eight (8) change orders or Work Change Directives are assumed each requiring two (2) hours of review by Consultant.

**Task 807 – Periodic Site visits by Engineer** - This includes two (2) site visits per month by the project manager or project engineer. Each site visit is assumed to be three (3) hours in duration, including travel. Consultant will:

- Provide observation of construction progress and of the quality of the work as is reasonably feasible at various stages of construction to evaluate if the work is proceeding in general accordance with the design documents.
- Review delivered and on-site materials as is reasonably feasible for general conformance with the design documents and approved submittals.
- Prepare and submit daily construction observation reports to the Town after each site visit by Consultant.
- Provide construction photos of construction activities while on site.

**Task 808 – Geotechnical Engineer Submittal Review, RFI Review, and Site Visits** - Consultant’s Geotechnical Engineer (GEI) will review up to eight (8) submittals and up to three (3) RFIs for the project pertaining to relevant scope and provide a response and status for each. The Consultant will maintain the record of submittals and RFIs, provide responses to the Town’s Construction Contractor, and documents for each. This task includes that each submittal will have one (1) resubmittal for review, determination, and response. This task also includes periodic site observation by GEI for work pertaining to the trenchless installation across the Union Pacific Railroad. Ten (10) total site visits are assumed. Each site visit will be assumed to be ten (10) hours in duration. For each day on-site, the Geotechnical Engineer will submit a daily report documenting the Town’s Construction Contractor’s activities and progress.

**Task 809 – Final Completion Inspection and Punchlist** - Consultant will participate in the field walks of the site with the Town and the Town’s Construction Contractor. Consultant will generate a punchlist of incomplete and construction items to correct in the field and prepare the

substantial completion letter with final completion requirements outlined. This task assumes four (4) hours each for the project engineer and the project manager to perform the site walk. The task also includes punch list preparation.

**Task 810 – Conforming to Construction Record Drawings** - Following the construction, and prior to recommendation of the final payment to the Town’s Construction Contractor, the Town’s Construction Contractor will be required to provide a set of red lined drawings indicating changes that took place in the field during construction of the project.

Consultant will prepare conforming to construction drawings from the Town’s Construction Contractor supplied redlines. A PDF file of the information will be provided to the Town.



**Castle Rock Water**

**Front Street Downtown Connection, RWRWTC Pump Upgrades, & Liggett Road Pipe Upsize Projects (CON-2024-0174): Request for Amendment 3**


Project Manager	Lead Pipeline	Quality Control	CAD
Ryan Brong, PE	Brett Holzapfel	Woosuk Cha, PE	Victor Ponce

Task Series 100 - PROJECT MANAGEMENT	
Task 103	Project Management and Team Coordination
<b>Task Subtotal</b>	
Task Series 200 - SITE INVESTIGATIONS	
Task 201	Survey
<b>Task Subtotal</b>	
Task Series 500 - FRONT STREET & LIGGETT ROAD PIPELINE DESIGN	
Task 507	Issued for Bid (100%) Design Documents
<b>Task Subtotal</b>	
Task Series 600 - BID SUPPORT	
Task 610	Geotechnical Engineer Bid Support
<b>Task Subtotal</b>	
Task Series 800 - CONSTRUCTION PHASE SERVICES - FRONT STREET	
Task 801	General Management of Construction Contract
Task 802	Pre-Construction Conference
Task 803	Progress Meetings
Task 804	RFI Review and Response
Task 805	Submittal Review and Response
Task 806	Change Orders/Work Change Directives
Task 807	Periodic Site Visits
Task 808	Geotechnical Engineer Submittal Review, RFI Review, and Site Visits
Task 809	Final Completion Inspection and Punchlist
Task 810	Conforming to Construction Record Drawings
<b>Task Subtotal</b>	
Task Series - A200 - MISCELLANEOUS SCOPE	
Task A301	Pinery Pipeline - Kiowa Engineer Design Review
<b>Task Subtotal</b>	
<b>Project Total</b>	

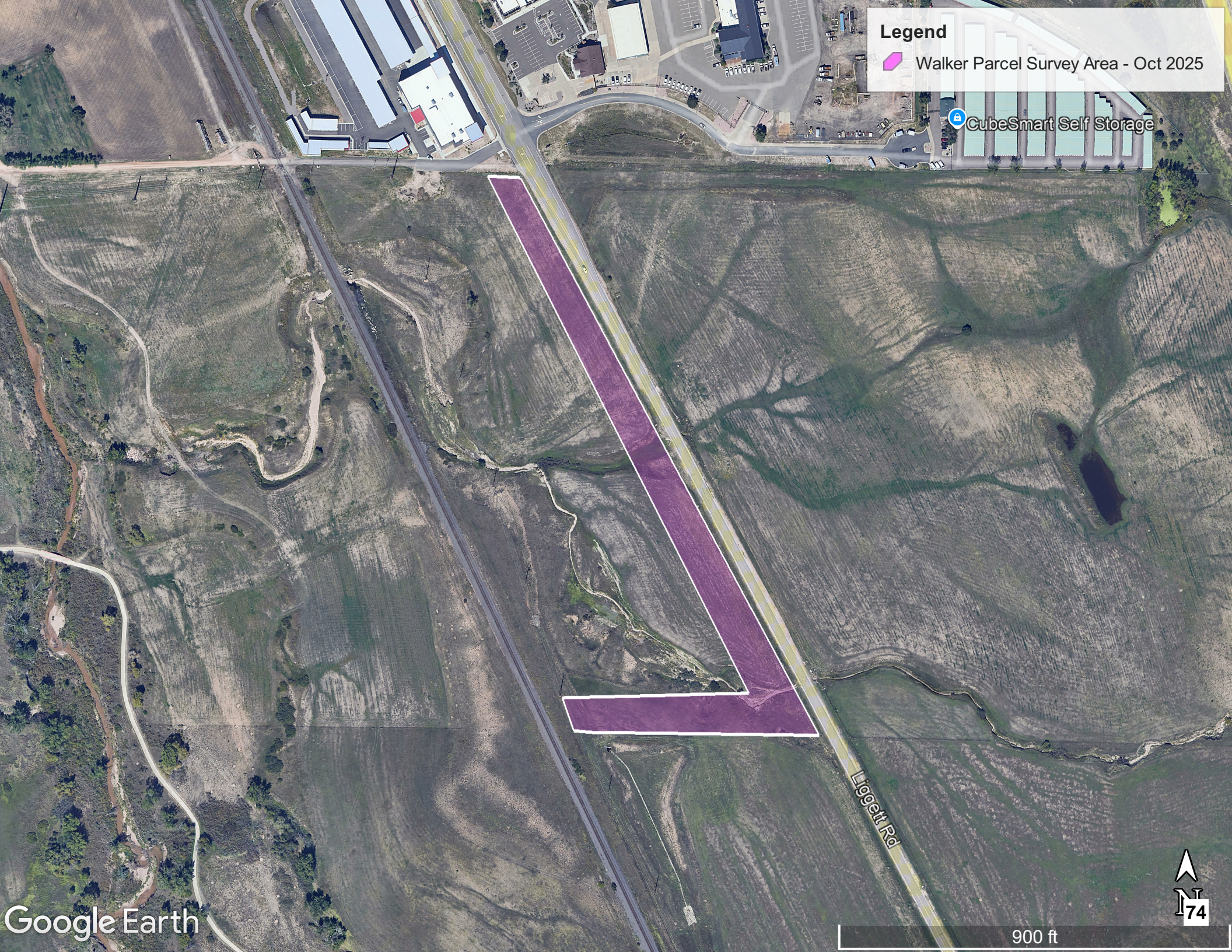
Project Manager	Lead Pipeline	Quality Control	CAD
16			
<b>16</b>	<b>0</b>	<b>0</b>	<b>0</b>
0	0	1	0
<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>
4	4	2	8
<b>4</b>	<b>4</b>	<b>2</b>	<b>8</b>
0	0	0	0
<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
32			
3	5		
12	12		
12	24		
20	30		
4	12		
12	12		
2			
4	6		
4		2	40
<b>105</b>	<b>101</b>	<b>2</b>	<b>40</b>
8			2
<b>8</b>	<b>0</b>	<b>0</b>	<b>2</b>
<b>133</b>	<b>105</b>	<b>5</b>	<b>50</b>

Total Hours	Total Cost	Expenses	Subcontracts	Subtotal
16	\$ 4,672	\$ 47	\$ -	\$ 4,719
<b>16</b>	<b>\$ 4,672</b>	<b>\$ 47</b>	<b>\$ -</b>	<b>\$ 4,719</b>
1	\$ 316	\$ 3	\$ 11,140	\$ 11,459
<b>1</b>	<b>\$ 316</b>	<b>\$ 3</b>	<b>\$ 11,140</b>	<b>\$ 11,459</b>
18	\$ 5,084	\$ 51	\$ -	\$ 5,135
<b>18</b>	<b>\$ 5,084</b>	<b>\$ 51</b>	<b>\$ -</b>	<b>\$ 5,135</b>
0	\$ -	\$ -	\$ 3,729	\$ 3,729
<b>0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,729</b>	<b>\$ 3,729</b>
32	\$ 9,344	\$ 93	\$ -	\$ 9,437
8	\$ 2,061	\$ 21	\$ -	\$ 2,082
24	\$ 6,348	\$ 63	\$ -	\$ 6,411
36	\$ 9,192	\$ 92	\$ -	\$ 9,284
50	\$ 12,950	\$ 130	\$ -	\$ 13,080
16	\$ 4,012	\$ 40	\$ -	\$ 4,052
24	\$ 6,348	\$ 171	\$ -	\$ 6,519
2	\$ 584	\$ 6	\$ 33,886	\$ 34,475
10	\$ 2,590	\$ 26	\$ -	\$ 2,616
46	\$ 13,480	\$ 135	\$ -	\$ 13,615
<b>248</b>	<b>\$ 66,909</b>	<b>\$ 776</b>	<b>\$ 33,886</b>	<b>\$ 101,571</b>
10	\$ 2,920	\$ 29	\$ -	\$ 2,949
<b>10</b>	<b>\$ 2,920</b>	<b>\$ 29</b>	<b>\$ -</b>	<b>\$ 2,949</b>
<b>293</b>	<b>\$ 79,901</b>	<b>\$ 906</b>	<b>\$ 48,754</b>	<b>\$ 129,562</b>

**Legend**

 Walker Parcel Survey Area - Oct 2025

 CubeSmart Self Storage



Ligett Rd



**EXHIBIT C-3**

CONSULTANT'S UPDATED CERTIFICATE OF INSURANCE



# CERTIFICATE OF LIABILITY INSURANCE

12/1/2026

DATE (MM/DD/YYYY)

3/20/2026

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Lockton Companies, LLC DBA Lockton Insurance Brokers, LLC in CA CA license #0F15767 444 W. 47th St., Ste. 900 Kansas City MO 64112-1906 (816) 960-9000 kcasu@lockton.com	<b>CONTACT NAME:</b> <b>PHONE (A/C. No. Ext):</b> <b>E-MAIL ADDRESS:</b>	<b>FAX (A/C. No):</b>
	<b>INSURER(S) AFFORDING COVERAGE</b>	
<b>INSURED</b> 1569268 BURNS & MCDONNELL ENGINEERING COMPANY, INC. PO BOX 419173 KANSAS CITY MO 64141-6173 BRONG< RYAN	<b>INSURER A:</b> Liberty Mutual Fire Insurance Company <span style="float: right;">NAIC # 23035</span>	
	<b>INSURER B:</b> Steadfast Insurance Company <span style="float: right;">26387</span>	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

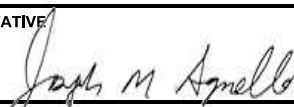
**COVERAGES** **CERTIFICATE NUMBER:** 23178908 **REVISION NUMBER:** XXXXXXXX

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	Y	TB2-641-432888-475	12/1/2025	12/1/2026	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
A	<input checked="" type="checkbox"/> <b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY	Y	Y	AS2-641-432888-045	12/1/2025	12/1/2026	COMBINED SINGLE LIMIT (Ea accident) \$ 2,000,000 BODILY INJURY (Per person) \$ XXXXXXXX BODILY INJURY (Per accident) \$ XXXXXXXX PROPERTY DAMAGE (Per accident) \$ XXXXXXXX \$ XXXXXXXX
	<input type="checkbox"/> <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$			NOT APPLICABLE			EACH OCCURRENCE \$ XXXXXXXX AGGREGATE \$ XXXXXXXX \$ XXXXXXXX
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A	WC2-641-432888-015	12/1/2025	12/1/2026	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
B	<b>PROFESSIONAL LIABILITY</b>	N	N	EOC 7042179-05	12/1/2025	12/1/2026	\$1M PER CLAIM/AGG

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 \*\*\*SEE ATTACHED\*\*\*

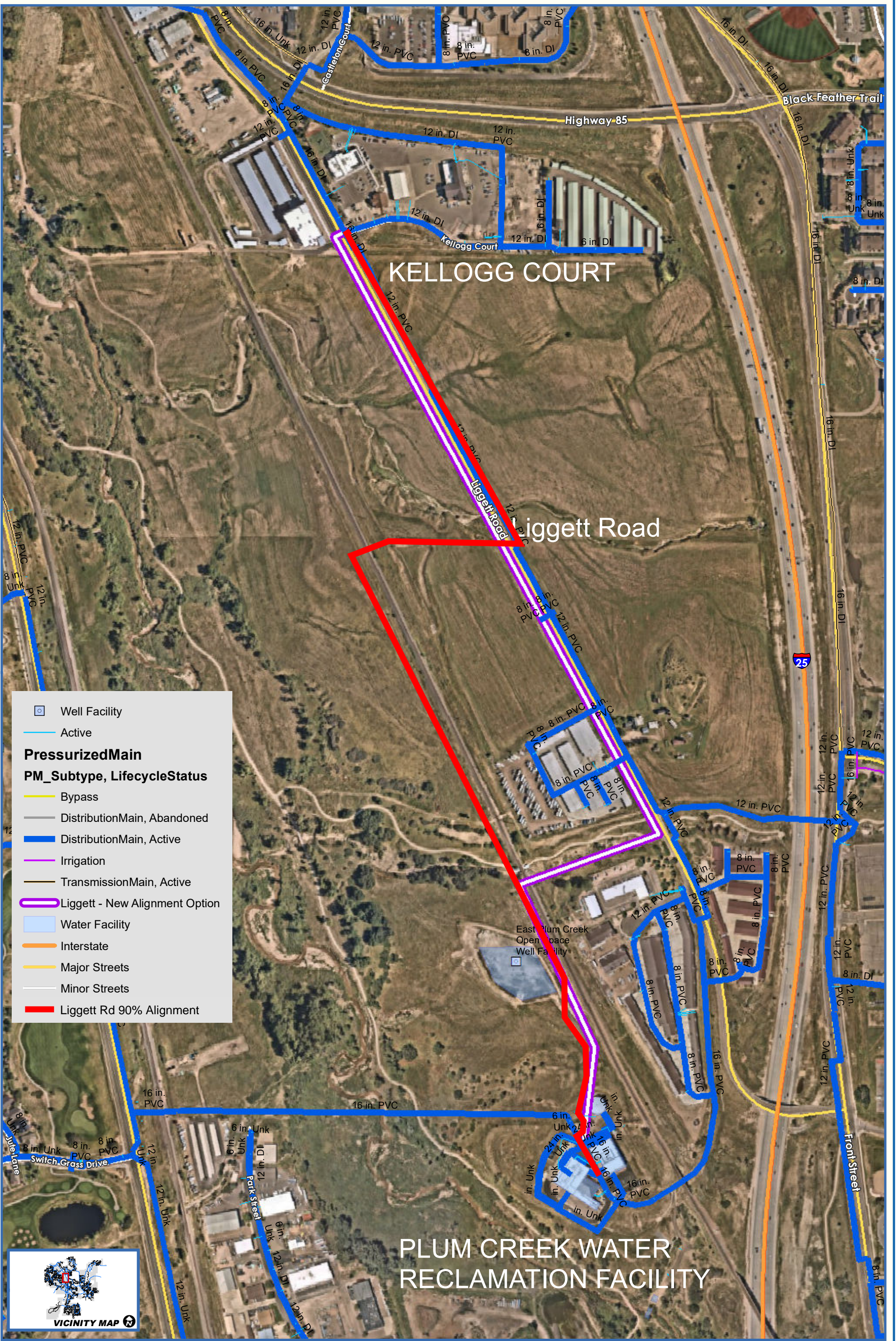
**CERTIFICATE HOLDER****CANCELLATION**

<b>23178908</b> TOWN OF CASTLE ROCK A COLORADO MUNICIPAL CORPORATION 100 N. WILCOX ST. CASTLE ROCK CO 80104	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE 
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RE: PROJECT # 171132 - FRONT STREET DOWNTOWN CONNECTION, RWRWTC PUMP UPGRADES, & LIGGETT ROAD PIPE UPSIZE PROJECTS. TOWN OF CASTLE ROCK, ITS ELECTED AND APPOINTED OFFICIALS, EMPLOYEES AND VOLUNTEERS ARE ADDITIONAL INSUREDS AS RESPECTS GENERAL LIABILITY AND AUTO LIABILITY, AND THESE COVERAGES ARE PRIMARY AND NON-CONTRIBUTORY, IF REQUIRED BY WRITTEN CONTRACT. WAIVER OF SUBROGATION APPLIES TO GENERAL LIABILITY, AUTO LIABILITY AND WORKERS COMPENSATION/ EMPLOYER'S LIABILITY WHERE ALLOWED BY STATE LAW AND AS REQUIRED BY WRITTEN CONTRACT. GENERAL LIABILITY INCLUDES SEVERABILITY OF INTERESTS. THIRTY (30) DAYS NOTICE OF CANCELLATION BY THE INSURER WILL BE PROVIDED TO THE CERTIFICATE HOLDER, TEN (10) DAYS NOTICE IN THE EVENT OF NONPAYMENT OF PREMIUM.



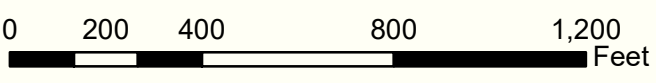


KELLOGG COURT

Liggett Road

PLUM CREEK WATER RECLAMATION FACILITY

- Well Facility
- Active
- PressurizedMain**
- PM\_Subtype, LifecycleStatus**
- Bypass
- DistributionMain, Abandoned
- DistributionMain, Active
- Irrigation
- TransmissionMain, Active
- Liggett - New Alignment Option
- Water Facility
- Interstate
- Major Streets
- Minor Streets
- Liggett Rd 90% Alignment



1 inch = 400 feet



Disclaimer: The data presented has been compiled from various sources, each of which introduces varying degrees of inaccuracies or inconsistencies. Such discrepancies in data are inherent and in supplying this product the Town of Castle Rock assumes no liability for its use or accuracy. Questions or comments regarding the cartographic composition of this map including, but not limited to, errors, omissions, corrections, and/or updates, should be directed to the Utilities Department, Town of Castle Rock, (720) 733-6000. Copyright 2024, Town of Castle Rock Utilities Mapping.

**LIGGETT ROAD PIPE UPSIZE**



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 6. **File #:** WC 2026-057

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Lauren Moore, Water Resources Manager

**Resolution Approving Funding the Execution of Water Provider Agreement Amendment No. 7 between the Town of Castle Rock and the Colorado Water Conservation Board for the Purchase of Additional Storage Space in the Chatfield Storage Reallocation Project [Chatfield Reservoir in Douglas and Jefferson Counties]**  
**Town Council Agenda Date:** June 2, 2026

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### Executive Summary

The purpose of this memorandum is to request Town Council approval of a resolution (**Attachment A**) approving the funding of the Town's purchase of our 2026 option in the Chatfield Reservoir Reallocation Project. Renewable water storage is a key component of the Town of Castle Rock's long-term water plan and participation in the Chatfield Storage Reallocation Project gives the Town unique access to additional renewable water sources. The purpose of this memorandum is to request Town Council approval to authorize funding for the purchase of an additional 129 acre-feet (AF) of storage shares from the Colorado Water Conservation Board (CWCB). Castle Rock currently owns 848 AF of storage and has the right to purchase 1,152 AF of storage in accordance with our 2015 agreement with CWCB over the next 9 years.

First storage of reallocation pool water started in May 2020 and Castle Rock currently has a full storage pool with approximately 1,827 AF of water in storage. The purchase of these additional shares will give the Town a total of 977 AF of owned water storage space with the ability to store additional water (up to 2,000 AF) under a storage lease agreement that we have in place with the CWCB.

The cost to purchase 129 AF of storage from CWCB is \$1,070,825.13 and the Assumption Agreement and Water Provider Agreement with CWCB related to this purchase are provided in **Exhibit 1 and 2**, respectively. Funding for this purchase was included in the approved 2026 budget. Funding for the purchase of the remaining storage shares under our 2015 agreement with CWCB is included in Castle Rock Water's multi-year financial plan.

### History of Past Town Council, Boards & Commissions, or Other Discussions

For a comprehensive summary of Castle Rock's participation in the Chatfield Storage Reallocation

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**Item #: 6. File #: WC 2026-057**

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Project, please see ***Attachment B***.

On April 24, 2024 Castle Rock Water Commission recommended that Council approve the purchase of 129 AF of additional shares from the Colorado Water Conservation Board.

On May 21, 2024, Town Council approved the purchase of 129 AF of additional shares from the CWCB per resolution 2024-053.

On February 4, 2025, Castle Rock Water staff informed the Colorado Water Conservation Board of its intent to defer the purchase of an additional 129 AF of optioned shares.

### **Discussion**

The Chatfield Storage Reallocation Project (Project) is a water storage project to reallocate flood storage space in the existing Chatfield Reservoir located in northwest Douglas County to space that can be used for storing renewable water supplies. The Town of Castle Rock is currently, and has been since 2004, a participant in this Project.

The Town entered into a multi-year agreement with the CWCB in July 2015 to purchase shares in the Chatfield Storage Reallocation Project. This agreement allowed the Town to spread out the project costs over time while the Project was undergoing permitting, design and construction activities.

Construction for the Chatfield Storage Reallocation Project was substantially completed in December 2019. The final Project construction costs were \$167,016,960, which was \$3.97 million less than the last official Project estimate. The Chatfield Reservoir Management Company (CRMC) was directed to utilize the remaining funds to pay for the first five years of post-construction Project obligations, such as vegetation and habitat monitoring, erosion monitoring, weed management and new vegetation irrigation.

In early 2020, CRMC staff worked diligently to finalize the remaining U.S. Army Corps of Engineers (USACE) submittals that were a requirement prior to first storage. These final submittals were officially approved by USACE on May 13, 2020 who indicated that all recreation modifications, compensatory mitigation features, real estate interests, and other modifications to the Project had been satisfactorily completed. Payment for first storage was made by CRMC on May 14, 2020 to USACE. Given these final two critical path items, first storage of water into the reallocated storage space occurred on May 15, 2020, with Castle Rock Water being the first entity to store water.

Presently, Castle Rock has approximately 1,827 AF of water in storage. With the purchase of this additional block of storage space the Town will own 977 AF of storage with the option to store water up to 2,000 AF in our optioned pool owned by CWCB. Additionally, during the wet spring period of 2023, Castle Rock was able to fill all 2,000 AF of its 1989 Chatfield storage water right and subsequently made this conditional water right into an absolute water right by submitting this documentation through Water Court.

Currently, Castle Rock Water uses its stored supplies in Chatfield Reservoir either by exchanging the water back to our Plum Creek Diversion or CR-1 Diversion structures or by leasing out primarily to

neighboring providers at a competitive rate. The longer-term plan is to construct pump stations and a pipeline from Chatfield Reservoir back to our Castle Rock Reservoirs #1 and #2 near Sedalia (known as the Chatfield Pump Back Project). A large portion of this pipeline would follow the same alignment as the existing Ravenna Pipeline that Castle Rock purchased in 2017. The Chatfield Pump Back Project is currently in the 20% design stage (see **Attachment E**) and we are continuing to work U.S. Army Corps of Engineers on permitting and property acquisition. Preliminary costs to fully implement this project range from \$85 million to \$170 million depending on the final pipeline size/capacity that is selected for the project.

**Budget Impact**

The cost for the 129 AF storage space purchase is \$1,070,825.13. The Town has \$1,097,596 in the project budget (Account Number 211-4375-443.77-29, CIP/Chatfield Reallocation) for 2026.

**Staff Recommendation**

Staff recommends approve funding for 129 AF of additional storage shares for the 2026 option in the Chatfield Reservoir Reallocation Project.

**Proposed Motion**

*“I move to recommend to Town Council approval of the Resolution as presented”*

**Attachments**

- Attachment A: Resolution
- Exhibit 1: Assumption Agreement (**Not Attached**)
- Exhibit 2: Water Provider Agreement (**Not Attached**)
- Attachment B: Chatfield Program History
- Attachment C: Preliminary Design Alignment for the Chatfield Pump Back Project

**RESOLUTION NO. 2026-**

**A RESOLUTION APPROVING THE EXECUTION OF WATER PROVIDER AGREEMENT AMENDMENT NO. 7 BETWEEN THE TOWN OF CASTLE ROCK AND THE COLORADO WATER CONSERVATION BOARD FOR THE PURCHASE OF ADDITIONAL STORAGE SPACE IN THE CHATFIELD STORAGE REALLOCATION PROJECT**

**WHEREAS**, the Town of Castle Rock, by and through the Town of Castle Rock Water Enterprise (the “Town”) and the State of Colorado, acting by and through the Department of Natural Resources, for the benefit of the Colorado Water Conservation Board (“CWCB”), are both water providers in the Chatfield Storage Reallocation Project (the “Project”); and

**WHEREAS**, in 2014, Town Council approved the execution of the Articles and Bylaws of the Chatfield Reservoir Mitigation Company, Water Storage Agreement, Escrow Agreement, and Water Provider Agreement which, among other things authorized the purchase of 200-acre feet (“AF”) of storage in the Project; and

**WHEREAS**, in 2015, Town Council approved the execution of a multi-year agreement between the Town and the CWCB to purchase additional shares in the Project (the “Agreement”); and

**WHEREAS**, in 2021, Town Council approved the execution of the Lease Agreement between the CWCB and the Town for the use of storage space in the Project; and

**WHEREAS**, the Town has previously recognized the value of investing in storage in the Project by amending the Agreement to purchase of a total of 87 AF in 2016, 87 AF in 2018, 129 AF in 2020, 129 AF in 2022; and 129 AF in 2024; with deferrals in 2023 and 2025; and

**WHEREAS**, the Town recognizes the need to obtain additional storage in the Project as part of its long-term water plan; and

**WHEREAS**, the Castle Rock Water Commission has voted to recommend the purchase of an additional 129 AF of storage in the Project; and

**WHEREAS**, Town staff recommends that Town Council approve the purchase of an additional 129 AF of storage in the Project.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO AS FOLLOWS:**

**Section 1. Approval.** Water Provider Agreement Amendment No. 7 (the “Amendment”) between the Town and the CWCB is hereby approved in substantially the same form presented at tonight’s meeting, with such technical changes, additions, modifications, deletions or amendments as the Town Manager may approve upon consultation with the Town

Attorney. The Mayor and other proper Town officials are hereby authorized to execute the Amendment and any technical amendments thereto by and on behalf of the Town.

**Section 2. Encumbrance and Authorization.** In order to meet the Town’s financial obligations under the Amendment, the Town Council authorizes an expenditure and payment from the CIP/Chatfield Reallocation account in an amount not to exceed \$1,070,825.13, unless otherwise authorized in writing by the Town.

**PASSED, APPROVED AND ADOPTED** this 2nd day of June, 2026, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading, by a vote of \_\_\_ for and \_\_\_ against.

**ATTEST:**

**TOWN OF CASTLE ROCK**

\_\_\_\_\_  
Lisa Anderson, Town Clerk

\_\_\_\_\_  
Jason Gray, Mayor

**Approved as to form:**

**Approved as to content:**

\_\_\_\_\_  
Michael J. Hyman, Town Attorney

\_\_\_\_\_  
Mark Marlowe, Director Castle Rock Water

## **Attachment B**

### **Comprehensive Program History for the Chatfield Storage Reallocation Project**

In 2004, the Town Council approved a resolution consenting to the South Metro Water Authority (currently the South Metro Water Supply Authority) reserving 1,400 acre-feet of the storage capacity on behalf of its members. The Town's current share of that capacity is 34.8 percent (34.8%) or 487.2 acre-feet.

In 2005, the Town signed a Letter of Commitment between the Town of Castle Rock and the Colorado Water Conservation Board (CWCB) to reserve permanent storage space in Chatfield Reservoir if the storage became available as a result of this project. The Town's reserved capacity stood at 1,013.2 acre-feet.

In September 2012, Town Council approved a resolution to submit a letter to the US Army Corps of Engineers in support of the Chatfield Reallocation Project.

Utilities Commission was updated on the status of the project on June 26, July 24, and October 22, 2013.

Town Council was updated on the status of the project in October 2013.

The Water Resources Committee reviewed this project on May 6, 2014.

On May 28, 2014, Utilities Commission was updated on the status of the recommended reduced participation level of 200 AF. Utilities Commission voted 5-1 approving the recommended reduced participation level with one Commissioner stating that participation at a higher level was preferred. The primary reason for a reduction in participation was the financial impact that full participation would have had to our customer's water rates.

On June 17, 2014, Town Council approved a resolution to reduce participation in the Chatfield Reallocation Project from 1,500.3 AF to 200 AF.

On November 18, 2014, Town Council approved a resolution to approve the Execution of the Articles and Bylaws of the Chatfield Reservoir Mitigation Company, Water Storage Agreement, Escrow Agreement, and Water Provider Agreement for the project.

On April 21, 2015, the Town Council was provided with a discussion of the salient points of a draft option agreement with CWCB.

On May 27, 2015 the Utilities Commission unanimously supported the recommendation to Town Council to proceed with entering into an agreement with CWCB for the acquisition of additional project shares over a multi-year period.

On June 16, 2015, Town Council approved the option agreement for acquisition of additional Chatfield Reservoir project shares from the State of Colorado over time.

On October 5, 2015, the Mayor was presented with execution instructions and original forms for the:

- Articles of Incorporation and Bylaws of Chatfield Reservoir Mitigation Com., Inc.
- Water Provider Agreement
- Escrow Agreement

The Chatfield Storage Reallocation Project refined cost estimate was presented to Utilities Commission on April 27, 2016. The commissioners unanimously recommended that the Town continue its participation in the project.

On May 17, 2016, Town Council was provided with an update on the progress of the Chatfield Reallocation Project.

On May 25, 2016, Utilities Commission was provided with a discussion of the key points for an amendment to the CWCB Option Agreement to buy 1,713 AF of storage shares over the next nineteen years. The commissioners unanimously recommended that staff work with CWCB to develop an amendment to the existing CWCB Option Agreement.

In December 2016, the Town closed on an additional 87 AF of storage space, bringing our current total to 374 AF.

On October 25, 2017, Castle Rock Water Commission was provided with a discussion of the Chatfield Storage Reallocation Project updated cost estimate and off-ramp option, and unanimously recommended the Town continue its participation in the project.

On November 14, 2017, Town Council was provided with a discussion of the Chatfield Storage Reallocation Project updated cost estimate and off-ramp option, and approved the Town's continued participation in the project.

On March 28, 2018, the Castle Rock Water Commission unanimously recommended support of the purchase of 87 AF of additional shares.

On April 17, 2018, Town Council approved the purchase of 87 AF of additional shares. The Town closed on this tranche of storage space before the end of 2018.

On September 26, 2018 the Castle Rock Water Commission unanimously recommended Town Council approval for entering into the Modified Agreement for Acquisition of Chatfield Reservoir Reallocation Project Shares with the State of Colorado.

On October 2, 2018, Town Council approved Resolution 2018-093, a Modified Agreement for Acquisition of Chatfield Reservoir Reallocation Project shares from the State of Colorado, ultimately increasing our optioned amount of storage by 500 AF, eventually allowing the Town to reach 2,000 AF of storage.

On August 27, 2019, Castle Rock Water staff informed the Colorado Water Conservation Board of its intent to defer the purchase of an additional 129 AF of optioned shares.

On January 22, 2020, Castle Rock Water Commission unanimously recommended Council approve the purchase of 129 AF of additional shares from the Colorado Water Conservation Board in 2020.

On February 4, 2020, Town Council approved the purchase of 129 AF of additional shares from the CWCB per resolution 2020-016. The CWCB acknowledged the receipt of the Town's wire transfer of the funds for this additional storage space on April 30, 2020.

On July 7, 2020, Castle Rock Water staff provided an update to Town Council on the Chatfield Storage Reallocation Project.

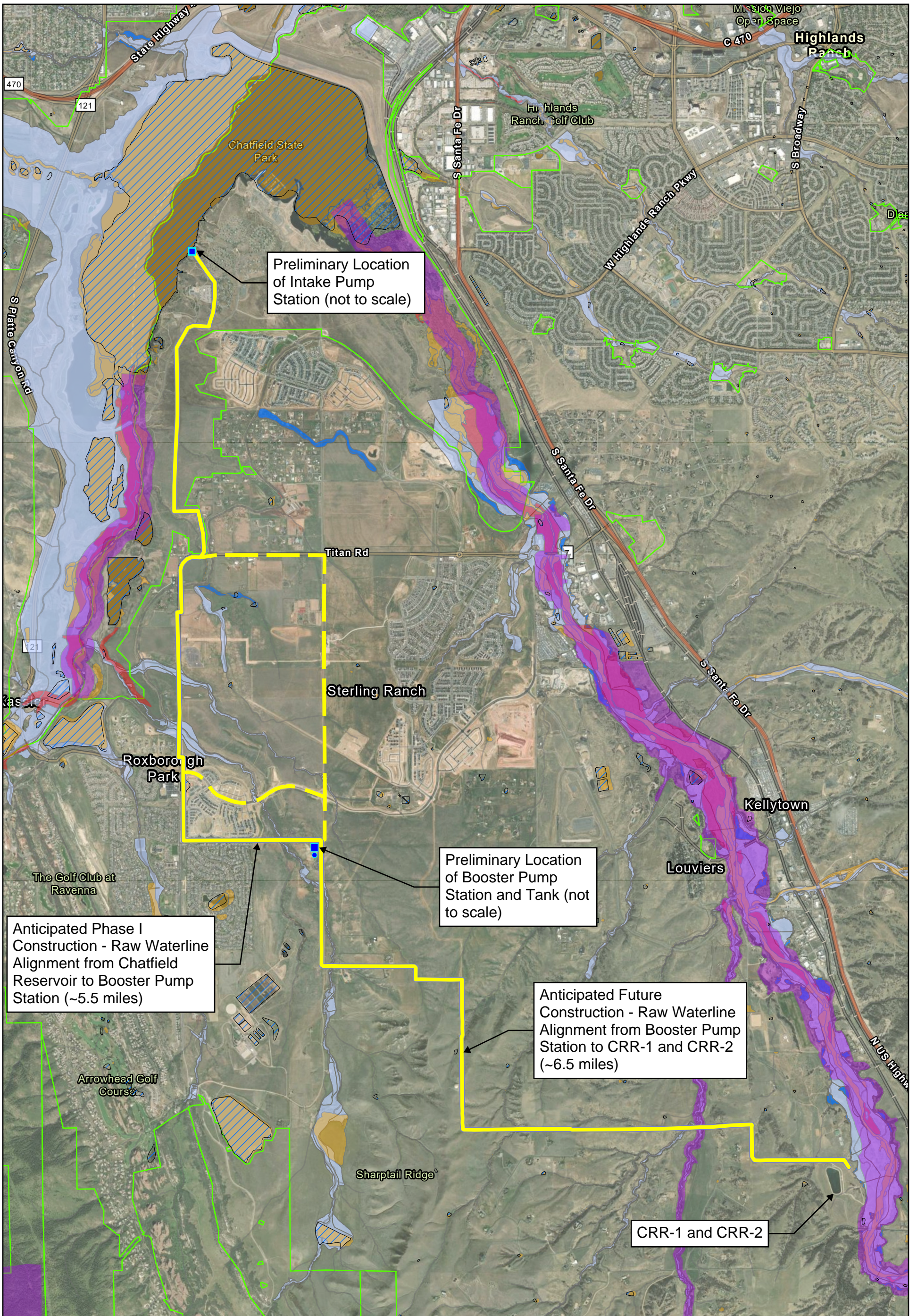
On March 24, 2021, Castle Rock Water Commission was informed of the Lease Agreement with the CWCB for Use of Storage Space in the Chatfield Storage Reallocation Project and unanimously recommended Town Council approval.

On April 6, 2021, Town Council unanimously approved Resolution 2021-037 approving the Lease Agreement Between the CWCB and the Town of Castle Rock Water Enterprise for the Use of Storage Space in the Chatfield Storage Reallocation Project.

On April 27, 2022 Castle Rock Water Commission recommended that Council approve the purchase of 129 AF of additional shares from the Colorado Water Conservation Board.

On May 17, 2022, Town Council approved the purchase of 129 AF of additional shares from the CWCB per resolution 2022-058.

On February 2, 2023, Castle Rock Water staff informed the Colorado Water Conservation Board of its intent to defer the purchase of an additional 129 AF of optioned shares.

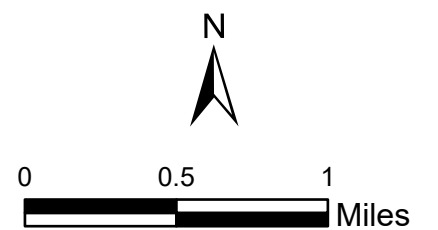


**Legend**

Eastern Shores Alignment	NWI Riparian
Main Alignment	NWI East
Alternatives	Parks
NHD Waterbody	100-year Flood Zone
USFWS Critical Habitat	500-year Flood Zone

## Chatfield Pump Back Project

### Exhibit C - Project Area Overview



## **Attachment D**

### **Comprehensive Program History for the Chatfield Storage Reallocation Project**

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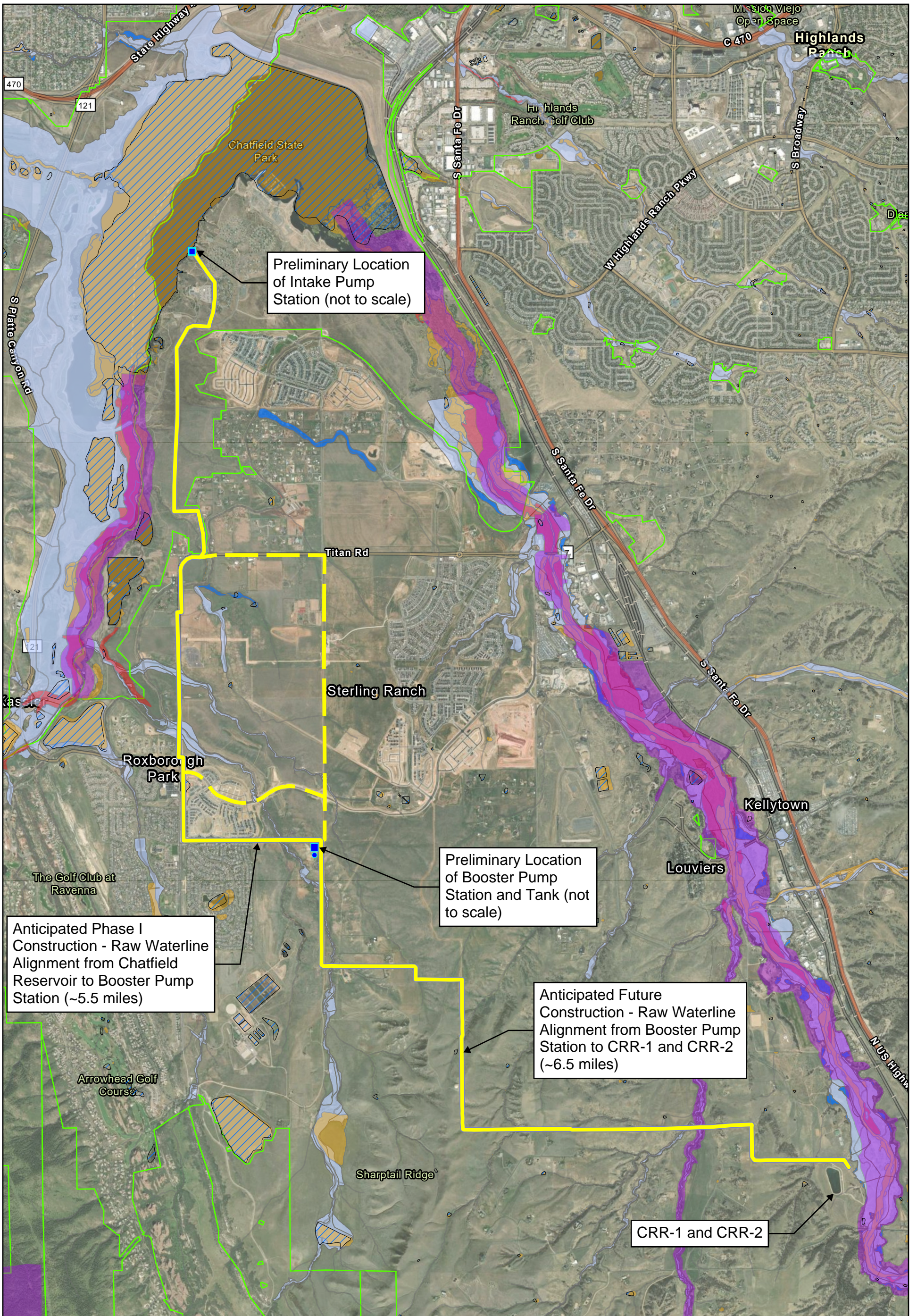
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On May 17, 2022, Town Council approved the purchase of 129 AF of additional shares from the CWCB per resolution 2022-058.

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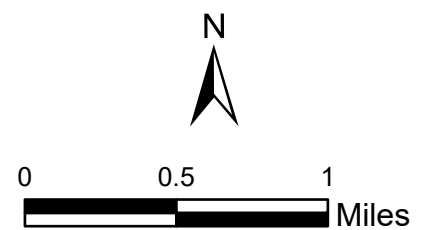


**Legend**

Eastern Shores Alignment	NWI Riparian
Main Alignment	NWI East
Alternatives	Parks
NHD Waterbody	100-year Flood Zone
USFWS Critical Habitat	500-year Flood Zone

## Chatfield Pump Back Project

### Exhibit C - Project Area Overview





# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 7. **File #:** WC 2026-058

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Lauren Moore, Water Resources Manager  
Zuzana Howard, Water Resources Program Analyst

**Resolution Approving the 2026 Water Lease Agreement between the Town of Castle Rock and Riverview Farms, LLC [Morgan County, Colorado]**  
**Town Council Agenda Date:** June 2, 2026

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### Executive Summary

Castle Rock Water (CRW) is seeking Town Council approval of a Resolution (**Attachment A**) authorizing a Water Lease Agreement (**Exhibit 1**) with Riverview Farms, LLC (Riverview) to lease the Town's Rothe Recharge Credits acquired with the purchase of the Rothe water rights in 2014. Riverview wishes to lease 75 acre-feet (AF) of the recharge credits to offset shortages in the Sublette Augmentation Plan. The augmentation plan has three participants: Town of Castle Rock, Sublette, LLC and Riverview Farms, LLC. Due to the lack of precipitation, there were no water inflows this Water Year. As a result of that, both Sublette and Riverview Farms experienced recharge credits shortages.

The Town will charge \$140 per acre-foot, for a total lease value of \$10,500, which is reasonable for water of this type and location based on available data from comparable leases in the area. The Town will not be able to use the Rothe Recharge Credits in the coming year, and the water cannot be reasonably moved by exchange back upstream to the Town of Castle Rock.

### History of Past Town Council, Boards & Commissions, or Other Discussions

On April 28, 2021, Castle Rock Water Commission recommended Town Council approval of the 2021 Spot Water Lease with Riverview Farms, LLC.

On May 4, 2021, Town Council approved the 2021 Spot Water Lease with Riverview Farms, LLC.

### Discussion

As part of the long-term water supply identified in the Water Resource Strategic Master Plan, the Town purchased the Rothe Recharge property in 2014, and in 2021 the property and its associated water rights were incorporated into the Box Elder Augmentation Plan (Case No. 19CW3231). The

property includes 770 AF of water rights that may be used as an augmentation water source in conjunction with the Box Elder Creek Well Field for the Box Elder Project.

The general concept of the Rothe Recharge Project is that water can be diverted from the South Platte River at the Riverside Canal which is located east of Greeley under a water right with an effective 1988 priority date (**Attachment B**). This water is delivered from the Riverside Canal into several recharge ponds which then makes its way through the alluvial sands as groundwater return flow to the South Platte River approximately 16 miles downstream of the point where Box Elder Creek theoretically enters the South Platte River. The hydrogeologic transport of this water through the alluvium takes a number of years. The decree in Colorado Water Court Case No. 89CW027 defines the terms and conditions for operation of this project, including the specific timing of the recharge credits. The Town of Castle Rock will not be able to use this water in the next year, and the water cannot currently be reasonably moved by exchange back upstream to the Town of Castle Rock.

The key terms of the Water Lease Agreement are summarized below:

- Riverview will lease 75 AF at \$140 per AF;
- Revenue total of \$10,500 and
- The lease will terminate on March 31, 2027.

### **Budget Impact**

If Council approves this Water Lease Agreement, Castle Rock Water would receive \$10,500 in revenue over the next year. The revenue will be deposited into the Water Resources Fund Capital Leases account 211-4375-393.70-00.

### **Staff Recommendation**

Staff recommends approval of the resolution as presented.

### **Proposed Motion**

*"I move to recommend to Town Council approval of the Resolution as presented"*

### **Attachments**

Attachment A: Resolution  
Exhibit 1: Agreement (**Not Attached**)  
Attachment B: Location Map

**RESOLUTION NO. 2026- \_\_**

**A RESOLUTION APPROVING THE 2026 WATER LEASE AGREEMENT  
BETWEEN THE TOWN OF CASTLE ROCK AND RIVERVIEW FARMS**

**WHEREAS**, pursuant to the decree in Case No. 89CW27, District Court, Water Division No. 1 (the “Decree”), the Town of Castle Rock (the “Town”) and other owners operate the Rothe-Sublette Recharge Project (the “Project”), which diverts water from the South Platte River at the Riverside Canal into recharge ponds that accrete water to the South Platte River to generate recharge credits (the “Project Recharge Credits”); and

**WHEREAS**, the Town owns the right to 60.4% of the first 1,275 acre-feet (“AF”), up to 770 AF annually, of Project Recharge Credits (the “Town Recharge Credits”); and

**WHEREAS**, Project Recharge Credits are used by the Town and the other owners to augment depletions from alluvial wells pursuant to the Decree; and

**WHEREAS**, the Decree authorizes the lease of excess Project Recharge Credits to third parties for use in judicially approved plans for augmentation; and

**WHEREAS**, at present, the Town does not have any available means by which to use the Town Recharge Credits within its water system over the next year; and

**WHEREAS**, a lease with Riverview Farms, LLC, will allow the Town to generate revenue from the Town Recharge Credits that it would not otherwise be able to realize; and

**WHEREAS**, a lease with the Town will allow Riverview Farms, LLC, to use excess Town Recharge Credits to offset shortages in Lessee’s augmentation plan; and

**WHEREAS**, accordingly, the Town and Riverview Farms, LLC, desire to enter into a water lease agreement by which Riverview Farms, LLC, may lease up to seventy-five (75) AF of excess Town Recharge Credits (“Lease Agreement”).

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO AS FOLLOWS:**

**Section 1. Approval.** The Water Lease Agreement between the Town and Riverview Farms, LLC is hereby approved in substantially the same form as presented at tonight’s meeting, with such technical changes, additions, modifications, deletions, or amendments as the Town Manager may approve upon consultation with the Town Attorney. The Mayor and other proper Town officials are hereby authorized to execute the Lease Agreement and any technical amendments thereto by and on behalf of the Town.

**PASSED, APPROVED AND ADOPTED** this 2nd day of June, 2026, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading, by a vote of \_\_\_ for and \_\_\_ against.

**ATTEST:**

**TOWN OF CASTLE ROCK**

\_\_\_\_\_  
Lisa Anderson, Town Clerk

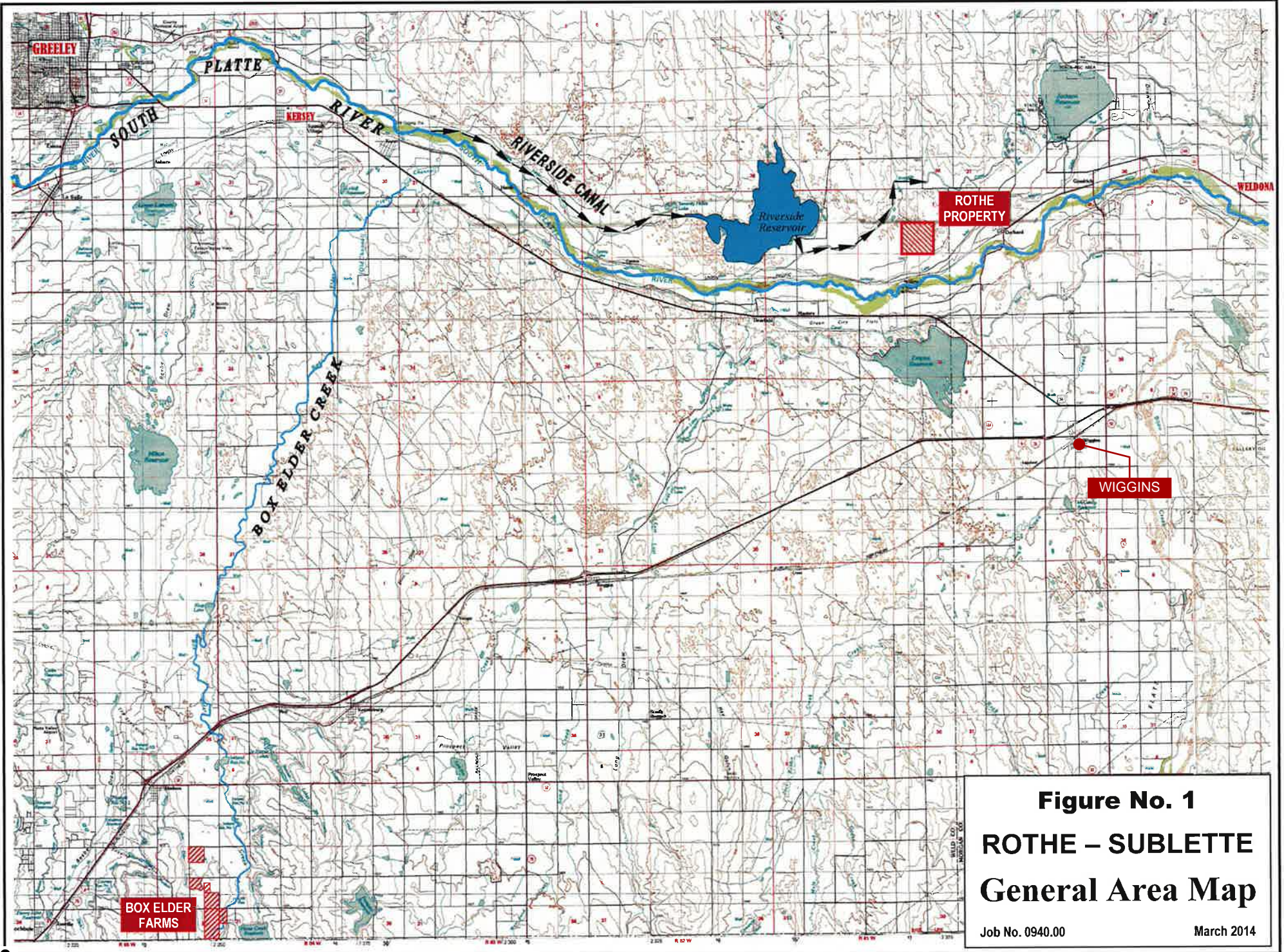
\_\_\_\_\_  
Jason Gray, Mayor

**Approved as to form:**

**Approved as to content:**

\_\_\_\_\_  
Michael J. Hyman, Town Attorney

\_\_\_\_\_  
Mark Marlowe, Director Castle Rock Water



**Figure No. 1**  
**ROTHE – SUBLETTE**  
**General Area Map**  
 Job No. 0940.00  
 March 2014



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 8. **File #:** WC 2026-059

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Lauren Moore, Water Resources Manager  
Zuzana Howard, Water Resources Program Analyst

**Resolution Approving the 2026 Water Lease Agreement between the Town of Castle Rock and Sublette, Inc. [Morgan County, Colorado]**  
**Town Council Agenda Date:** June 2, 2026

---

### Executive Summary

Castle Rock Water (CRW) is seeking Town Council approval of a Resolution (**Attachment A**) authorizing a Water Lease Agreement (**Exhibit 1**) with Sublette, Inc. (Sublette) to lease the Town's Rothe Recharge Credits acquired with the purchase of the Rothe water rights in 2014. Sublette wishes to lease 11 acre-feet (AF) of the recharge credits to offset shortages in the Sublette Augmentation Plan. The augmentation plan has three participants: Town of Castle Rock, Sublette, Inc. and Riverview Farms, LLC. Due to the lack of precipitation, there were no water inflows this Water Year. As a result of that, both Sublette and Riverview Farms experienced recharge credit shortages.

The Town will charge \$140 per acre-foot, for a total lease value of up to \$1,540, which is reasonable for water of this type and location based on available data from comparable leases in the area. The Town will not be able to use the Rothe Recharge Credits in the coming year, and the water cannot be reasonably moved by exchange back upstream to the Town of Castle Rock.

### History of Past Town Council, Boards & Commissions, or Other Discussions

On April 28, 2021, Castle Rock Water Commission recommended Town Council approval of the 2021 Spot Water Lease with Sublette, Inc.

On May 4, 2021, Town Council approved the 2021 Spot Water Lease with Sublette, Inc.

On May 25, 2022, Castle Rock Water Commission recommended Town Council approval of the 2022 Spot Water Lease with Sublette, Inc.

On June 7, 2022, Town Council approved the 2022 Spot Water Lease with Sublette, Inc.

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**Item #: 8. File #: WC 2026-059**

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On April 26, 2023, Castle Rock Water Commission recommended Town Council approval of the 2023 Spot Water Lease with Sublette, Inc.

On April 27, 2023, Town Council approved the 2023 Spot Water Lease with Sublette, Inc.

**Discussion**

As part of the long-term water supply plan identified in the Water Resource Strategic Master Plan, the Town purchased the Rothe Recharge property in 2014, and in 2021 the property and its associated water rights were incorporated into the Box Elder Augmentation Plan (Case No. 19CW3231). The property includes 770 AF of water rights that may be used as an augmentation water source in conjunction with the Box Elder Creek Well Field for the Town's Box Elder Project.

The general concept of the Rothe Recharge Project is that water can be diverted from the South Platte River at the Riverside Canal which is located east of Greeley under a water right with an effective 1988 priority date (**Attachment B**). This water is delivered from the Riverside Canal into several recharge ponds which then makes its way through the alluvial sands as groundwater return flow to the South Platte River approximately 16 miles downstream of the point where Box Elder Creek theoretically enters the South Platte River. The hydrogeologic transport of this water through the alluvium takes a number of years. The decree in Colorado Water Court Case No. 89CW027 defines the terms and conditions for operation of this project, including the specific timing of the recharge credits. The Town of Castle Rock will not be able to use this water in the next year, and the water cannot currently be reasonably moved by exchange back upstream to the Town of Castle Rock.

The key terms of the Water Lease Agreement are summarized below:

- Sublette will lease 11 AF at \$140 per AF;
- Revenue total of \$1,540 and
- The lease will terminate on March 31, 2027.

**Budget Impact**

If Council approves this Water Lease Agreement, Castle Rock Water would receive \$1,540 in revenue over the next year. The revenue will be deposited into the Water Resources Fund Capital Leases account 211-4375-393.70-00.

**Staff Recommendation**

Staff recommends approval of the resolution as presented.

**Proposed Motion**

*"I move to recommend to Town Council approval of the Resolution as presented"*

**Attachments**

---

**Item #: 8. File #: WC 2026-059**

---

Attachment A: Resolution  
Exhibit 1: Agreement (**Not Attached**)  
Attachment B: Location Map

**RESOLUTION NO. 2026- \_\_**

**A RESOLUTION APPROVING THE 2026 WATER LEASE AGREEMENT  
BETWEEN THE TOWN OF CASTLE ROCK AND SUBLETTE, INC.**

**WHEREAS**, pursuant to the decree in Case No. 89CW27, District Court, Water Division No. 1 (the “Decree”), the Town of Castle Rock (the “Town”) and other owners operate the Rothe-Sublette Recharge Project (the “Project”), which diverts water from the South Platte River at the Riverside Canal into recharge ponds that accrete water to the South Platte River to generate recharge credits (the “Project Recharge Credits”); and

**WHEREAS**, the Town owns the right to 60.4% of the first 1,275 acre-feet (AF), up to 770 AF annually, of Project Recharge Credits (the “Town Recharge Credits”); and

**WHEREAS**, Project Recharge Credits are used by the Town and the other owners to augment depletions from alluvial wells pursuant to the Decree; and

**WHEREAS**, the Decree authorizes the lease of excess Project Recharge Credits to third parties for use in judicially approved plans for augmentation; and

**WHEREAS**, at present, the Town does not have any available means by which to use the Town Recharge Credits within its water system over the next year; and

**WHEREAS**, a lease with Sublette, Inc., will allow the Town to generate revenue from the Town Recharge Credits that it would not otherwise be able to realize; and

**WHEREAS**, a lease with the Town will allow Sublette, Inc., to use excess Town Recharge Credits to offset shortages in its augmentation plan; and

**WHEREAS**, accordingly, the Town and Sublette, Inc., desire to enter into a water lease agreement by which Sublette, Inc. may lease up to eleven (11) AF of excess Town Recharge Credits (the “Lease Agreement”).

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO AS FOLLOWS:**

**Section 1. Approval.** The Lease Agreement between the Town and Sublette, Inc. is hereby approved in substantially the same form as presented at tonight’s meeting, with such technical changes, additions, modifications, deletions, or amendments as the Town Manager may approve upon consultation with the Town Attorney. The Mayor and other proper Town officials are hereby authorized to execute the Lease Agreement and any technical amendments thereto by and on behalf of the Town.

**PASSED, APPROVED AND ADOPTED** this 2nd day of June, 2026, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading, by a vote of \_\_\_ for and \_\_\_ against.

**ATTEST:**

**TOWN OF CASTLE ROCK**

\_\_\_\_\_  
Lisa Anderson, Town Clerk

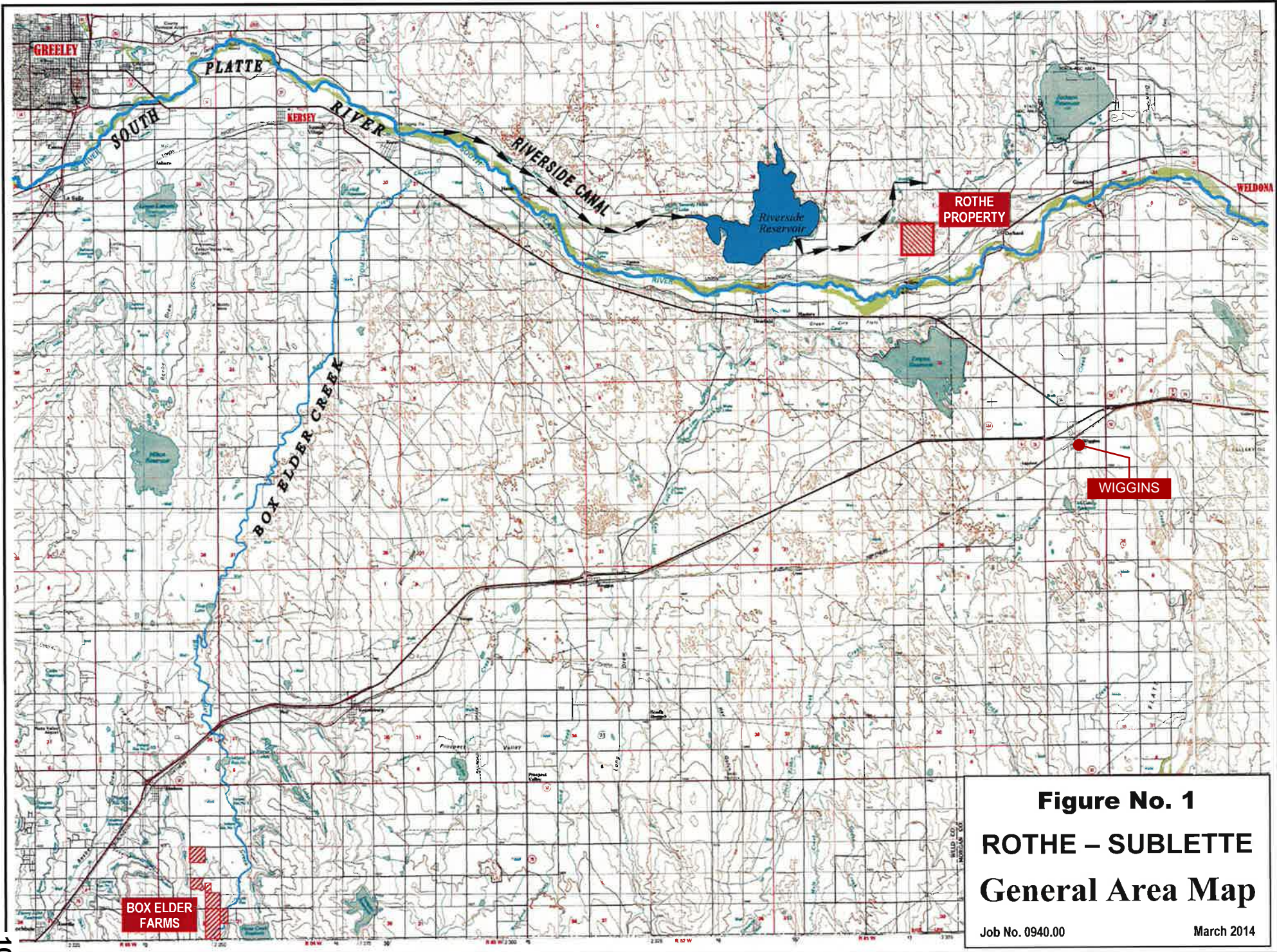
\_\_\_\_\_  
Jason Gray, Mayor

**Approved as to form:**

**Approved as to content:**

\_\_\_\_\_  
Michael J. Hyman, Town Attorney

\_\_\_\_\_  
Mark Marlowe, Director Castle Rock Water



**Figure No. 1**  
**ROTHE – SUBLETTE**  
**General Area Map**  
 Job No. 0940.00  
 March 2014



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 9. **File #:** WC 2026-060

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Roy Gallea, P.E., Engineering Manager  
Frank Main, Project Manager

**Resolution Approving a Second Amendment to the Supplemental Design, Bidding & Construction Support Services Agreement with Olsson, Inc. for the East Plum Creek Reach 5 Phase II Stabilization**

**Town Council Agenda Date:** June 16, 2026

---

### Executive Summary

Castle Rock Water (CRW) staff requests Town Council approval of a Resolution (**Attachment A**) approving the Second Amendment to the Supplemental Design, Bidding, and Construction Support Services Agreement with Olsson, Inc. for the East Plum Creek Reach 5 Phase II Stabilization Project (**Exhibit 1**).

Purchase Order No. 2343 was originally authorized on September 21, 2022, in the amount of \$134,610 for these services. The First Amendment increased the agreement by \$97,194 to complete an Alternatives Study evaluating the feasibility of incorporating design improvements to the CR-1 Water Intake Diversion Structure into the overall project scope, and extended the agreement completion date, resulting in a revised authorization of \$231,804.

The proposed Second Amendment includes:

- A contract time extension through June 1, 2027; and
- An additional budget appropriation of \$60,977.50 plus a 10% contingency of \$6,097.75 for a total of \$67,075.25 to complete construction-related services, including preparation of an as-built survey and submission of a Letter of Map Revision (LOMR) to Federal Emergency Management Administration (FEMA).

These additional services are necessary due to construction delays, expanded permitting requirements, increased coordination with regulatory agencies, extended construction support efforts, and other project-related tasks that exceeded the original 2022 scope of services. Olsson and CORVUS have provided these services to support successful project completion and maintain regulatory compliance.

Approval of the Second Amendment will increase the total Authorization amount to \$298,879.25, requiring Town Council approval in accordance with Town purchasing policies.

### **History of Past Town Council, Boards & Commissions, or other Discussions**

The East Plum Creek Reach 5 Phase II Stabilization Project was originally identified in the *East Plum Creek Watershed Master Plan Preliminary Design Report (Master Plan)*, which was adopted by Town Council through Resolution No. 2009-03 on January 6, 2009. The Master Plan identified stream stabilization improvements as necessary to address ongoing channel erosion, floodplain impacts, and long-term protection of critical public infrastructure within the East Plum Creek corridor.

On January 7, 2020, Town Council approved a Services Agreement with Olsson, Inc. for permitting, bidding support, construction services, and FEMA Conditional Letter of Map Revision (CLOMR) services associated with the East Plum Creek Reach 5 Phase II Stabilization Project (P.O. 1986). The agreement was awarded through the Bid Net process with an approved funding amount of \$134,610. The scope of work included survey, alternatives analysis, preliminary and final design, environmental permitting, and FEMA CLOMR approval for stream stabilization improvements. The project area is generally located east of Interstate 25, extending from approximately 800 feet downstream of the existing pedestrian crossing to the Town limits approximately 700 feet upstream of the crossing (see **Attachment B**). The stabilization improvements are intended to provide long-term protection of critical water and sewer infrastructure located within the corridor.

On September 21, 2022, Town Council approved a supplemental Services Agreement with Olsson, Inc. (P.O. #2340) through a sole source procurement process for additional design, permitting, bidding, and construction support services, with an approved funding amount of \$97,194.00, bringing the total to \$231,804. The supplemental scope included securing required environmental permits, preparation of supplemental design elements including a trailhead parking lot at the Central Service Center, general bidding and construction support, and preparation of a FEMA Letter of Map Revision (LOMR) for the East Plum Creek floodplain.

### **Discussion**

Olsson, Inc. has requested a Second Amendment to the Supplemental Design, Bidding, and Construction Support Services Agreement for the East Plum Creek Reach 5 Phase II Stabilization Project to complete additional construction-related services and extend the agreement completion date.

Construction activities were originally anticipated to occur earlier in the project schedule; however, the project experienced delays and construction is now expected to be completed in 2026. As a result, additional engineering, permitting, coordination, and construction support services have been necessary beyond those anticipated in the original February 3, 2022 scope of services.

To support completion of the project and the associated FEMA Letter of Map Revision (LOMR) process, Olsson has requested an extension of the agreement completion date to June 1, 2027.

In addition to the requested time extension, Olsson is requesting a budget amendment in the amount

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**Item #: 9. File #: WC 2026-060**

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of \$60,977.50 for additional services that exceeded the original contract scope.

These services include:

- Project coordination and management
- Permitting support
- Bid and construction-related services
- CR-1 diversion conceptual design
- FEMA LOMR services

Approval of the Second Amendment will allow Olsson to continue supporting construction completion activities, maintain regulatory compliance requirements, and finalize FEMA floodplain mapping revisions associated with the project. Staff has reviewed the proposed scope of the changes and the requested additional funding and agrees that the requested funding is appropriate for the additional scope.

**Budget Impact**

Approval of the proposed Second Amendment will increase the total revised authorization to cost to \$298,879.25, as summarized below:

- Original Agreement: \$134,610.00
- Amendment No. 1: \$97,194.00
- Amendment No. 2: \$67,075.25 - (\$60,977.50 Agreement plus \$6,097.75 Town-managed 10% Contingency)
- **Total Revised Authorization: \$298,879.25**

A budget transfer in the amount of \$67,075.25 will be required from the following accounts:

- Account No. 212-4475-444.79-19 - Storm Sewer Rehab: \$60,138.00
- Account No. 212-4475-444.75-67 - Chase Drain Installations: \$6,937.25

Fund	Account Number	Original Authorization	Amd. 1	Amd. 2	Amd. 2 Contingency	Revised Authorization
SW-EPC Stream Stab.	212-4475-444.76-37	\$ 94,227.00	\$ -	\$42,684.25	\$4,268.42	\$ 141,179.67
WR - CR-1 Diversion	211-4375-443.79-16	\$ 40,383.00	\$97,194.00	\$18,293.25	\$1,829.33	\$ 157,699.58
	<b>Total</b>	<b>\$134,610.00</b>	<b>\$97,194.00</b>	<b>\$60,977.50</b>	<b>\$6,097.75</b>	<b>\$ 298,879.25</b>

**Staff Recommendation**

Staff recommends approval of the Second Amendment to the Supplemental Design, Bidding, and Construction Support Services Agreement with Olsson, Inc. for the East Plum Creek Reach 5 Phase II Stabilization Project in the amount of \$60,977.50, together with a Town-managed 10% contingency of \$6,097.75, for a total authorization increase of \$67,075.25, and extending the agreement term through June 1, 2027

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Item #: 9. File #: WC 2026-060

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**Proposed Motion**

*“I move to recommend to Town Council approval of the Resolution as presented”*

**Attachments**

Attachment A: Resolution  
    Exhibit 1: Amended Agreement  
Attachment B: Project Map



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

---

**Item #:** 10. **File #:** WC 2026-061

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Nichol Bussey, Business Solutions Manager  
Paul Rementer, Enterprise Analyst

**Customer Characteristics Analysis**  
**Town Council Agenda Date:** NA

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### Executive Summary

Attached is the Customer Characteristics Report for your review.

### Attachments

Attachment A: Customer Characteristics



# CUSTOMER CHARACTERISTICS ANALYSIS

## 2026 RATES AND FEES STUDY

PREPARED BY:

CASTLE ROCK WATER  
BUSINESS SOLUTIONS TEAM

September 2026

# CONTENTS

*EXECUTIVE SUMMARY* ..... 9

*WATER ENTERPRISE FUND* ..... 11

**NUMBER OF ACCOUNTS BY METER SIZE & CUSTOMER CLASS** ..... 11

**TABLE 1: ACCOUNTS BY METER SIZE & CUSTOMER CLASS (FY2025)**..... 11

**CHART 1: RESIDENTIAL WATER ACCOUNTS**..... 12

**CHART 2: NON-RESIDENTIAL WATER ACCOUNTS**..... 13

**2017-2027 ACTUAL GROWTH VERSUS PROJECTED GROWTH**..... 14

**CHART 3: RESIDENTIAL GROWTH**..... 15

**CHART 4: MULTIFAMILY GROWTH**..... 15

**CHART 5: COMMERCIAL GROWTH**..... 16

**CHART 6: IRRIGATION GROWTH**..... 16

**CHART 7: All CUSTOMER CLASSES COMBINED GROWTH**..... 17

**3-YEAR AVERAGE CONSUMPTION BY CUSTOMER CLASS**..... 17

**TABLE 2: 3-YEAR AVG MONTHLY CONSUMPTION BY CUSTOMER CLASS & METER SIZE (2023-2025)**..... 18

**TABLE 2A: 3-YEAR AVG MONTHLY CONSUMPTION RESIDENTIAL METER SIZES (2023-2025)** ..... 18

**CHART 8: 3-YEAR AVG MONTHLY CONSUMPTION RESIDENTIAL ACCOUNTS**19

CHART 9: 3-YEAR AVG MONTHLY CONSUMPTION NON-RESIDENTIAL ACCOUNTS .....	20
CHART 10: 3-YEAR AVG MONTHLY CONSUMPTION BY METER SIZE ¾" to 3" ALL CUSTOMER CLASSES .....	21
CHART 11: 3-YEAR AVG MONTHLY CONSUMPTION BY METER SIZE - 4" and 6" .....	22
3-YEAR AVERAGE CONSUMPTION WITH & WITHOUT IRRIGATION .....	22
TABLE 3: 3-YEAR AVERAGE MONTHLY CONSUMPTION BY METER SIZE FOR ALL CUSTOMER CLASSES COMBINED (2023-2025) .....	23
CHART 12: 3-YEAR AVG MONTHLY CONSUMPTION ¾" METERS.....	23
CHART 13: 3-YEAR AVG MONTHLY CONSUMPTION 1" METERS .....	24
CHART 14: 3-YEAR AVG MONTHLY CONSUMPTION 1.5" METERS .....	25
CHART 15: 3-YEAR AVG MONTHLY CONSUMPTION 2" METERS .....	25
CHART 16: 3-YEAR AVG MONTHLY CONSUMPTION 3" METERS .....	26
CHART 17: 3-YEAR AVG MONTHLY CONSUMPTION 4" METERS .....	27
CHART 18: 3-YEAR AVG MONTHLY CONSUMPTION 6" METERS .....	28
EQUIVALENCY FACTORS .....	28
TABLE 4: 2026 STUDY ACTUAL USE EQUIVALENCY FACTORS (BASED ON 3-YEAR AVG. 2023-2025).....	29
CHART 19: EQUIVALENCY FACTORS 2026 STUDY COMPARED TO THE 2025 STUDY.....	30
REPRESENTATIVE CUSTOMER BY CUSTOMER CLASS .....	30
TABLE 5: REPRESENTATIVE CUSTOMER BY CLASS 2025 BILLING DATA .....	32

ATYPICAL ACCOUNTS .....	32
CHART 20: 200% ET ATYPICAL CUSTOMERS .....	34
CHART 21: CARWASH ATYPICAL CUSTOMERS.....	35
CHART 22: HOTEL ATYPICAL CUSTOMERS .....	35
CHART 23: SWIMMING POOL ATYPICAL CUSTOMERS .....	36
CONSUMPTION BY TIER.....	36
TABLE 6: BILLED USAGE BY CUSTOMER CLASS BY TIER JANUARY 2025- DECEMBER 2025.....	37
TABLE 7: BILLED USAGE BY SEASON BY CUSTOMER CLASS BY TIER JANUARY 2025-DECEMBER 2025 .....	37
CHART 24: COMMERCIAL CUSTOMER CLASS ANNUAL BILLED USAGE BY TIER 2016-2025 .....	38
CHART 25: MULTIFAMILY CUSTOMER CLASS ANNUAL BILLED USAGE BY TIER 2016-2025 .....	38
CHART 26: IRRIGATION CUSTOMER CLASS ANNUAL BILLED USAGE BY TIER 2016-2025 .....	39
CHART 27: RESIDENTIAL CUSTOMER CLASS ANNUAL BILLED USAGE BY TIER 2016-2025.....	39
CHART 28: RESIDENTIAL CUSTOMER CLASS ANNUAL BILLED USAGE RESIDENTIAL SURCHARGE 2016-2025 .....	40
IMPACT OF LANDSCAPE CRITERIA ON CUSTOMER CONSUMPTION.....	41
TABLE 8: PRIOR VS UPDATED LANDSCAPE CRITERIA ACCOUNTS.....	41

**CHART 29: LANDSCAPE CRITERIA IMPACT ON CONSUMPTION**..... 42

**COLORADOSCAPE REBATE PROGRAM** ..... 42

**TABLE 9: IRRIGATION SEASON CONSUMPTION VARIANCE -  
COLORADOSCAPE PARTICIPANTS VS. SIMILAR ACCOUNTS** ..... 43

**CHART 30: COLORADOSCAPE REBATES** ..... 43

**IRRIGATION USAGE BASED ON WATERING SCHEDULES**..... 44

**CHART 31: RESIDENTIAL IRRIGATION SEASON USAGE BY WATERING  
SCHEDULE** ..... 45

**CHART 32: NON-RESIDENTIAL IRRIGATION SEASON USAGE BY WATERING  
SCHEDULE** ..... 45

**IRRIGATION SEASON USAGE VERSUS WEATHER PATTERNS** ..... 46

**CHART 33: RESIDENTIAL MONTHLY USAGE VS. DAYS OF MONTHLY  
RAINFALL**..... 46

**CHART 34: IRRIGATION MONTHLY USAGE VS. DAYS OF MONTHLY RAINFALL**  
..... 47

**CHART 35: MULTIFAMILY WITH IRRIGATION  
MONTHLY USAGE VS DAYS OF MONTHLY RAINFALL** ..... 47

**CHART 36: COMMERCIAL WITH IRRIGATION  
MONTHLY USAGE VS. DAYS OF MONTHLY RAINFALL** ..... 48

**IMPACT OF IRRIGATED AREAS (Square Feet)** ..... 48

**CHART 37: RESIDENTIAL ACCOUNTS BY IRRIGATED AREA**..... 49

**CHART 38: RESIDENTIAL AVERAGE MONTHLY CONSUMPTION BY IRRIGATED  
AREA** ..... 49

CHART 39: COMMERCIAL ACCOUNTS BY IRRIGATED AREA .....	50
CHART 40: COMMERCIAL AVERAGE MONTHLY CONSUMPTION BY IRRIGATED AREA .....	50
HOAs AVERAGE MONTHLY CONSUMPTION .....	51
CHART 41: AVERAGE MONTHLY CONSUMPTION FOR ALL HOAs (85) COMBINED .....	51
CHART 42: SELECTED FOUR HOAs AVERAGE MONTHLY CONSUMPTION .....	52
MONTHLY CONSUMPTION BY SUBDIVISION .....	52
CHART 43: MEADOWS AVERAGE MONTHLY CONSUMPTION .....	52
CHART 44: MEADOWS AVERAGE MONTHLY CONSUMPTION BY CUSTOMER	53
CHART 45: MEADOWS RESIDENTIAL ACCOUNTS BY IRRIGATED AREA .....	53
CHART 46: MEADOWS RESIDENTIAL ACCOUNTS IRRIGATED AREA BY CUSTOMER .....	54
CHART 47: FOUNDERS AVERAGE MONTHLY CONSUMPTION .....	54
CHART 48: FOUNDERS AVERAGE MONTHLY CONSUMPTION BY CUSTOMER	55
CHART 49: FOUNDERS RESIDENTIAL ACCOUNTS BY IRRIGATED AREA .....	55
CHART 50: FOUNDERS RESIDENTIAL ACCOUNTS IRRIGATED AREA BY CUSTOMER .....	56
CHART 51: PLUM CREEK AVERAGE MONTHLY CONSUMPTION .....	56
CHART 52: PLUM CREEK AVERAGE MONTHLY CONSUMPTION BY CUSTOMER .....	57
CHART 53: PLUM CREEK RESIDENTIAL ACCOUNTS BY IRRIGATED AREA .....	57

CHART 54: PLUM CREEK RESIDENTIAL ACCOUNTS IRRIGATED AREA BY CUSTOMER .....	58
BULK WATER ACCOUNTS .....	58
CHART 55: BULK HYDRANT AND BULK STATION ACCOUNTS .....	59
CHART 56: BULK HYDRANT USAGE .....	59
CHART 57: BULK STATION USAGE .....	60
TOWN ACCOUNT CONSUMPTION .....	60
CHART 58: TOWN CONSUMPTION .....	61
TABLE 10: TOWN CONSUMPTION BY YEAR AND DEPARTMENT (Kgal) .....	61
WASTEWATER ENTERPRISE FUND .....	62
NUMBER OF ACCOUNTS BY METER SIZE & CUSTOMER CLASS .....	62
TABLE 11: ACCOUNTS BY METER SIZE & CUSTOMER CLASS (FY2025) .....	62
CHART 59: RESIDENTIAL WASTEWATER ACCOUNTS .....	63
CHART 60: NON-RESIDENTIAL WASTEWATER ACCOUNTS .....	64
WATER RESOURCES ENTERPRISE FUND .....	65
NUMBER OF ACCOUNTS BY METER SIZE & CUSTOMER CLASS .....	65
TABLE 12: ACCOUNTS BY METER SIZE AND CUSTOMER CLASS (FY2025) .....	65
CHART 61: RESIDENTIAL WATER RESOURCES ACCOUNTS .....	66
CHART 62: NON-RESIDENTIAL WATER RESOURCES ACCOUNTS .....	67
STORMWATER ENTERPRISE FUND .....	68
TABLE 13: STORMWATER SFES (JAN 25-DEC 25) .....	68

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## *EXECUTIVE SUMMARY*

As part of the annual Rates and Fees Study, Castle Rock Water conducts an in-depth analysis of customer accounts and consumption patterns to better understand system demand, customer characteristics, and long-term usage trends. The study begins with a review of the most current billing data available for Fiscal Year 2025 (FY2025). From this data, accounts are categorized by meter size and customer class to establish the foundation for subsequent analyses.

The study also evaluates development activity by comparing actual permits issued over the past several years to projected permits for the same periods. The Town's Development Services Department provides both historical account data by customer class and projected account growth for FY2026 and FY2027. These projections help support long-term planning efforts and the development of future revenue requirements.

Average water consumption is calculated using the most recent three-year period (2023-2025) by account, meter size, customer class, and seasonal usage patterns, including winter and summer consumption. This rolling three-year average is compared to prior three-year periods dating back to 2015 to account for weather variability and rainfall fluctuations from year to year. The report also includes a comparison of monthly rainfall and average consumption trends as one tool for evaluating the effectiveness of ongoing water conservation efforts.

These three-year average consumption calculations serve as the basis for determining meter equivalency factors. Beginning in 2010, the Town implemented actual-use meter equivalency factors to assess monthly service charges for water, wastewater, and water resources services. The average consumption for all  $\frac{3}{4}$ -inch meters serves as the base unit, and the average consumption for larger meter sizes is divided by this base unit to determine equivalency factors by meter size and customer class.

Customer data from the most recent three-year period (2023-2025) is also used to identify an average representative customer for each customer class. A representative customer profile is then developed for each class, and associated consumption patterns are used to calculate a typical customer's annual bill.

Beginning in 2020, the study expanded to include analysis of atypical customer consumption patterns compared to representative average customers. Atypical customers are defined as accounts whose usage patterns differ significantly from the norm for a given meter size or customer class due to operational characteristics, business activities, or specialized water demands. These accounts are excluded from average calculations to avoid skewing representative customer analyses.

The study further evaluates billed water usage by tier from 2016 through 2025 across all customer classes to assess whether customers are remaining within their assigned water budget tiers. This analysis also provides insight into long-term conservation trends and the extent to which customers are avoiding Tier 3 excessive usage charges and surcharges associated with consumption exceeding 40,000 gallons per month.

In addition, Castle Rock Water evaluated consumption patterns for customers developed under the Town's updated landscape criteria to better understand the potential impacts of these requirements on water use, particularly during the irrigation season. This analysis compares accounts developed under previous and updated landscape criteria to identify differences in seasonal demand patterns. Additional context, including the proportion of accounts subject to the updated requirements, illustrates how these standards may influence overall system demand as adoption continues over time.

Additional areas analyzed within the study include:

- Consumption patterns associated with watering schedules
- Residential customer usage trends following ColoradoScape rebate conversions
- Customer class consumption based on irrigated area
- Consumption patterns for homeowners associations (HOAs)
- Bulk water account usage
- Town account consumption trends over time

The study also compares weather patterns and customer usage across customer classes to evaluate potential correlations between climate conditions and water demand.

Similar analyses are conducted for the Water Resources and Wastewater enterprise funds using the latest FY2025 billing data along with projected growth for FY2026 and FY2027. For the Stormwater Fund, Single Family Equivalents (SFEs) serve as the unit of measure rather than customer accounts. Castle Rock Water utilizes 3,255 square feet of impervious area as the basis for one SFE in stormwater calculations.

Key findings and data developed through this report are integrated into the development and evaluation of rates and fees across all enterprise funds.

# WATER ENTERPRISE FUND

## NUMBER OF ACCOUNTS BY METER SIZE & CUSTOMER CLASS

Table 1 presents the number of accounts by meter size and customer class using 12 months of billing data from January 2025 through December 2025. This analysis indicates that 27,971 customers received water service during the FY2025 capture period. By comparison, the FY2024 analysis, based on billing data from January 2024 through December 2024, identified 27,476 customers receiving water service. This represents an increase of 495 accounts between FY2024 and FY2025.

The number of accounts by meter size is a key input into the system development fees model. These accounts are converted into Single Family Equivalents (SFEs), which are used to evaluate existing versus future system capacity demands. SFEs are also incorporated into the Water and Wastewater cost of service models to support the allocation of system costs and the development of rates and fees.

**TABLE 1: ACCOUNTS BY METER SIZE & CUSTOMER CLASS (FY2025)**

Meter Size	Residential	Multifamily	Commercial	Bulk	Irrigation	MultiFamily Indoor Use Only	Commercial Indoor Use Only	Total
<b>5/8"</b>	2,473	-	-	-	2	4	7	2,486
<b>3/4"</b>	23,476	15	126	52	239	103	144	24,155
<b>1"</b>	26	25	74	-	131	147	118	521
<b>1.5"</b>	-	55	53	-	192	123	111	534
<b>2"</b>	-	16	28	-	91	45	52	232
<b>3"</b>	-	3	5	-	8	5	15	36
<b>4"</b>	-	1	-	-	2	-	2	5
<b>6"</b>	-	-	2	-	-	-	-	2
<b>Total</b>	25,975	115	288	52	665	427	449	27,971

Chart 1 illustrates the growth in residential accounts from 2015 through 2025, along with projected growth for FY2026 and FY2027. The Town’s Development Services Department forecasts an increase of 295 residential permits in FY2026 and 425 residential permits in FY2027 for the residential customer class. These projected increases help support long-term planning efforts and provide key inputs for future demand forecasting, capacity evaluations, and rate model development.

**CHART 1: RESIDENTIAL WATER ACCOUNTS**

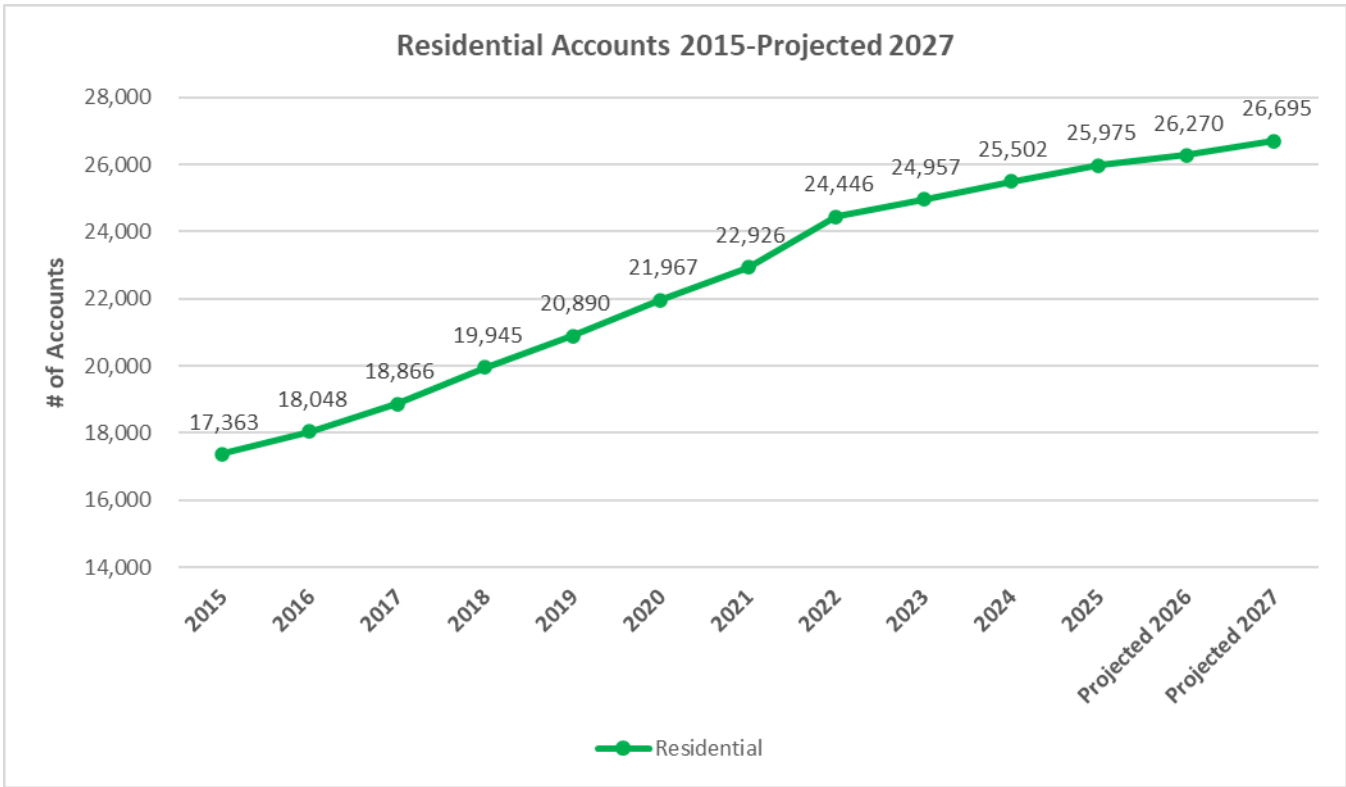
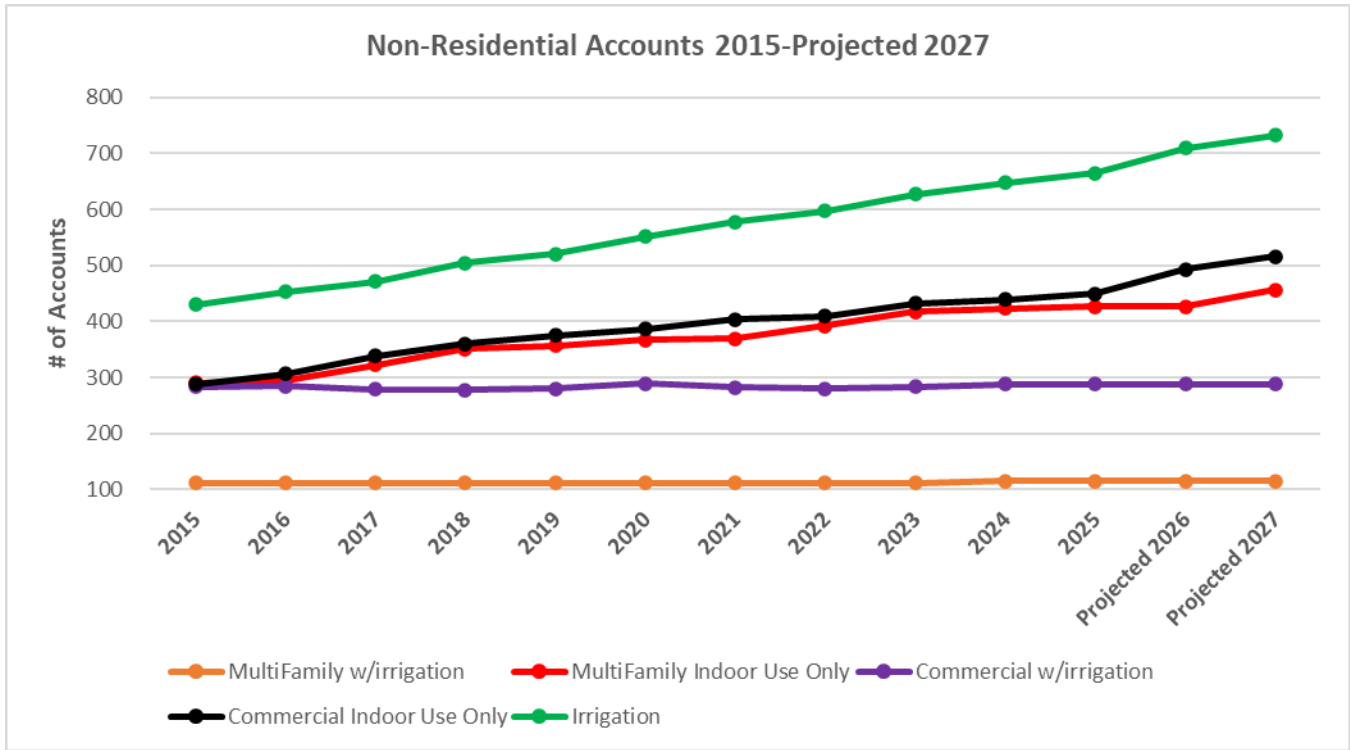


Chart 2 illustrates the number of non-residential accounts from 2015 through 2025. Over the past several years, non-residential growth has remained relatively steady, with customer classes such as irrigation, commercial indoor use only, and multifamily indoor use only experiencing modest year-over-year increases.

Current projections estimate approximately 163 non-residential permits between FY2026 and FY2027. This projected growth aligns with the moderate residential growth anticipated during the same period and reflects continued, measured development activity across the Town’s non-residential sectors.

## CHART 2: NON-RESIDENTIAL WATER ACCOUNTS



Castle Rock Water projects FY2027 water accounts using FY2025 billing data combined with projected growth estimates for FY2026 and FY2027. Based on these projections, total water accounts in FY2027 are estimated to reach 28,854 accounts, consisting of 26,695 residential accounts and 2,159 non-residential accounts.

These projections exclude existing bulk water accounts, as bulk water services are considered temporary in nature and are not included in long-term account growth forecasts. Projected growth assumptions by customer class are summarized below:

### 2026 Projected New Accounts by Customer Class:

295	Residential (1 SFE)
0	Multi-Family
44	Commercial
44	Irrigation
383	Total

**2027 Projected New Accounts by Customer Class:**

425	Residential (1 SFE)
29	Multi-Family
23	Commercial
23	Irrigation
500	Total

Projections are for 383 new accounts for FY2026 and 500 new accounts for FY2027 for a total increase through FY2027 of 883 new accounts.

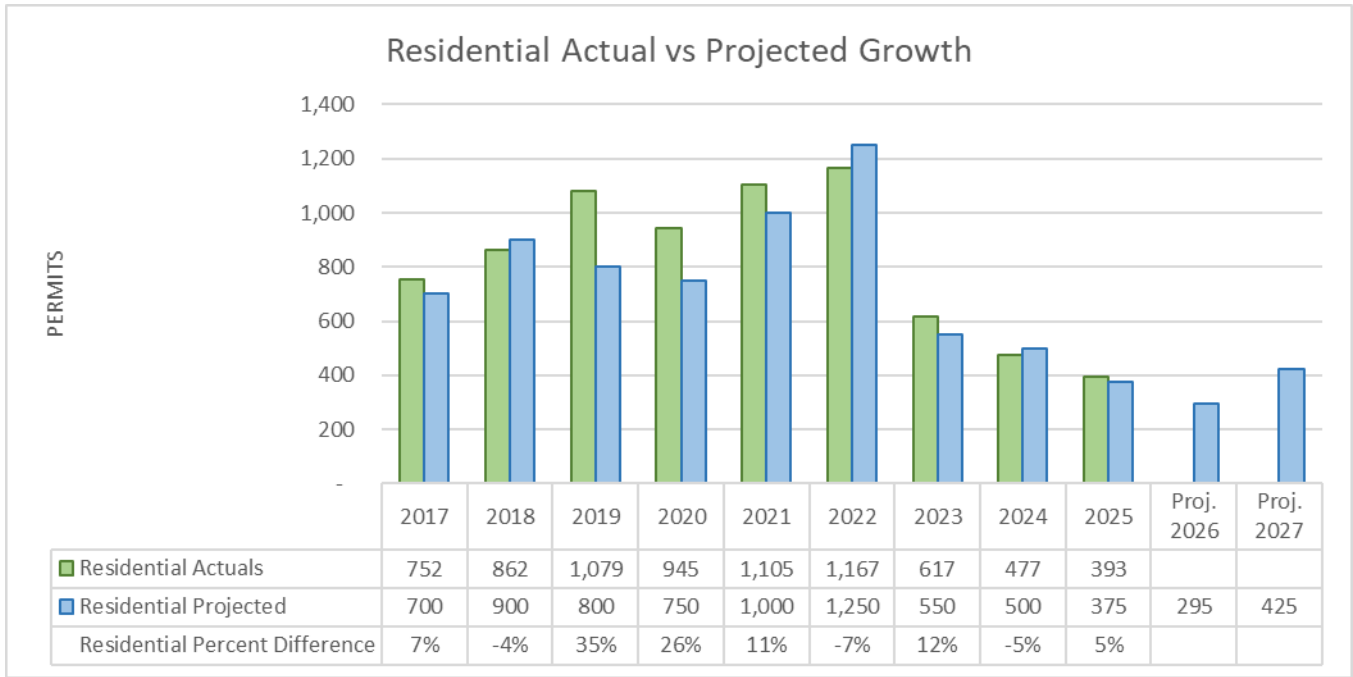
**2017-2027 ACTUAL GROWTH VERSUS PROJECTED GROWTH**

Castle Rock Water has experienced significant account growth throughout the timeframe of this analysis; however, declining permit activity beginning in 2022 suggests that near-term growth may be more moderate compared to previous years. Annual growth projections provided by the Town’s Development Services Department are critical inputs into the rate models and revenue forecasts used to evaluate future rate and fee adjustments.

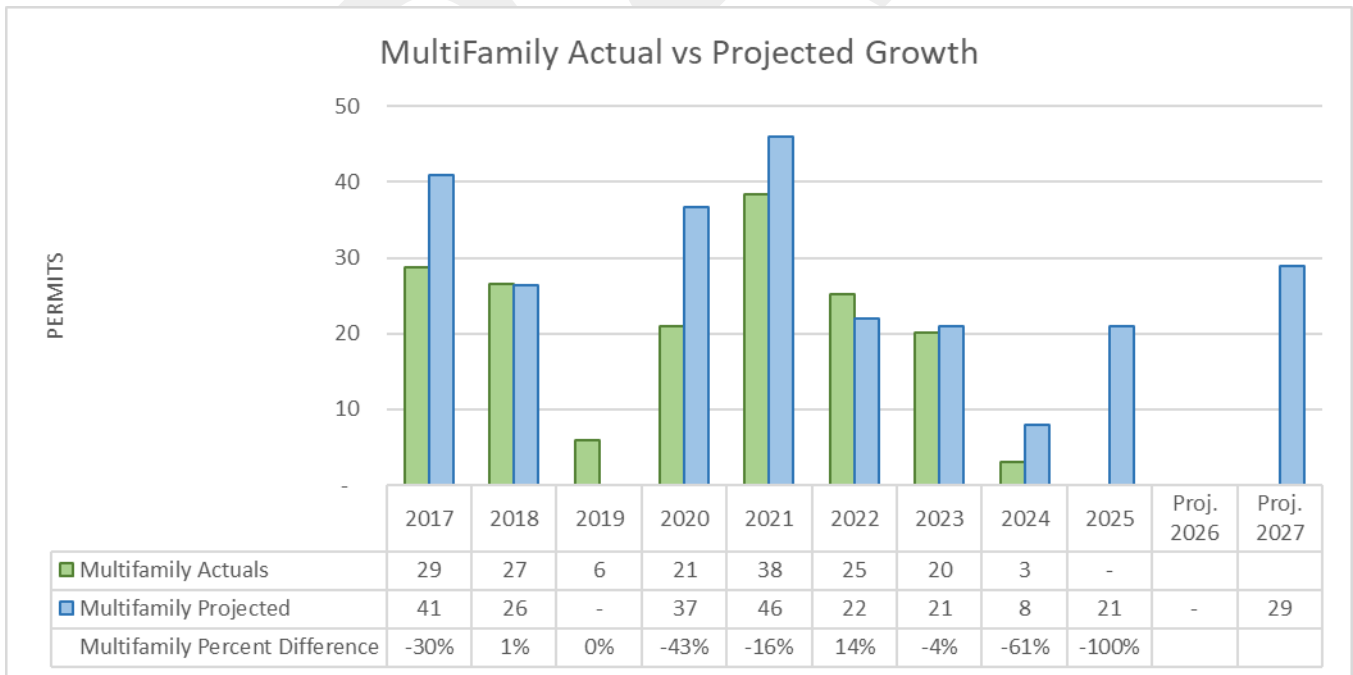
When evaluating future growth assumptions, it is also important to compare prior projections against actual development activity to assess forecasting accuracy over time. Charts 3 through 6 compare the actual number of permits issued to the projected number of permits for the same year across individual customer classes. These charts separately illustrate residential, multifamily, commercial, and irrigation permit activity, while Chart 7 provides a combined view of all customer classes.

Multifamily permits shown in Chart 4 generally represent master-metered accounts serving multiple residential units. Based on historical trends, the average number of units served per master-metered multifamily account is approximately 14 units per account.

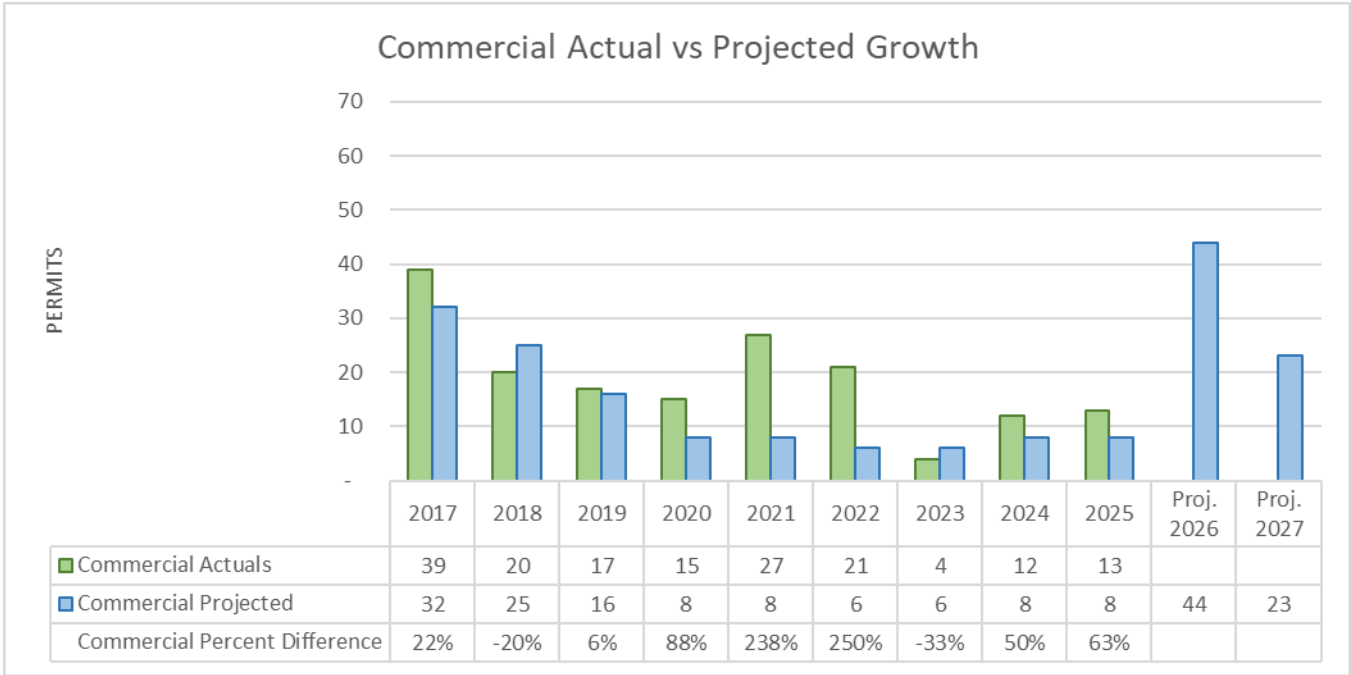
**CHART 3: RESIDENTIAL GROWTH**



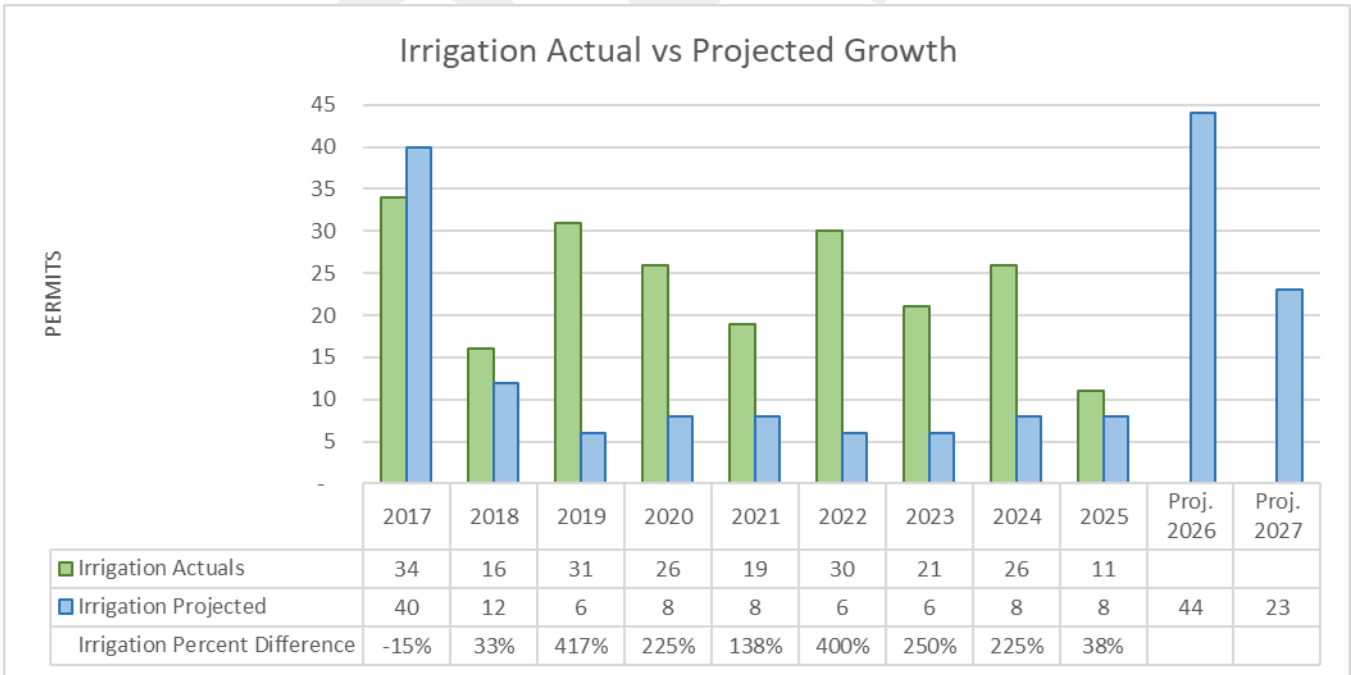
**CHART 4: MULTIFAMILY GROWTH**



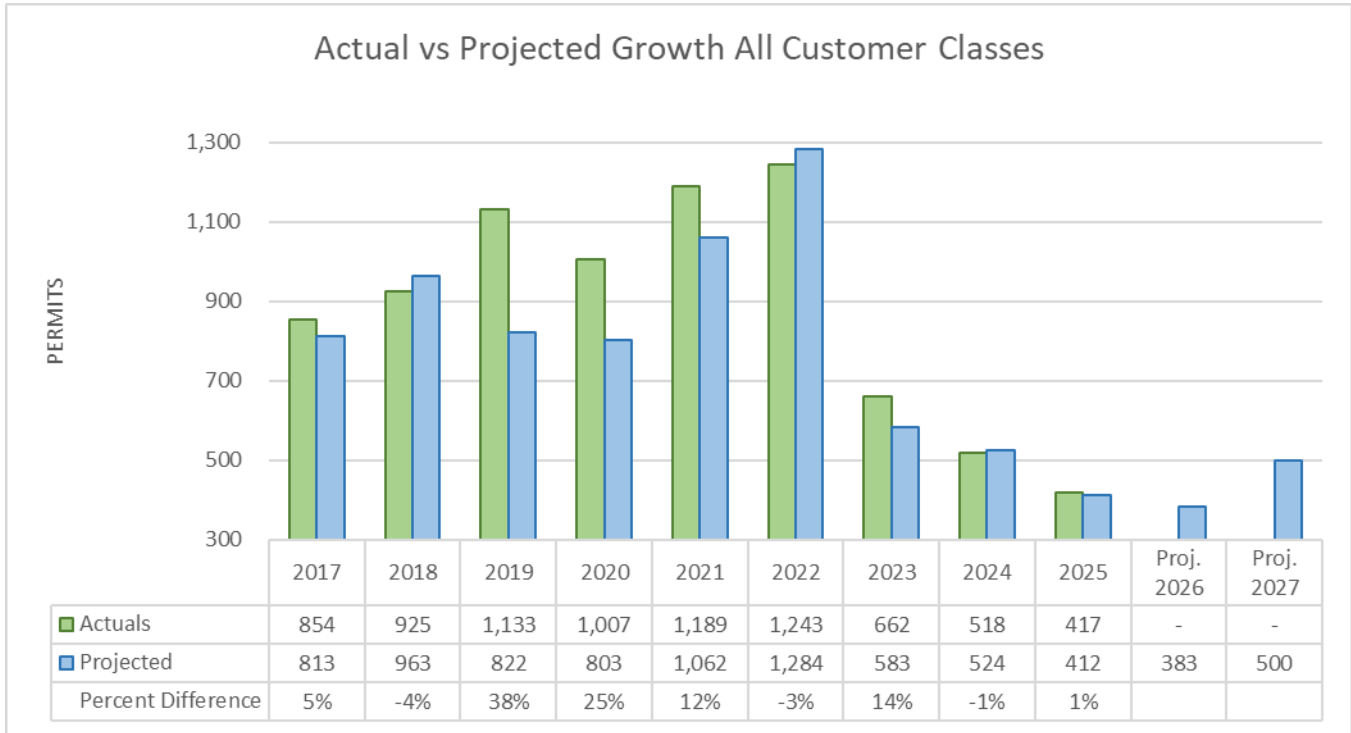
**CHART 5: COMMERCIAL GROWTH**



**CHART 6: IRRIGATION GROWTH**



### CHART 7: All CUSTOMER CLASSES COMBINED GROWTH



### 3-YEAR AVERAGE CONSUMPTION BY CUSTOMER CLASS

Table 2 presents the three-year average monthly consumption by meter size and customer class using billing data from 2023 through 2025. Table 2A provides additional detail for the residential customer class by breaking out the residential meter sizes shown in Table 2 and identifying their individual applicable three-year average consumption values.

Chart 8 illustrates the three-year average monthly consumption for all residential meter sizes ranging from 5/8-inch through 1-inch meters. The three most recent rolling three-year periods for residential accounts show a noticeable decrease in average consumption when compared to prior comparison periods. This reduction is primarily attributable to lower residential consumption observed during 2023, which was influenced by above-average rainfall during the irrigation season.

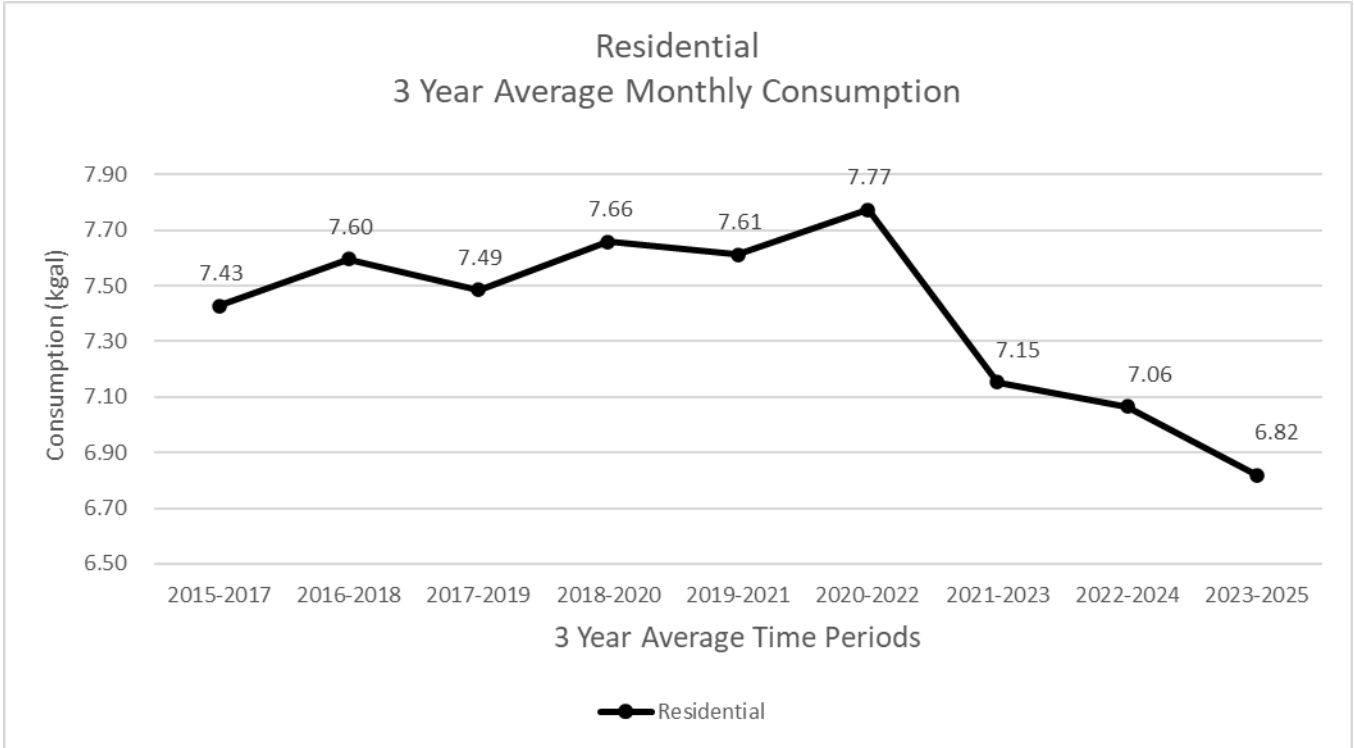
**TABLE 2: 3-YEAR AVG MONTHLY  
CONSUMPTION BY CUSTOMER CLASS &  
METER SIZE (2023-2025)**

Meter Size	Residential	Multifamily	Commercial	Irrigation	Multifamily Indoor Use Only	Commercial Indoor Use Only
5/8"	4.88	-	-	12.28	5.93	3.60
3/4"	7.02	21.36	8.62	29.53	3.65	9.04
1"	17.06	37.63	28.86	54.18	16.68	19.90
1.5"	-	63.17	45.17	115.95	53.14	38.38
2"	-	86.55	88.20	202.40	72.59	62.79
3"	-	288.09	161.46	377.11	366.87	88.98
4"	-	283.17	-	772.40	-	2,354.72
6"	-	-	658.00	-	-	-

**TABLE 2A: 3-YEAR AVG MONTHLY  
CONSUMPTION RESIDENTIAL METER SIZES  
(2023-2025)**

Residential Accounts									
Meter Size	2015-2017	2016-2018	2017-2019	2018-2020	2019-2021	2020-2022	2021-2023	2022-2024	2023-2025
5/8"	5.37	5.44	5.26	5.23	5.07	5.10	4.87	4.92	4.88
3/4"	7.48	7.68	7.59	7.81	7.81	8.01	7.38	7.29	7.02
1"	17.86	18.69	17.48	16.75	15.99	16.60	18.17	17.87	17.06
Average	7.43	7.60	7.49	7.66	7.61	7.77	7.15	7.06	6.82

**CHART 8: 3-YEAR AVG MONTHLY CONSUMPTION RESIDENTIAL ACCOUNTS**



**CHART 9: 3-YEAR AVG MONTHLY CONSUMPTION NON-RESIDENTIAL ACCOUNTS**

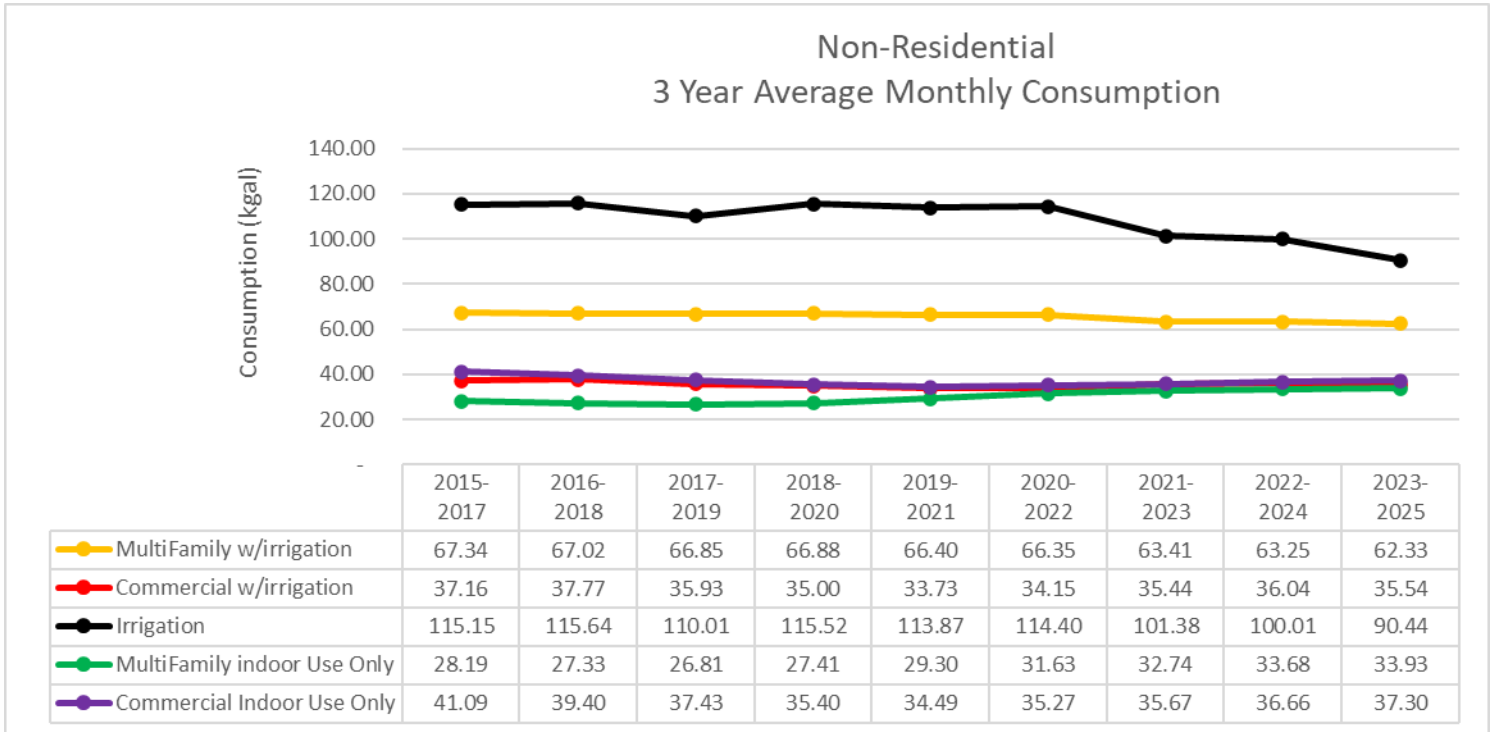


Chart 9 illustrates the three-year average monthly consumption for all non-residential customer classes. Overall, most non-residential customer classes have maintained relatively consistent average monthly consumption levels across the comparison periods. The primary exception is the irrigation customer class, which experienced a notable reduction beginning in the 2021-2023 comparison period. This decrease is likely attributable to the wetter-than-average irrigation season experienced in 2023, which reduced outdoor watering demand.

Chart 10 shows that the three-year average monthly consumption for ¾-inch through 3-inch meters across all customer classes has remained relatively stable throughout the comparison periods. This consistency indicates that overall demand characteristics for these meter sizes have remained steady despite fluctuations in weather patterns and development activity over time.

**CHART 10: 3-YEAR AVG MONTHLY CONSUMPTION BY METER SIZE ¾" to 3" ALL CUSTOMER CLASSES**

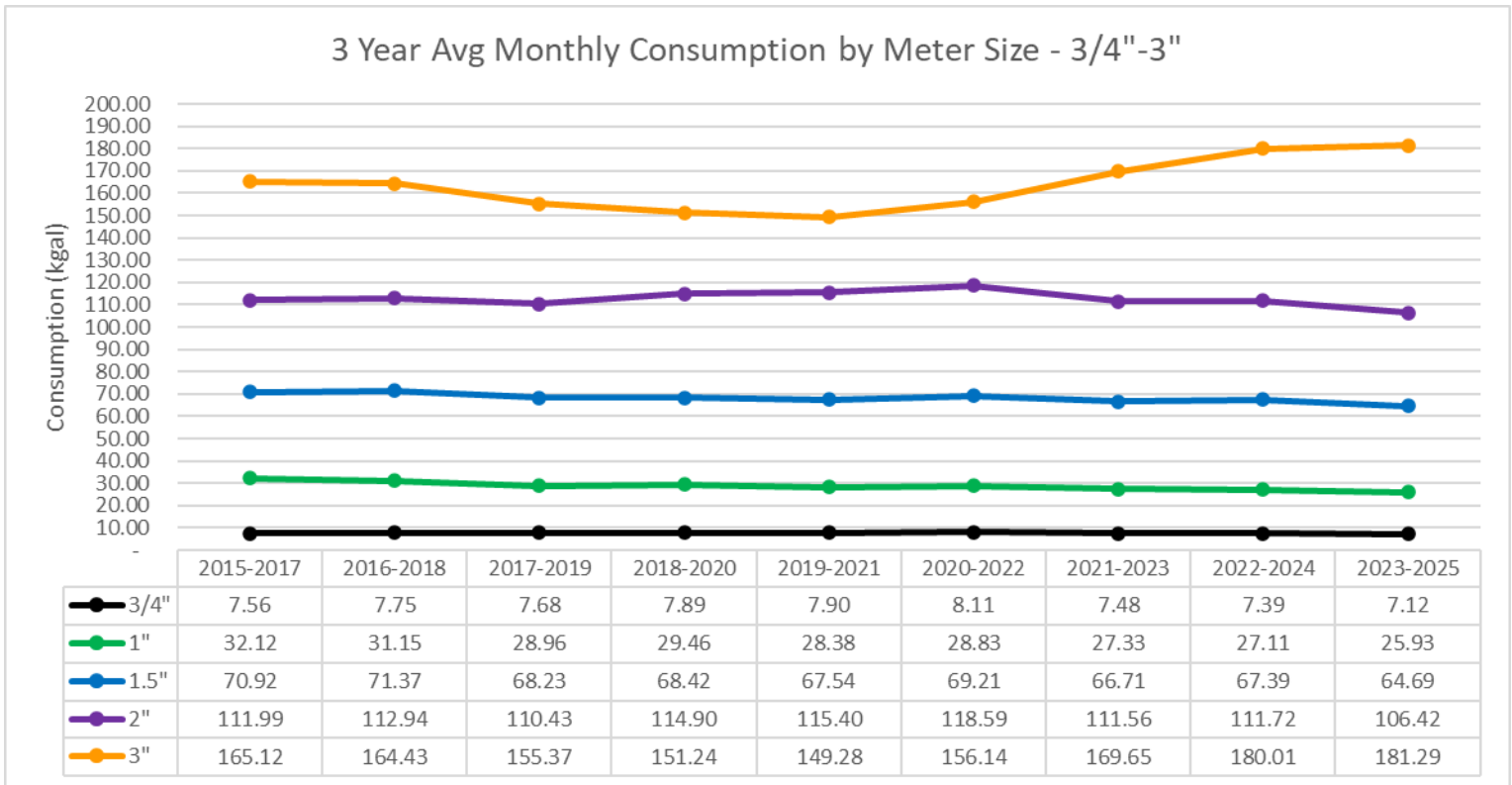
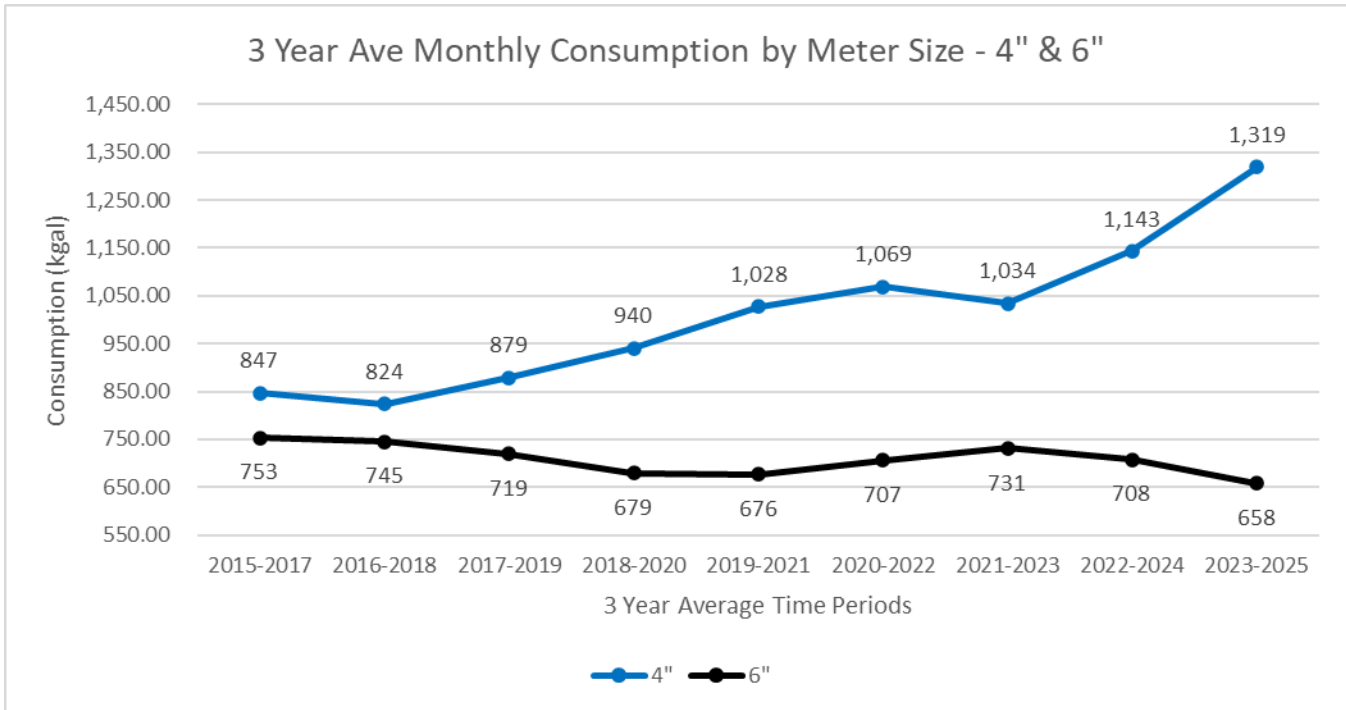


Chart 11 illustrates the average consumption for the two 6-inch meters currently in service. Consumption for these meters began trending downward during the 2016-2018 comparison period, followed by a modest increase in subsequent years, and then returned to a declining trend in the more recent comparison periods. This recent decrease may be partially attributable to the wetter conditions experienced during 2023, which reduced overall irrigation demand and system usage.

Castle Rock Water currently has five 4-inch meters in service, consisting of four active meters and one redundant meter maintained for medical facility backup purposes. The increase observed in the 4-inch meter consumption pattern is primarily driven by the medical facility meter installed in 2013, which has contributed significantly to the overall usage profile for this meter category.

**CHART 11: 3-YEAR AVG MONTHLY CONSUMPTION BY METER SIZE - 4" and 6"**



**3-YEAR AVERAGE CONSUMPTION WITH & WITHOUT IRRIGATION**

Table 3 presents the average monthly consumption by meter size for all customer classes combined. The data demonstrates the significant seasonal variation in water demand, with monthly consumption in some cases more than doubling between the summer irrigation season and the winter non-irrigation season. This seasonal increase reflects the substantial impact that outdoor irrigation demand has on overall system usage during warmer months.

**TABLE 3: 3-YEAR AVERAGE MONTHLY CONSUMPTION BY METER SIZE FOR ALL CUSTOMER CLASSES COMBINED (2023-2025)**

Meter Size	With Irrigation	Without Irrigation
5/8"	5.78	3.58
3/4"	9.10	4.26
1"	30.70	17.36
1.5"	75.75	41.88
2"	127.03	61.30
3"	209.89	136.19
4"	1,368.64	1,249.37
6"	740.29	538.83

**CHART 12: 3-YEAR AVG MONTHLY CONSUMPTION 3/4" METERS**

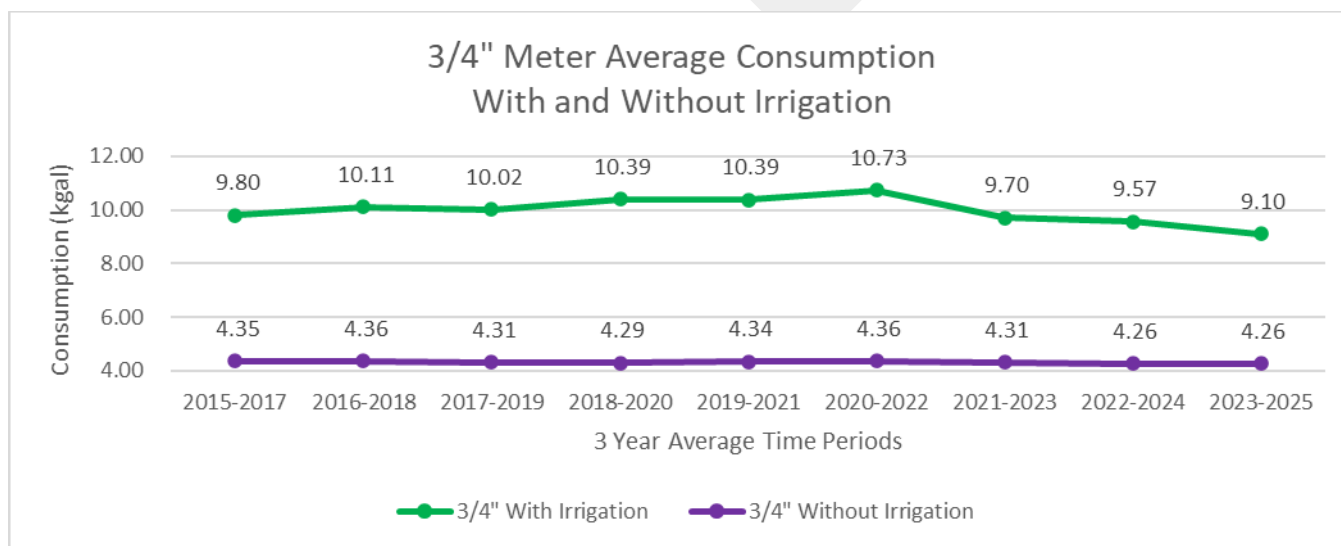


Chart 12 demonstrates that usage for 3/4-inch meter accounts during the non-irrigation season (“without irrigation”) has remained highly consistent from year to year. Approximately 97% of all 3/4-inch meters are residential accounts, making this meter size a strong indicator of indoor residential water usage trends. The consistency in winter consumption suggests that indoor water demand has remained stable over time, even as the total number of residential accounts has continued to increase.

The “with irrigation” consumption pattern for 3/4-inch meters began declining during the 2021-2023 comparison period. This decrease was driven primarily by above-average rainfall totals

during the 2023 irrigation season, which reduced outdoor watering demand and overall summer consumption.

**CHART 13: 3-YEAR AVG MONTHLY CONSUMPTION 1" METERS**

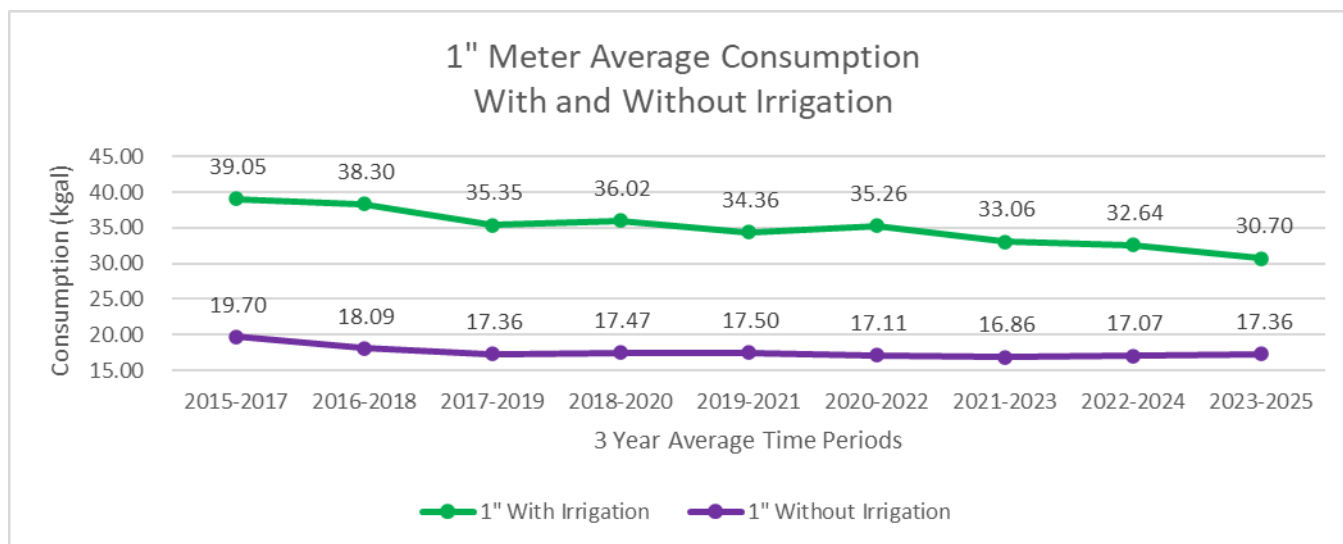
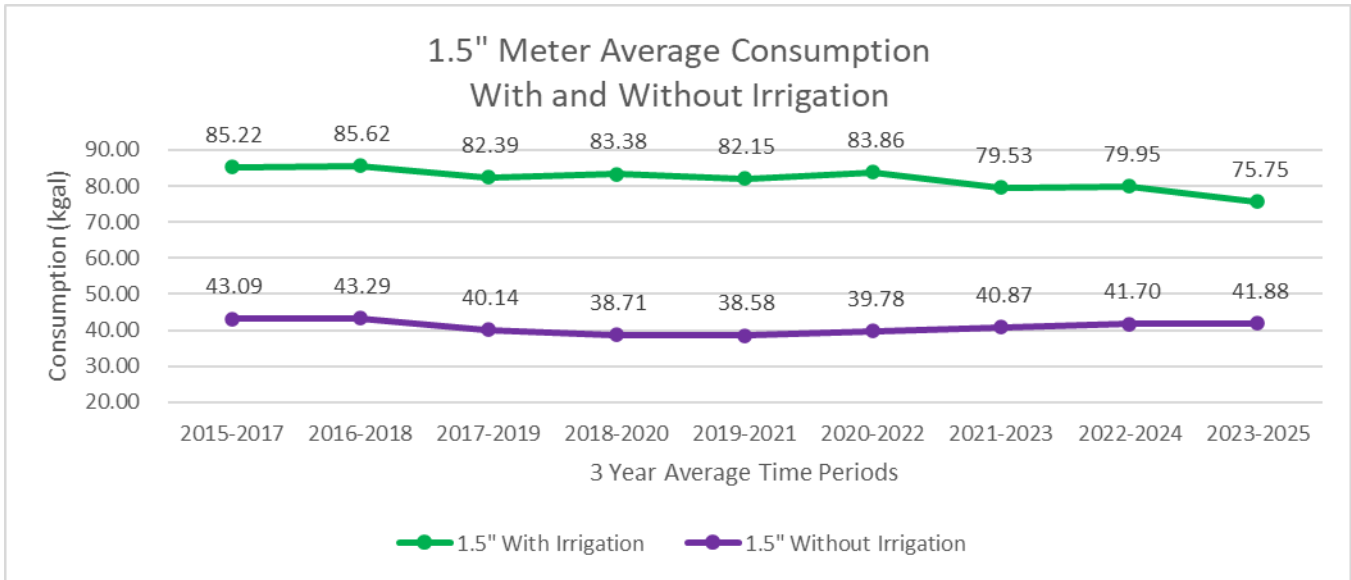


Chart 13 illustrates that 1-inch meter consumption during the non-irrigation season (“without irrigation”) has remained relatively stable over the last seven comparison periods following downward trends that began during the 2015-2017 comparison period. Usage for 1-inch meter accounts during the irrigation season (“with irrigation”) also remained generally consistent from 2017 through 2022 but began to decline starting in the 2021-2023 comparison period. This decrease coincides with the wetter irrigation season experienced in 2023, which reduced outdoor watering demand.

Chart 14 shows that both “with irrigation” and “without irrigation” usage patterns for all 1.5-inch meter accounts remained relatively consistent across the comparison periods until the most recent three-year periods. Similar to other meter sizes, the “with irrigation” usage for 1.5-inch accounts began to decrease during the 2021-2023 comparison period, likely influenced by increased rainfall totals during 2023.

**CHART 14: 3-YEAR AVG MONTHLY CONSUMPTION 1.5" METERS**



**CHART 15: 3-YEAR AVG MONTHLY CONSUMPTION 2" METERS**

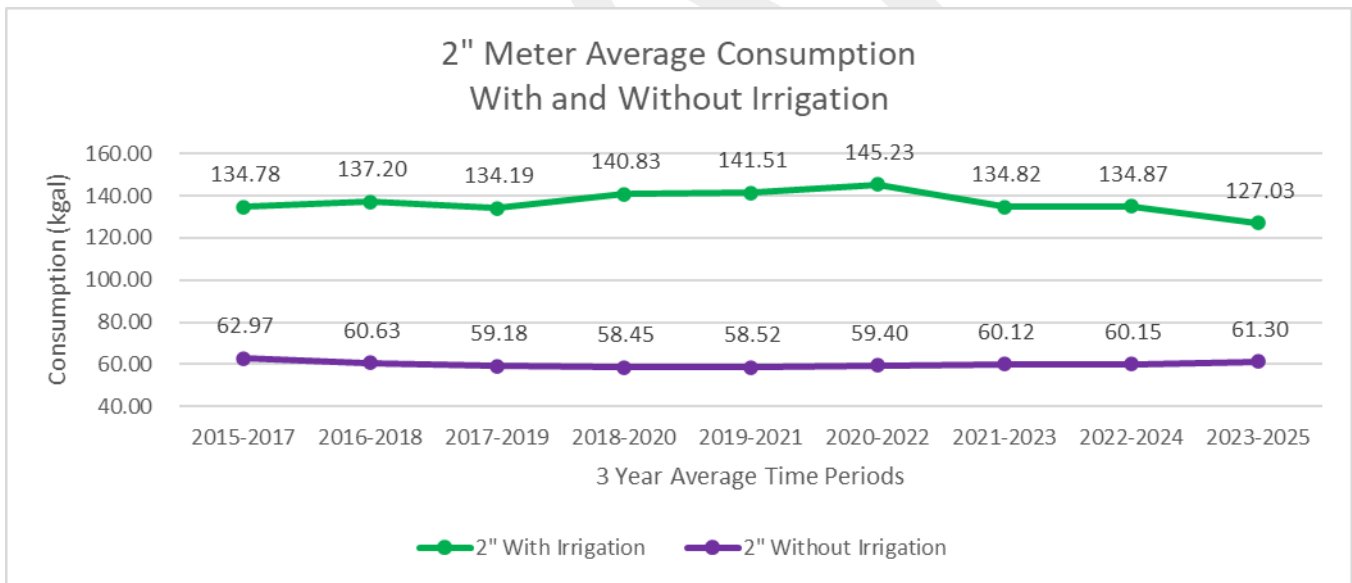
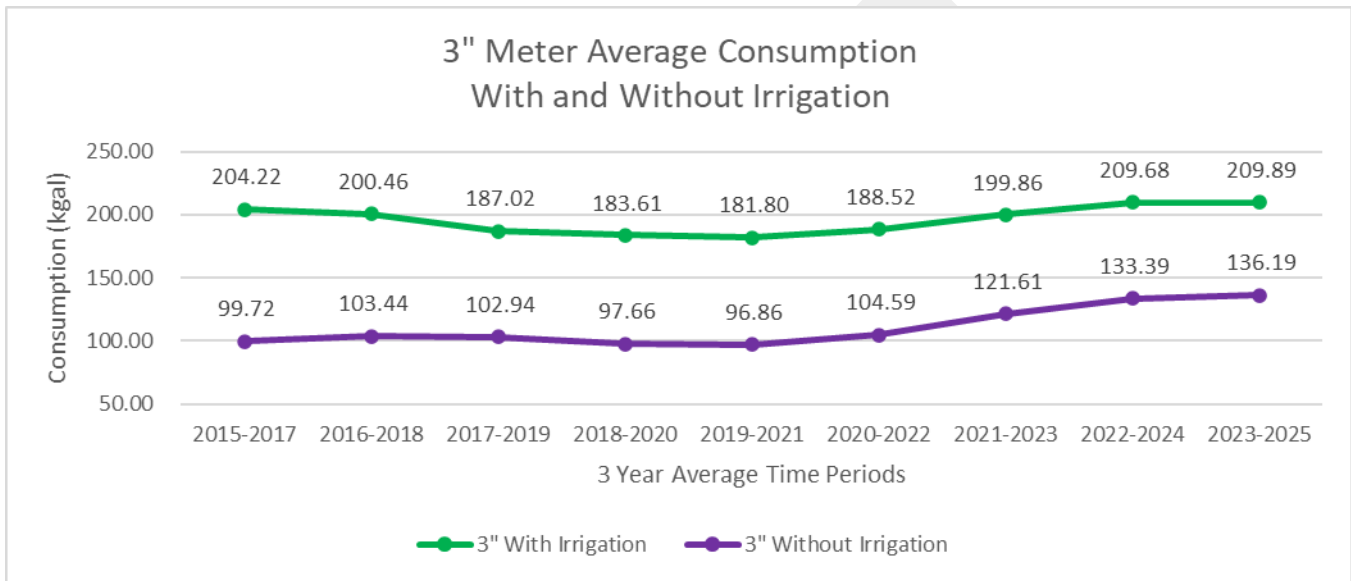


Chart 15 illustrates that 2-inch meters without irrigation have maintained a relatively stable consumption trend across all comparison periods. Consumption for 2-inch meters with irrigation generally showed a slight upward trend over time; however, usage declined beginning in the 2021-2023 comparison period, likely as a result of above-average rainfall during the 2023 irrigation season.

Chart 16 shows that average consumption for 3-inch meters, both with and without irrigation, began increasing during the 2020-2022 comparison period. This increase was driven largely by the addition of two multifamily accounts in 2021. Because there are fewer than forty 3-inch meters in service, the addition of only a small number of accounts can significantly influence the overall average consumption for this meter size category.

**CHART 16: 3-YEAR AVG MONTHLY CONSUMPTION 3" METERS**



**CHART 17: 3-YEAR AVG MONTHLY CONSUMPTION 4" METERS**

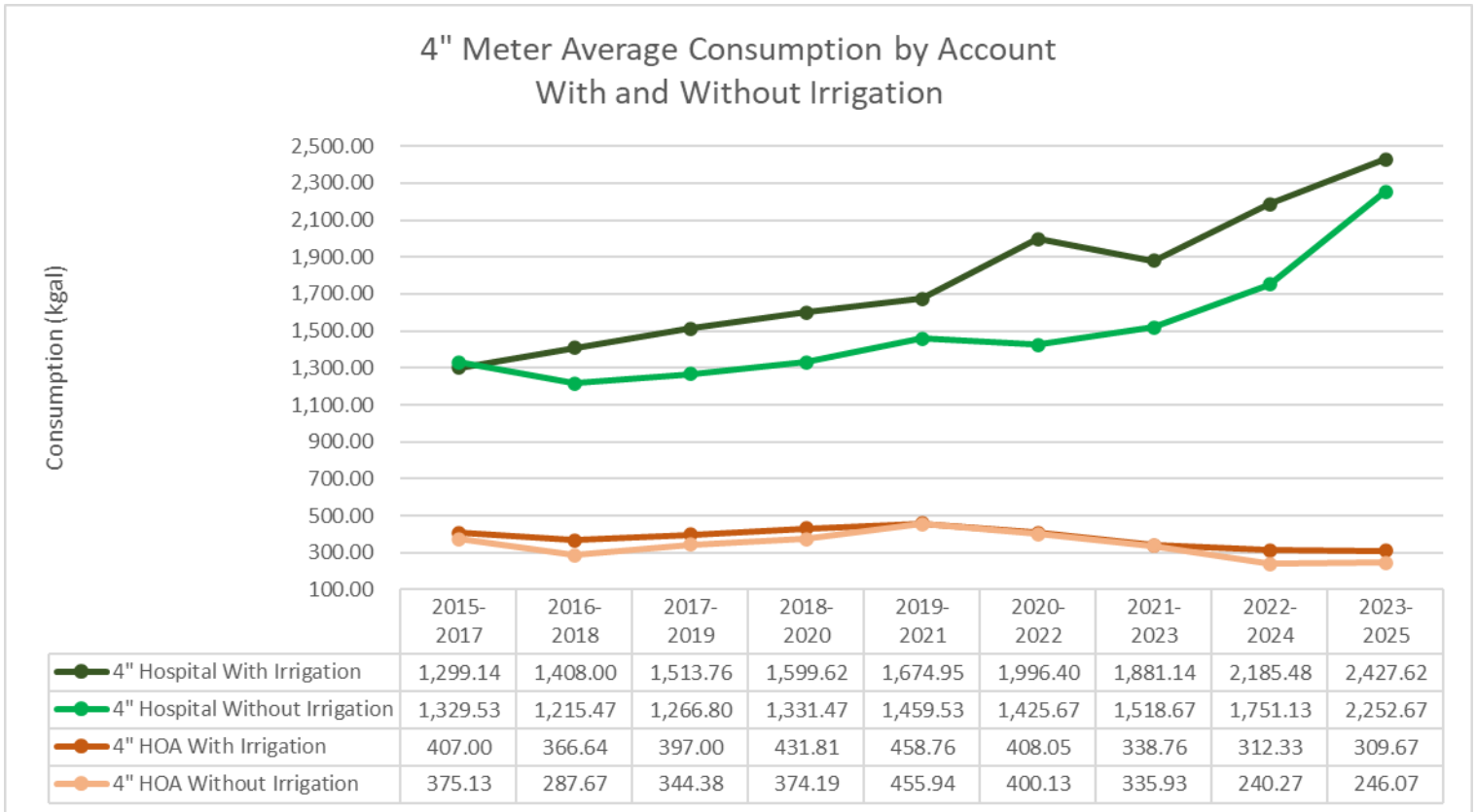
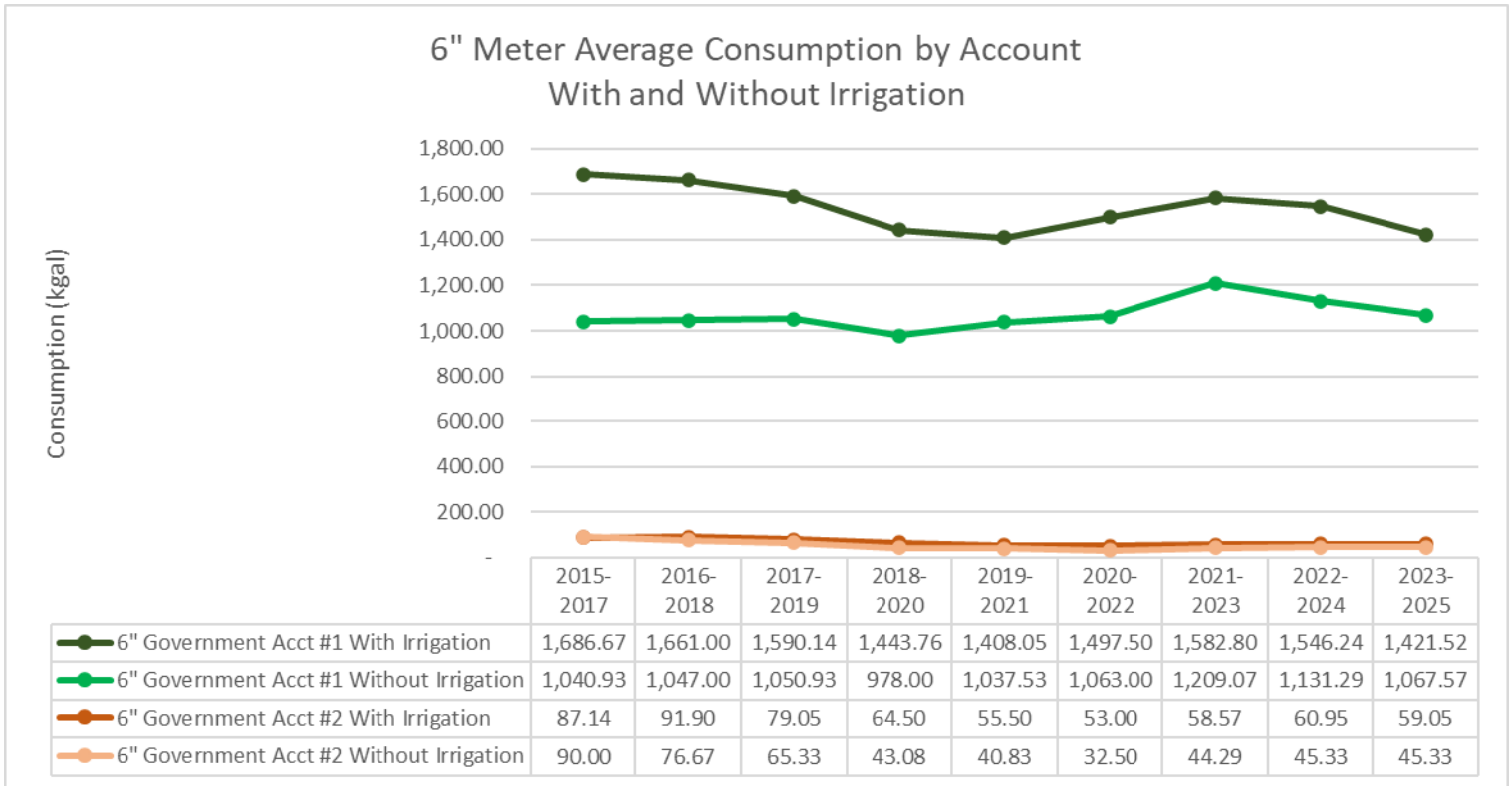


Chart 17 illustrates the average consumption patterns for two different types of customers utilizing 4-inch meters. As shown in the chart, customers with the same meter size can exhibit significantly different consumption patterns based on the nature of their operations and water demands. Additionally, because there are currently only four active 4-inch meters in service, the usage characteristics of a single account can substantially influence the overall average consumption for this meter category.

Chart 18 shows that the average monthly consumption for the two 6-inch meters currently in service has remained relatively consistent over the most recent comparison periods. Similar to the 4-inch meter analysis, the chart highlights the varying levels of water usage between customers utilizing the same size 6-inch meter, demonstrating how customer-specific operational demands can significantly affect overall consumption patterns within a limited sample size.

**CHART 18: 3-YEAR AVG MONTHLY CONSUMPTION 6" METERS**



### **EQUIVALENCY FACTORS**

There are two primary methods used to calculate equivalency factors. The first is the hydraulic capacity method, which is based on the relative flow capacity of different meter sizes and meter types used to deliver water. The second method uses actual consumption patterns and considers the relative potential demands of different customer types.

Under the hydraulic capacity method, a ¾-inch single-family residential meter serves as the base unit for one Single Family Equivalent (SFE). The maximum flow rate through each meter, measured in gallons per minute (GPM), becomes the basis for comparison. The maximum flow demand of other customer types is then compared to the base residential demand to determine an equivalency ratio. For example, if a base single-family residential customer requires 30 GPM and a commercial customer requires 200 GPM, the resulting equivalency ratio would equal 6.67 (200 ÷ 30).

The second method utilizes actual-use equivalency factors based on the relative average monthly water consumption of Castle Rock Water customers. This approach reflects actual customer demand characteristics rather than theoretical hydraulic capacity alone.

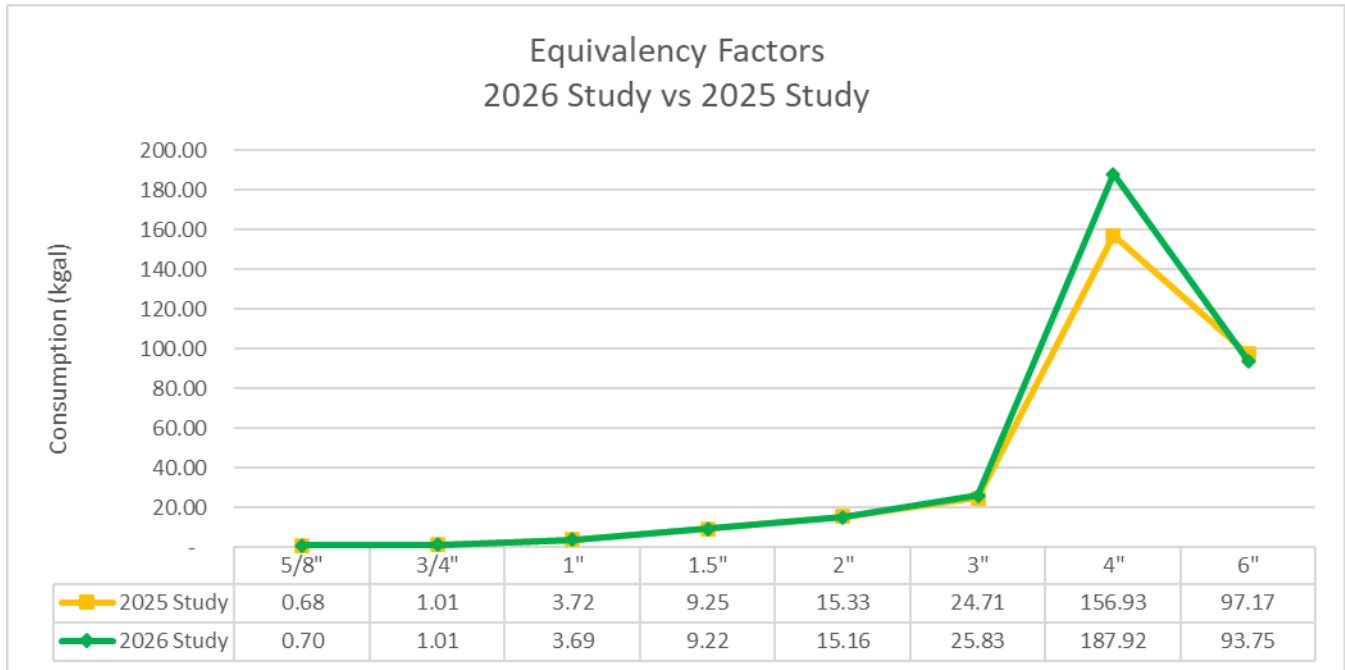
Table 4 presents equivalency factors by customer class and meter size using a ¾-inch single-family residential customer as the baseline comparison unit. The equivalency factors shown in Table 4 are key inputs into the system development fees model used to calculate the total number of SFEs served by the system. SFEs are determined by multiplying the applicable equivalency factor by the number of meters within each customer class and meter size category. These calculations help quantify existing system demand and support capacity planning, cost allocation, and infrastructure funding analyses.

**TABLE 4: 2026 STUDY ACTUAL USE EQUIVALENCY FACTORS (BASED ON 3-YEAR AVG. 2023-2025)**

Meter Size	Residential	Multifamily	Commercial	Irrigation	Multifamily Indoor Use Only	Commercial Indoor Use Only	Equivalency Factor
5/8"	0.70	-	-	1.75	0.84	0.51	0.70
3/4"	1.00	3.04	1.23	4.21	0.52	1.29	1.01
1"	2.43	5.36	4.11	7.72	2.38	2.83	3.69
1.5"	-	9.00	6.44	16.52	7.57	5.47	9.22
2"	-	12.33	12.57	28.84	10.34	8.95	15.16
3"	-	41.05	23.00	53.73	52.27	12.68	25.83
4"	-	40.34	-	110.05	-	335.49	187.92
6"	-	-	93.75	-	-	-	93.75

Chart 19 compares the equivalency factors calculated in the current Rates and Fees Study to those developed in the prior year’s study. As illustrated in the chart, there are no significant variances between the two study periods, indicating that customer demand characteristics and consumption relationships by meter size and customer class have remained generally consistent. Based on this analysis, no changes to the existing equivalency factor methodology are recommended as part of the 2026 Rates and Fees Study.

**CHART 19: EQUIVALENCY FACTORS 2026 STUDY COMPARED TO THE 2025 STUDY**



**REPRESENTATIVE CUSTOMER BY CUSTOMER CLASS**

Customer data from the most recent three-year period (2023-2025) is used to determine an average representative customer for each customer class. One customer from each customer class is then selected to represent the class average, and that customer’s consumption patterns are used to calculate a typical customer’s annual bill. The representative customer analysis includes the following steps:

- Calculate the average consumption, total consumption, and seasonal consumption during both the irrigation and winter periods using the most recent billing data (January 2025 through December 2025).
- Identify the most common meter size within each customer class and determine the associated average consumption by customer class and meter size.
- Select one customer per customer class from the data sample with both irrigation season and winter season consumption to serve as the representative customer for that class.
- Exclude customers with atypical consumption patterns from the representative customer pool to avoid skewing the average calculations for each customer class. Additional discussion regarding atypical accounts and their consumption patterns is provided in the following section of the report.

The results of the representative customer analysis shown in Table 5 are very similar to those calculated in the prior year's study. Average Winter Monthly Consumption (AWMC) is calculated by averaging the customer's total potable water consumption during the months of November through February in accordance with standard operating procedures maintained by Castle Rock Water. AWMC represents the amount of indoor water use associated with Tier 1 consumption as well as the volume of wastewater treated each month. For new customers without an established AWMC history, the applicable customer class average for water and wastewater consumption is used.

During this study period, the average AWMC for single-family residential customers was 4,000 gallons per month. Irrigation accounts typically do not have winter consumption; however, as shown in Table 5, a small amount of winter usage does occur due to factors such as leaks, delayed winterization, or irrigation activity occurring prior to the start of the formal irrigation season.

**TABLE 5: REPRESENTATIVE CUSTOMER BY CLASS  
2025 BILLING DATA**

Customer Class	Most Common Meter Size	Total Annual Consumption (kgal)	Average Monthly Consumption (Jan-Dec 2025) (kgal)	Average Winter Monthly Consumption (kgal)	Average Irrigation Monthly Consumption (kgal)
Residential	3/4"	85.23	7.10	4.26	9.09
Multifamily	1.5"	736.76	61.40	40.65	76.09
Commercial	3/4"	113.99	9.50	6.38	11.58
Irrigation	3/4"	340.26	28.35	6.47	29.52
Multifamily Indoor Use Only	1.5"	615.71	51.31	50.32	52.01
Commercial Indoor Use Only	3/4"	99.84	8.32	7.76	8.70

**ATYPICAL ACCOUNTS**

In addition to completing the three-year average consumption comparisons, Castle Rock Water evaluates atypical customer accounts as part of the Rates and Fees Study analysis. An atypical customer is defined as an account whose consumption patterns differ significantly from those of an average customer within the same meter size and/or customer class due to the nature of the customer’s operations, business activities, or unique water demands. These accounts are removed from the representative customer average calculations to avoid skewing the averages used in rate modeling and customer bill analyses.

For the 2026 Rates and Fees Study, the larger atypical customer categories removed from the three-year average calculations include:

- 200% ET accounts
- Carwashes
- Hotels

- Outdoor bathrooms
- Parking garages
- Sample stations
- SFE reservations
- Swimming pools

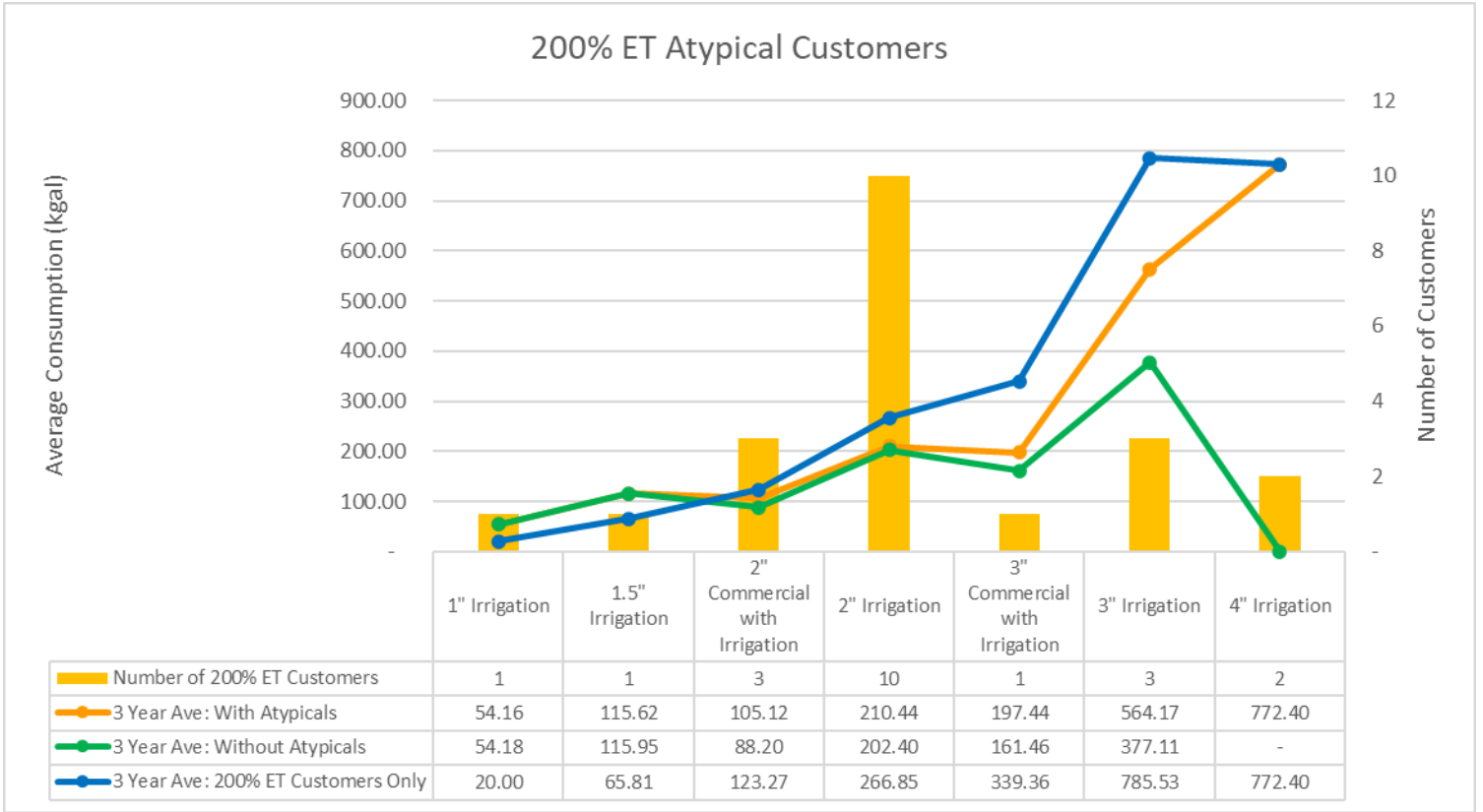
Customers designated with a 200% ET (Evapotranspiration) factor are primarily programmed athletic fields that require additional irrigation water to support heavier turf use and operational demands.

After further evaluation of consumption patterns, several account types were determined not to be atypical because their average usage patterns were generally consistent with those of other customers within the same meter size and customer class. These account types remain included in the representative customer average calculations and include:

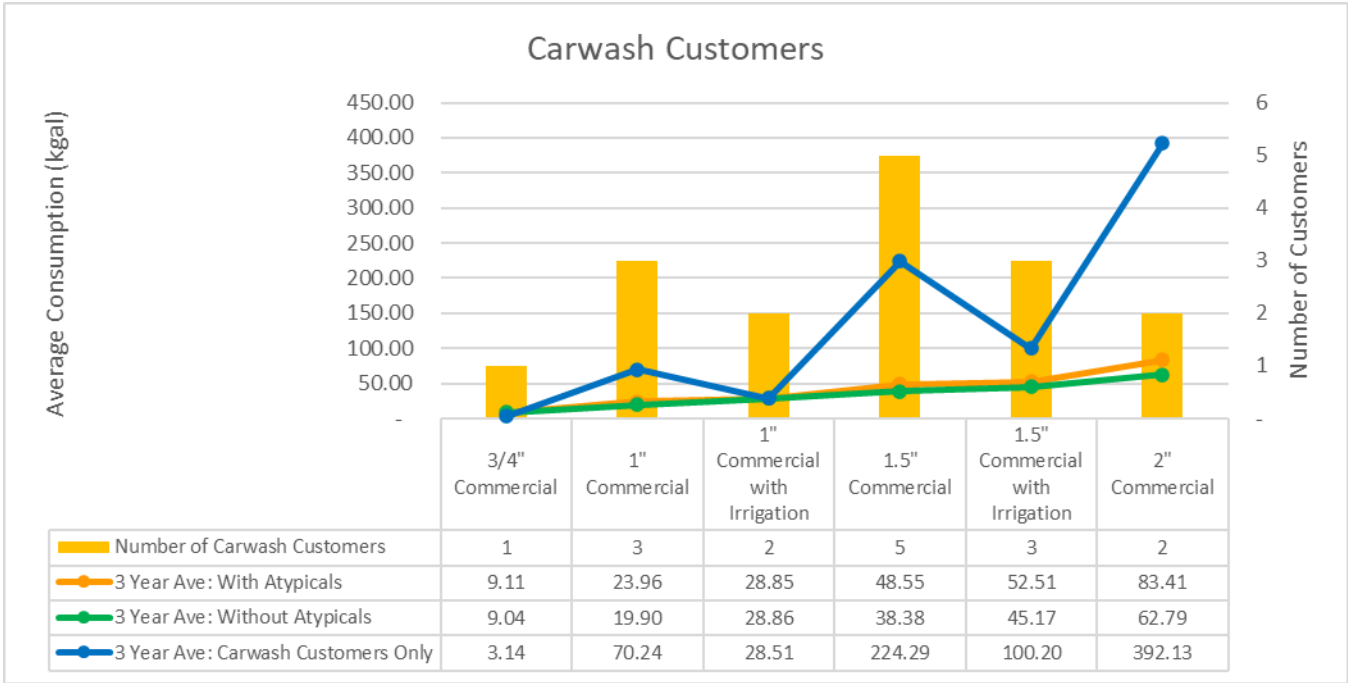
- Snowbird accounts
- Medical facilities other than the hospital
- Castle Rock Water facilities
- The Fairgrounds

Charts 20 through 23 illustrate selected atypical customer classes with the largest consumption variances. These charts compare the three-year average consumption with atypical customers included, the three-year average with atypical customers excluded, and the specific three-year average consumption patterns for each atypical customer class.

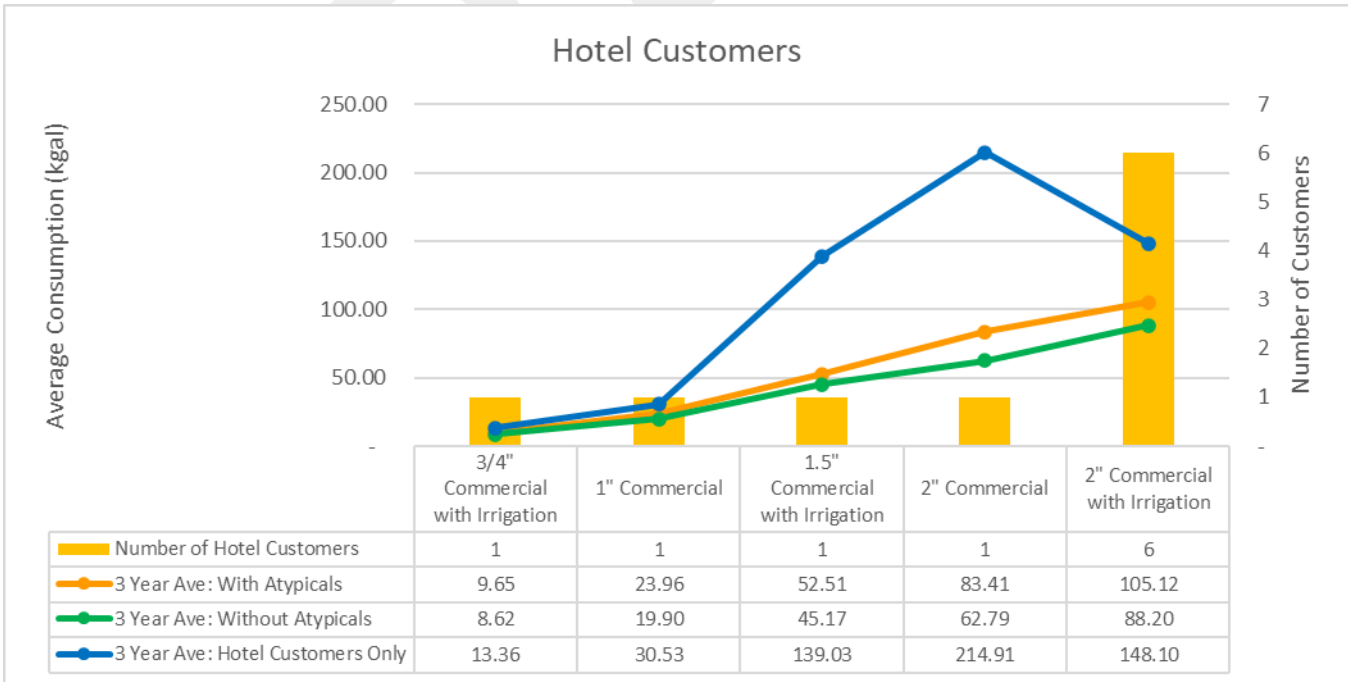
**CHART 20: 200% ET ATYPICAL CUSTOMERS**



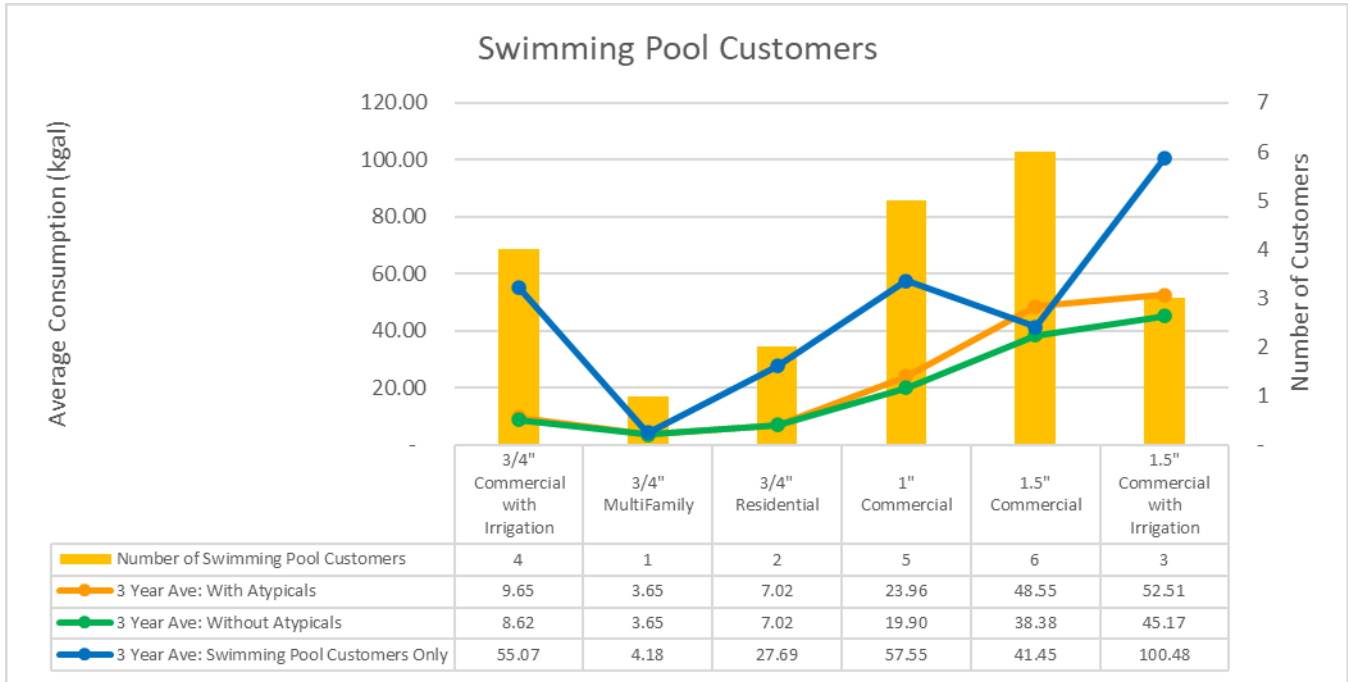
**CHART 21: CARWASH ATYPICAL CUSTOMERS**



**CHART 22: HOTEL ATYPICAL CUSTOMERS**



**CHART 23: SWIMMING POOL ATYPICAL CUSTOMERS**



**CONSUMPTION BY TIER**

To evaluate changes in water usage by tier over time, Table 6 and Table 7 were prepared using actual billing data from January 2025 through December 2025. These tables summarize total billed water usage within each tiered rate category by customer class and provide a basis for comparing customer consumption trends over time.

Charts 24 through 28 illustrate total water usage by tier for each customer class from 2016 through 2025. These charts help evaluate how customers are utilizing their allocated water budgets and whether long-term conservation efforts are influencing customer behavior. The analysis also provides insight into the extent to which customers are avoiding Tier 3 excessive usage charges and surcharges.

Revenue generated from water use surcharges is allocated to the Water Resources Fund and supports water conservation initiatives, including programs such as the ColoradoScape rebate program and other conservation-related efforts.

**TABLE 6: BILLED USAGE BY CUSTOMER CLASS BY TIER JANUARY 2025-DECEMBER 2025**

Class	Tier 1	Tier 2	Tier 3	Total	Surcharge
Commercial	137,444	-	60,770	198,214	-
Commercial w/ Irrig	63,511	35,199	29,747	128,457	-
Irrigation	-	254,368	90,748	345,116	-
MultiFamily	139,158	-	30,260	169,418	-
MultiFamily w/ Irrig	48,637	18,296	14,883	81,816	-
Residential	1,057,204	790,840	230,909	2,078,953	13,497
<b>Total Kgals</b>	<b>1,445,954</b>	<b>1,098,703</b>	<b>457,317</b>	<b>3,001,974</b>	<b>13,497</b>
Tier % of Total	48%	37%	15%	100%	

**TABLE 7: BILLED USAGE BY SEASON BY CUSTOMER CLASS BY TIER JANUARY 2025-DECEMBER 2025**

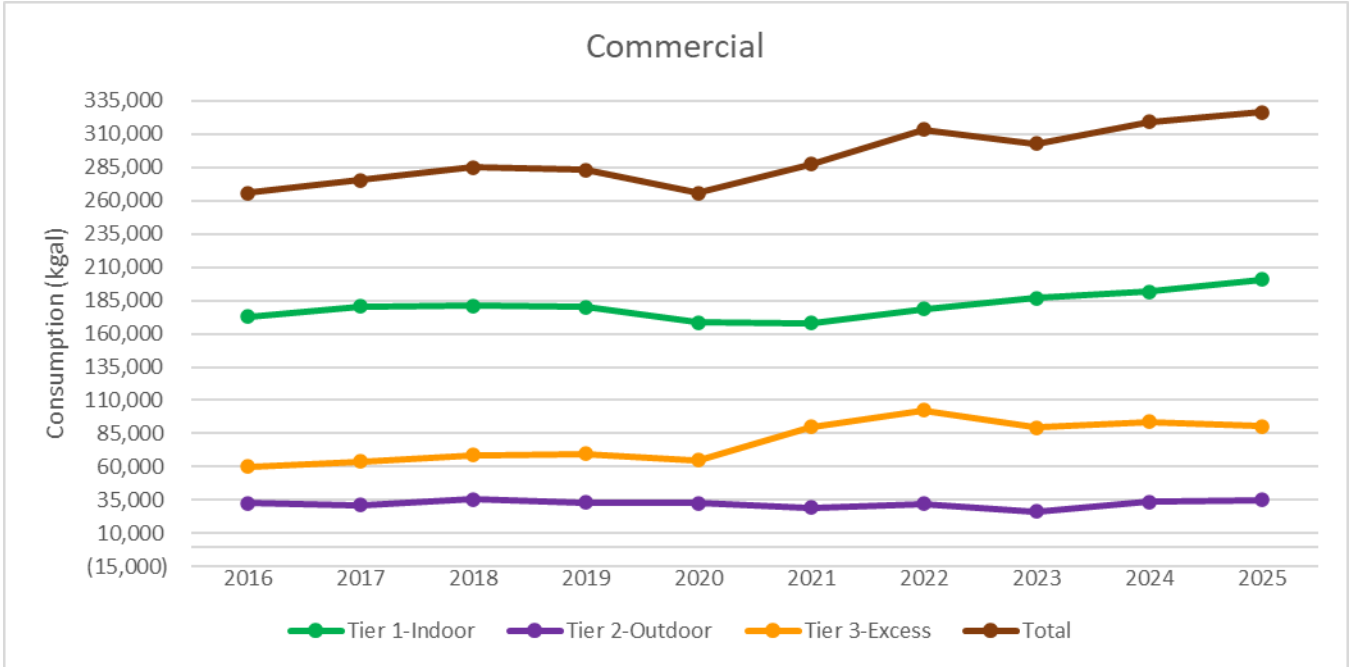
**Winter Season**

Class	Tier 1	Tier 2	Tier 3	Total	Surcharge
Commercial	56,538	-	20,017	76,555	-
Commercial w/ Irrig	25,387	-	8,594	33,981	-
Irrigation	-	-	1,985	1,985	-
MultiFamily	56,538	-	11,777	68,315	-
MultiFamily w/ Irrig	19,588	-	3,353	22,941	-
Residential	419,079	-	100,735	519,814	1,033
<b>Total Kgals</b>	<b>577,130</b>	<b>-</b>	<b>146,461</b>	<b>723,591</b>	<b>1,033</b>
Tier % of Total	80%	0%	20%	100%	

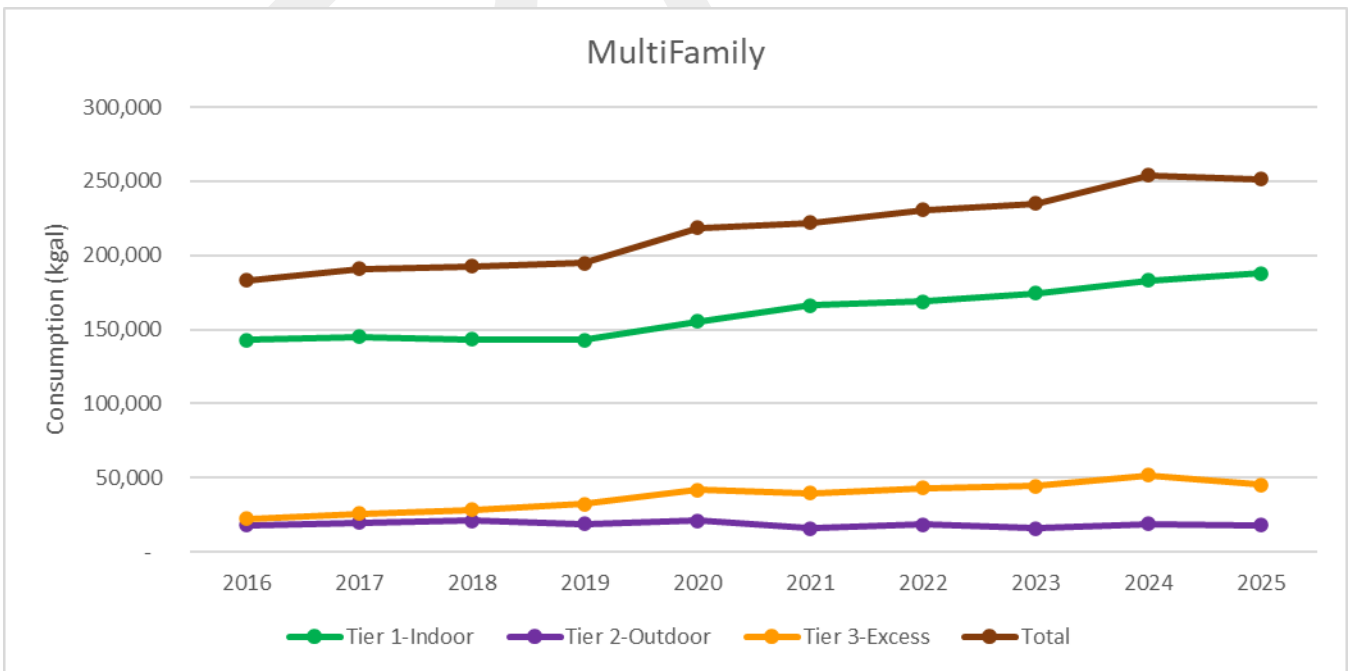
**Irrigation Season**

Class	Tier 1	Tier 2	Tier 3	Total	Surcharge
Commercial	80,906	-	40,753	121,659	-
Commercial w/ Irrig	38,124	35,199	21,153	94,476	-
Irrigation	-	254,368	88,763	343,132	-
MultiFamily	82,620	-	18,483	101,103	-
MultiFamily w/ Irrig	29,049	18,296	11,530	58,875	-
Residential	638,125	790,840	130,174	1,559,139	12,464
<b>Total Kgals</b>	<b>868,824</b>	<b>1,098,703</b>	<b>310,856</b>	<b>2,278,384</b>	<b>12,464</b>
Tier % of Total	38%	48%	14%	100%	

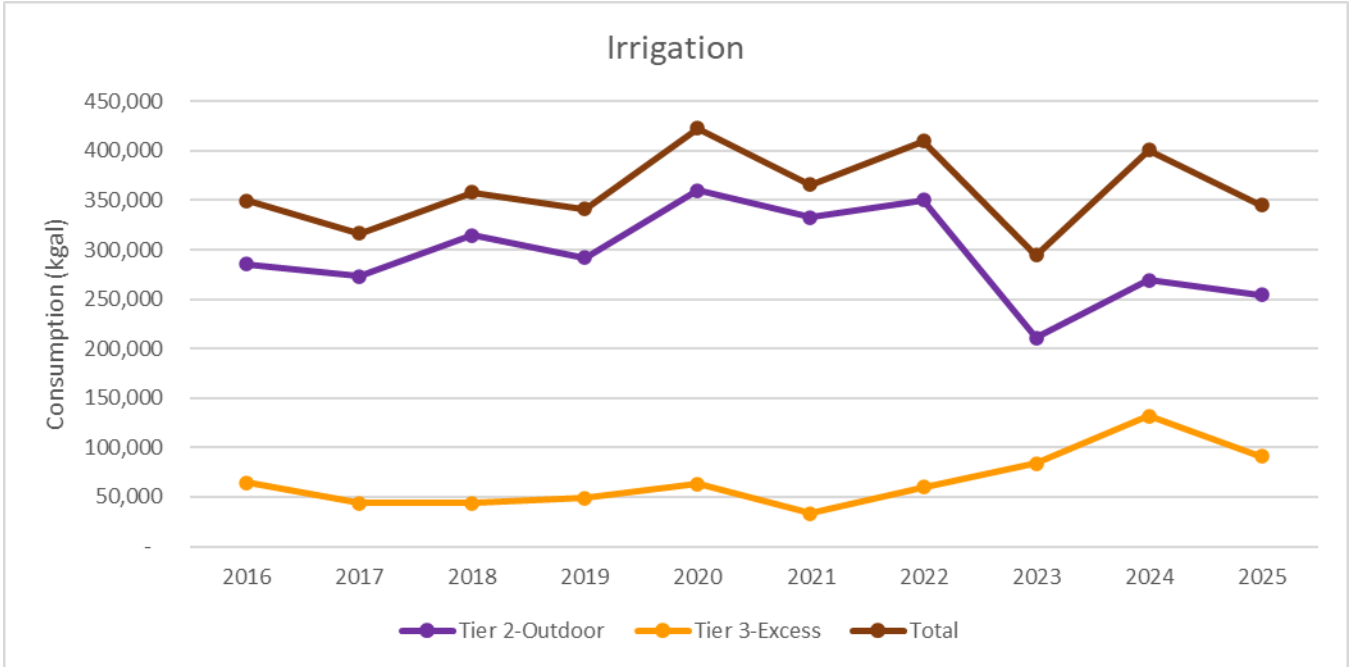
**CHART 24: COMMERCIAL CUSTOMER CLASS  
ANNUAL BILLED USAGE BY TIER 2016-2025**



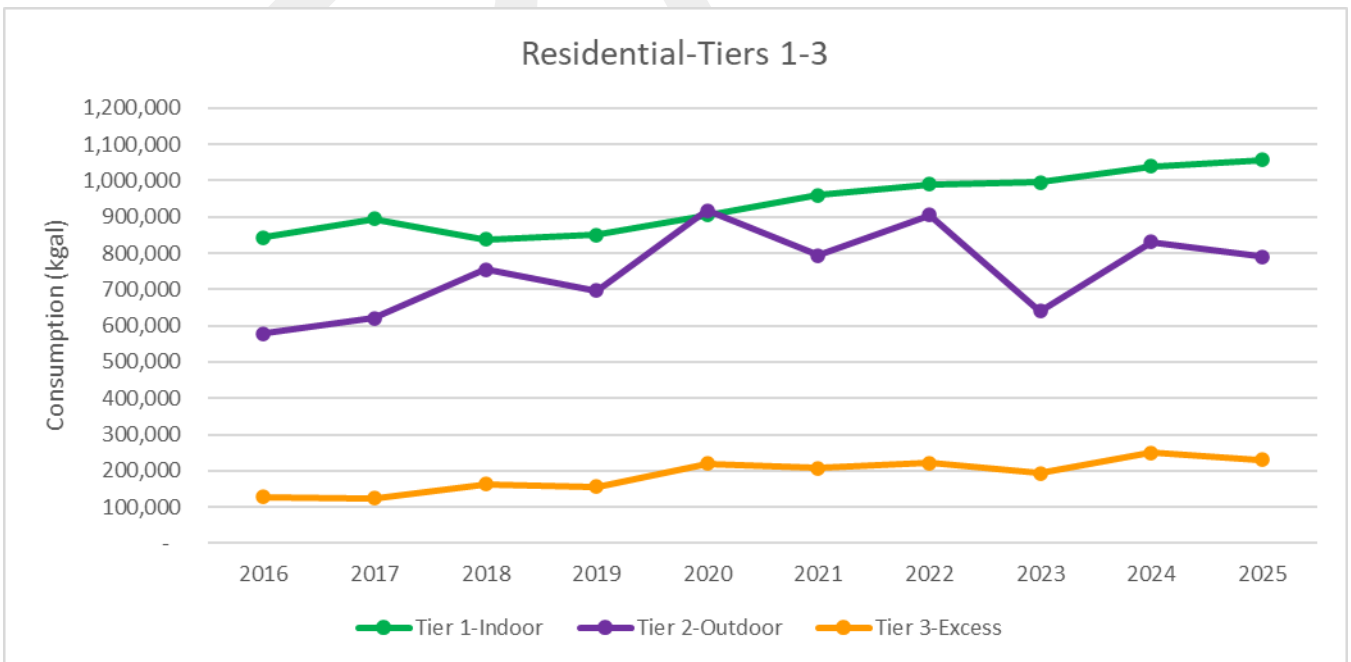
**CHART 25: MULTIFAMILY CUSTOMER CLASS  
ANNUAL BILLED USAGE BY TIER 2016-2025**



**CHART 26: IRRIGATION CUSTOMER CLASS  
ANNUAL BILLED USAGE BY TIER 2016-2025**



**CHART 27: RESIDENTIAL CUSTOMER CLASS  
ANNUAL BILLED USAGE BY TIER 2016-2025**



**CHART 28: RESIDENTIAL CUSTOMER CLASS  
ANNUAL BILLED USAGE  
RESIDENTIAL SURCHARGE 2016-2025**

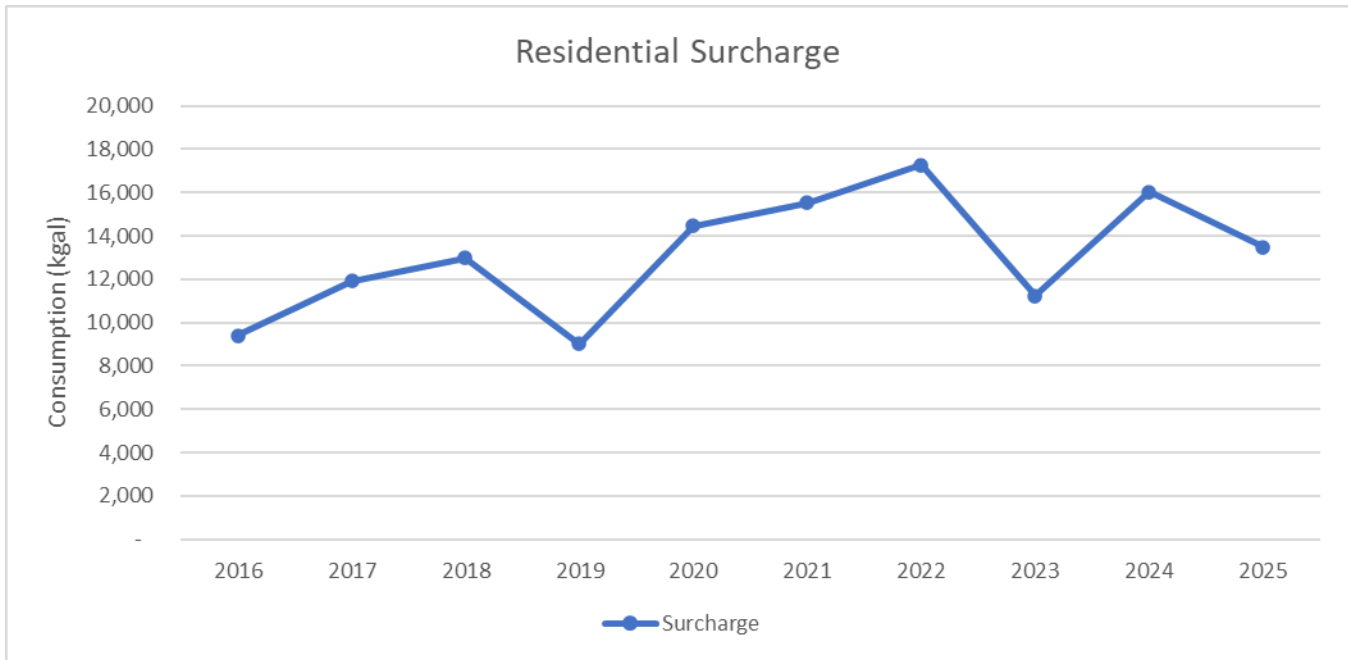


Chart 24 indicates that commercial customer consumption has experienced steady increases over the past ten years. Although a slight reduction in consumption occurred during 2020, the following two years continued the overall upward trend, driven primarily by increases in Tier 3 usage.

Chart 25 illustrates that multifamily consumption has experienced incremental increases over the last four years following a more significant increase observed in 2020. This trend reflects continued growth and increased demand within the multifamily customer class.

As shown in Chart 26, irrigation customer consumption decreased in 2021 following the dry irrigation season experienced during 2020. Consumption then increased between 2021 and 2022 before declining significantly in 2023 as a result of the wetter-than-average irrigation season. Consumption levels returned to more typical patterns during 2024.

Residential usage by tier, shown in Chart 27, along with surcharge usage shown in Chart 28, indicates increases in Tier 1 consumption accompanied by decreases in Tier 2 and surcharge usage over time. Tier 3 usage has remained relatively stable since 2021, suggesting that while overall residential demand patterns have shifted somewhat toward lower-tier usage, excessive usage levels have generally remained consistent in recent years.

## IMPACT OF LANDSCAPE CRITERIA ON CUSTOMER CONSUMPTION

Beginning January 1, 2023, Castle Rock Water implemented updated landscape criteria requirements for single-family residential development. These requirements replaced prior programs, including the 0.67 SFE and Water Efficiency Plan (WEP) programs, and established updated standards for irrigation design, plant material, and overall outdoor water use efficiency.

To evaluate the potential impact of these updated requirements on customer consumption patterns, residential accounts were grouped into two categories: accounts developed under prior landscape criteria and accounts developed under the updated landscape criteria. This comparison provides insight into how the updated requirements influence outdoor water consumption.

Table 8 summarizes the number of accounts for each group for the past two years. The distribution of accounts reflects the relatively recent implementation of the updated criteria, with a smaller proportion of total accounts developed under the updated requirements.

Chart 29 presents the average monthly consumption for accounts developed under prior and updated landscape criteria during both the winter and irrigation seasons. Accounts developed under the updated landscape criteria demonstrate slightly lower winter consumption and significantly lower irrigation season consumption compared to accounts developed under prior criteria.

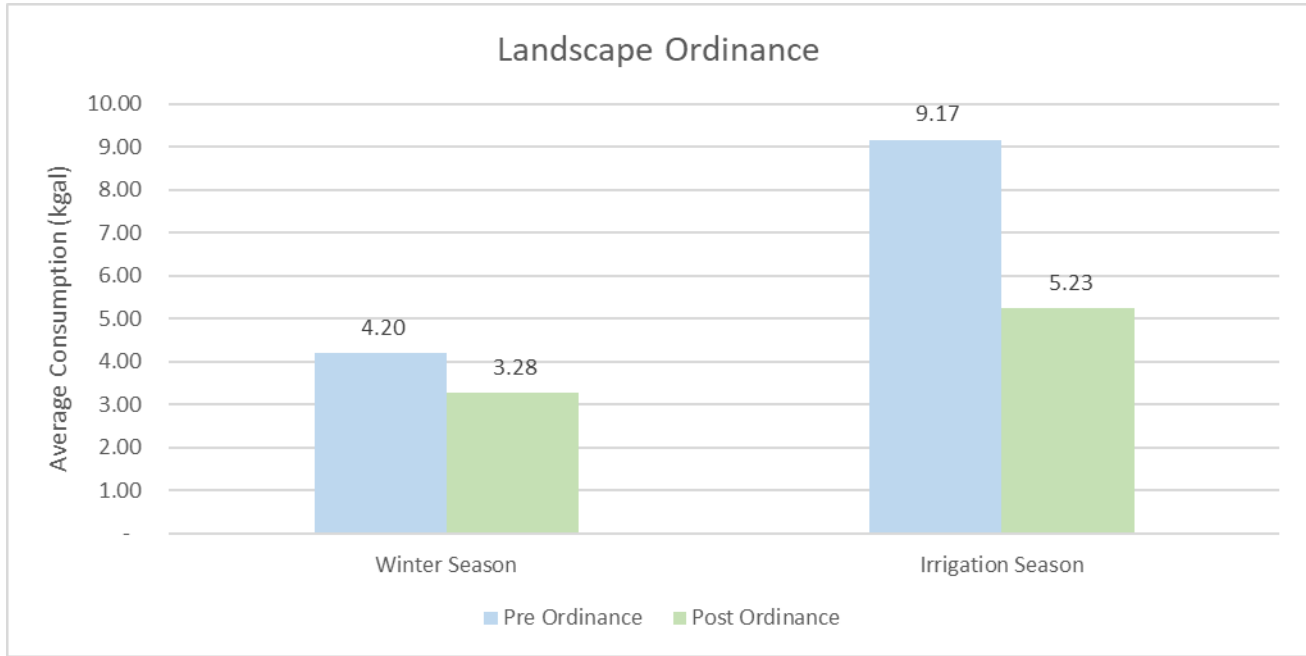
As illustrated in the chart, this reduction in irrigation season consumption reflects a meaningful decrease in outdoor water demand associated with the updated landscape standards.

These results suggest that the updated landscape criteria are contributing to reduced irrigation-related water use while also resulting in modest differences in indoor consumption patterns. As additional developments constructed under the updated criteria are added to the system over time, the long-term impacts of these requirements may become increasingly evident in overall system demand and water usage trends.

**TABLE 8: PRIOR VS UPDATED LANDSCAPE CRITERIA ACCOUNTS**

Year	Total Residential Accounts	Prior Landscape Criteria Accounts	Updated Landscape Criteria Accounts	% of Total
2024	25,323	24,351	972	4%
2025	25,863	24,363	1,500	6%

**CHART 29: LANDSCAPE CRITERIA IMPACT ON CONSUMPTION**



### **COLORADOSCAPE REBATE PROGRAM**

The residential ColoradoScape Renovation Rebate Program encourages residential water customers to replace high water-use plant material, such as Kentucky Bluegrass, with water-wise landscaping alternatives. Customers who meet program requirements may receive a rebate to help offset a portion of the costs associated with removing high water-use turf and installing ColoradoScape-compliant landscaping.

To evaluate the effectiveness of the rebate program on customer consumption patterns, Castle Rock Water analyzed irrigation season consumption for rebate participants and compared those patterns to similar non-participating accounts. Water usage during the year prior to ColoradoScape conversion was used as the baseline condition, and post-conversion consumption was evaluated relative to comparable accounts that did not participate in the program.

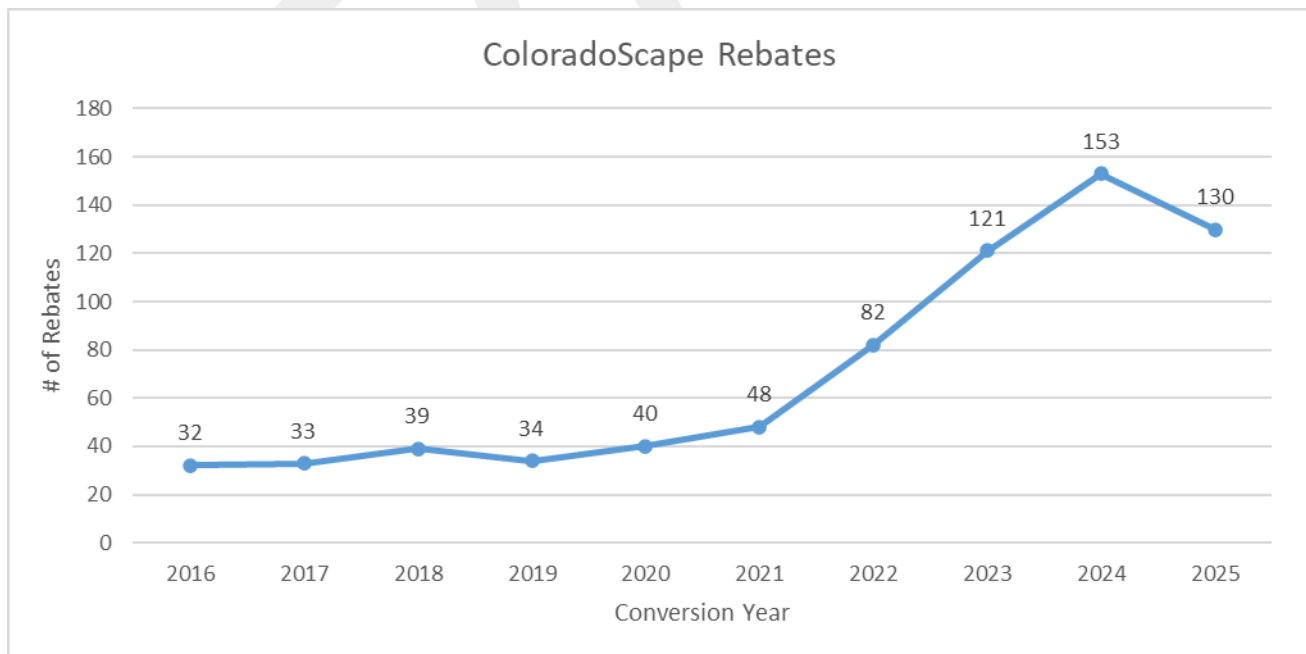
Table 9 summarizes the irrigation season consumption variance for ColoradoScape participants compared to similar non-participating accounts. Across all years evaluated, participating customers consistently demonstrated lower irrigation season consumption, with reductions generally ranging from approximately 14% to 17%.

Chart 30 illustrates the number of ColoradoScape rebate participants over the past ten years. Participation in the program has increased significantly over the last four years, reflecting growing customer interest in ColoradoScape landscaping practices and conservation-focused outdoor water use reductions.

**TABLE 9: IRRIGATION SEASON CONSUMPTION VARIANCE - COLORADOSCAPE PARTICIPANTS VS. SIMILAR ACCOUNTS**

ColoradoScape Conversion Year	Consumption Variance to Similar Accounts
2020	-15%
2021	-17%
2022	-16%
2023	-14%
2024	-17%

**CHART 30: COLORADOSCAPE REBATES**



## **IRRIGATION USAGE BASED ON WATERING SCHEDULES**

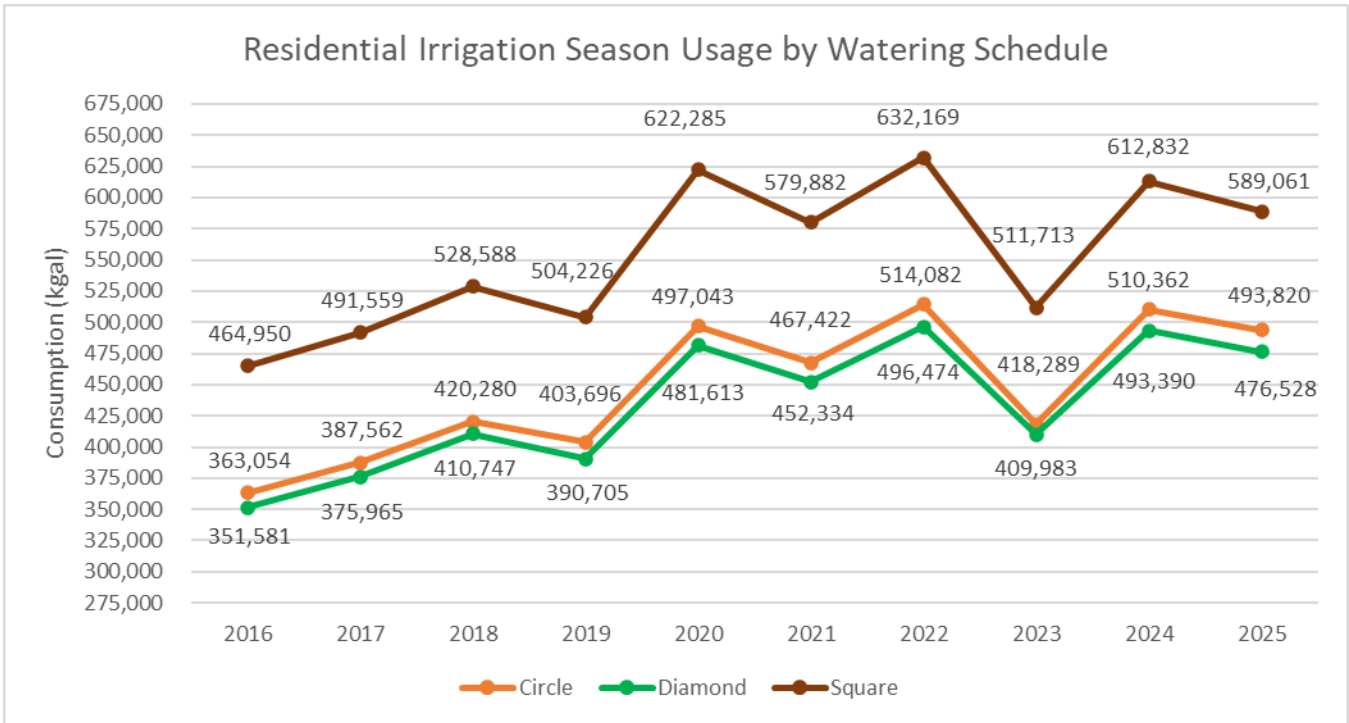
Each irrigation season, Castle Rock Water implements a residential watering schedule based on the last digit of the service address, which corresponds to a circle, diamond, or square watering designation. Beginning in 2018, non-residential customers were assigned watering days based on whether the account is located east or west of Interstate 25. Due to the operational importance of these watering schedules in managing peak water demands, Castle Rock Water tracks annual customer usage by watering schedule designation.

The following charts illustrate residential and non-residential water usage from 2016 through 2025 based on their assigned watering schedules. For residential customers, circle and diamond customer groups have demonstrated very similar usage patterns across all years analyzed, while square customers have consistently exhibited somewhat higher overall usage. One contributing factor to these differences is the distribution of customers among the watering schedule groups. Based on 2025 billing data, the square designation represents the largest customer group, followed by circle customers, with diamond customers representing the smallest group.

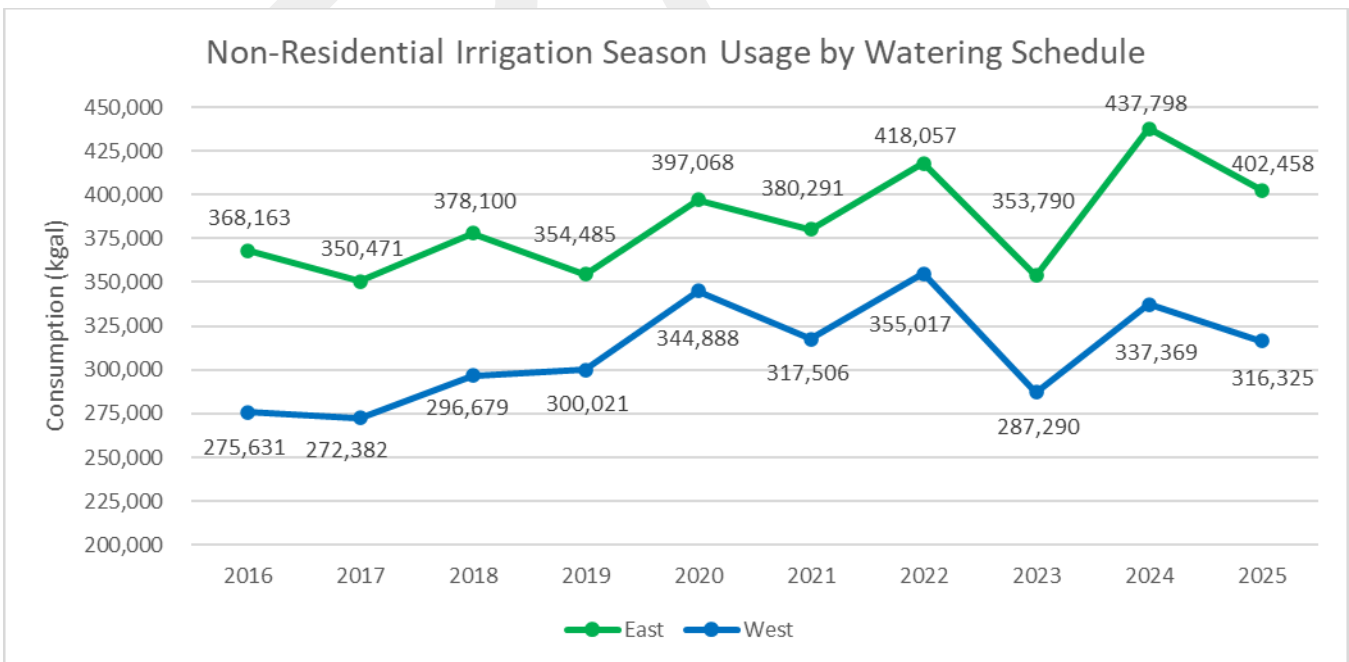
For non-residential accounts, customers located west of Interstate 25 have consistently demonstrated lower annual usage compared to customers located east of Interstate 25. The east side customer group also represents the larger portion of non-residential accounts based on 2025 billing data.

Overall, this analysis provides valuable insight into consumption patterns associated with each watering schedule group and helps Castle Rock Water evaluate the effectiveness of the current watering schedule structure. The information may also assist in determining whether future adjustments to watering schedule assignments are necessary to support efficient system operations and manage peak daily water demands.

**CHART 31: RESIDENTIAL IRRIGATION SEASON USAGE BY WATERING SCHEDULE**



**CHART 32: NON-RESIDENTIAL IRRIGATION SEASON USAGE BY WATERING SCHEDULE**



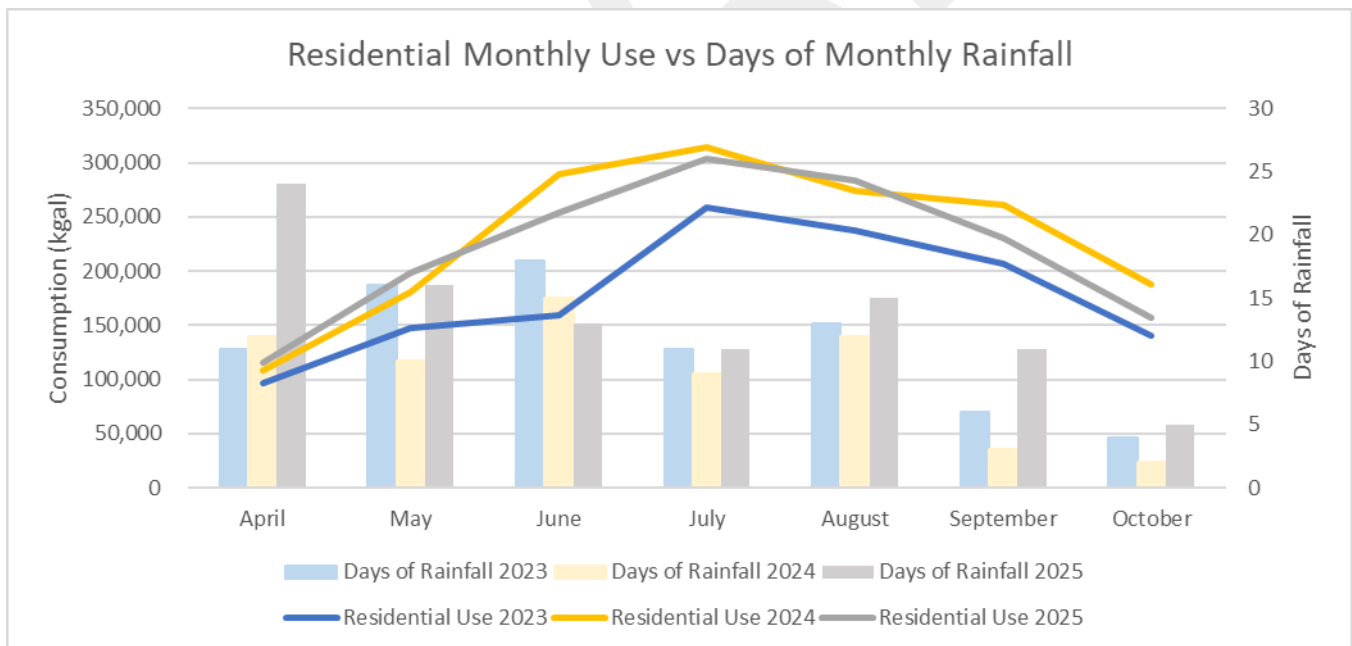
## IRRIGATION SEASON USAGE VERSUS WEATHER PATTERNS

Castle Rock Water analyzed whether dry versus wet irrigation seasons significantly impact water usage patterns across different customer classes. The four charts below compare the number of rainfall days each month over a three-year period against actual customer consumption during the same timeframe for each customer class.

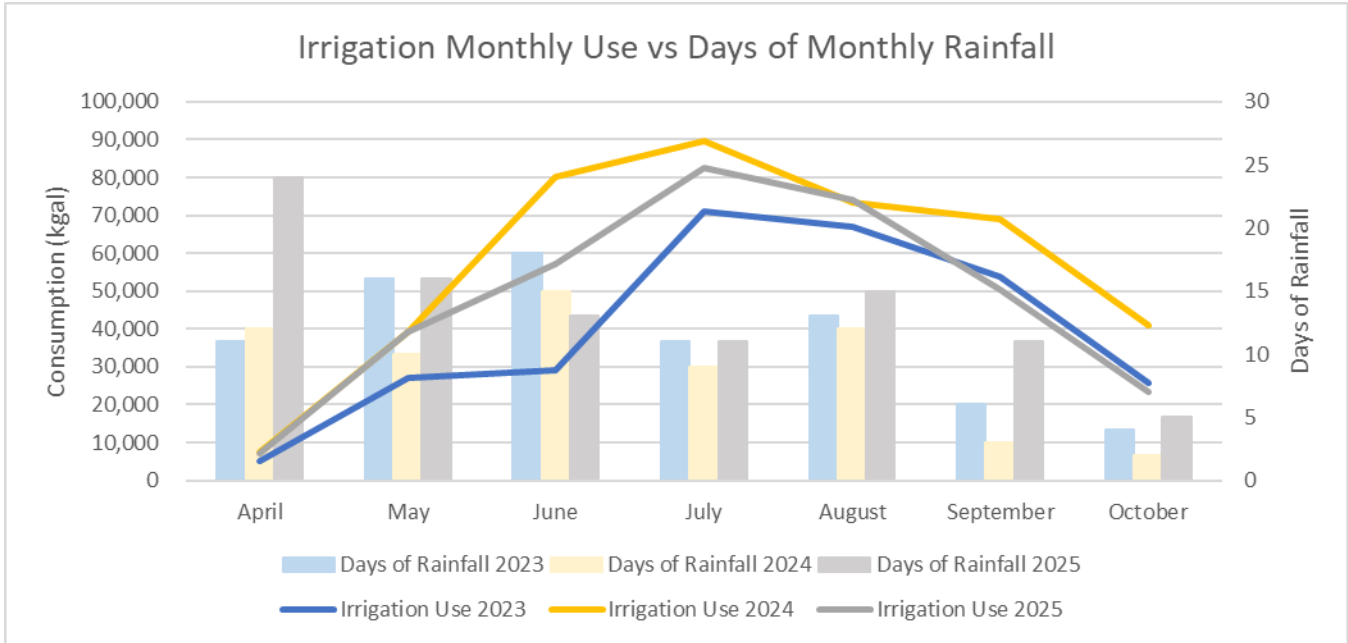
Charts 33 through 36 illustrate the relationship between rainfall patterns and customer usage across the various customer classes. Based on the analysis, the correlation between rainfall, weather conditions, and water consumption varies by customer class and time period. In some cases, wetter conditions correspond with reduced irrigation demand and lower overall usage, while in other cases the relationship is less pronounced.

Overall, the analysis indicates that the impact of rainfall and weather patterns on consumption is not entirely consistent across all customer classes, as customer-specific usage characteristics, irrigation demands, and operational factors can influence overall consumption trends from year to year.

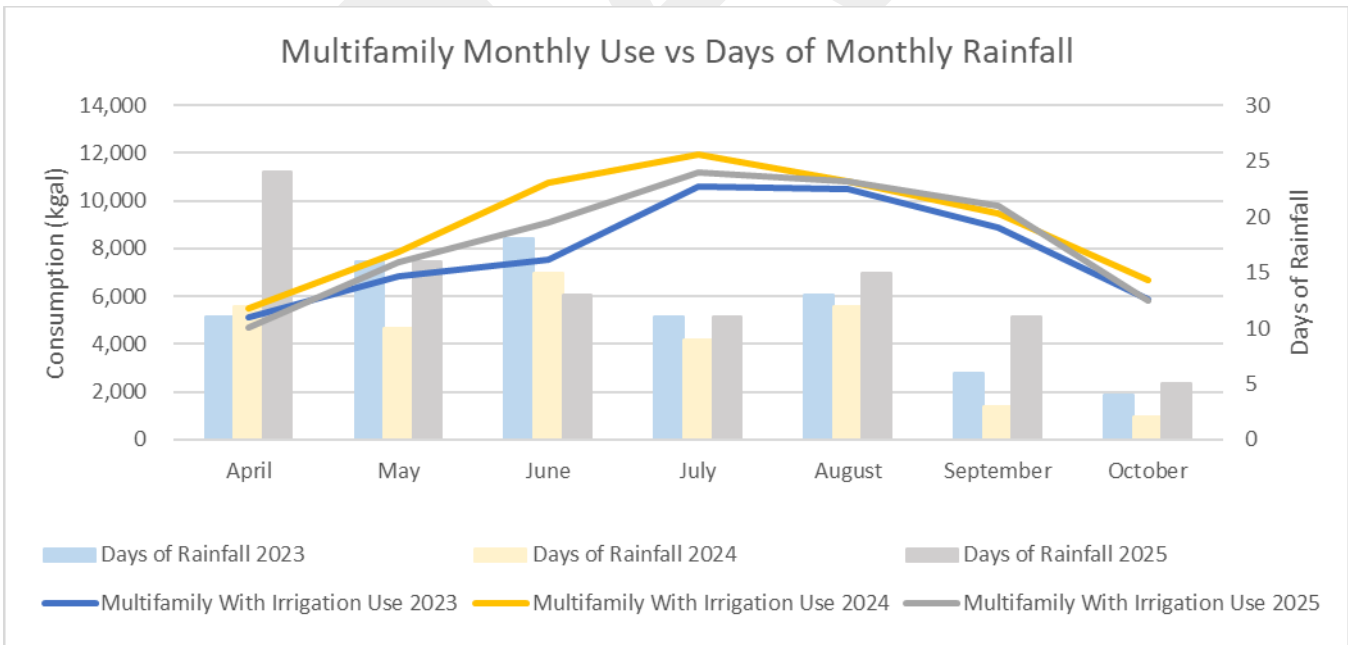
**CHART 33: RESIDENTIAL MONTHLY USAGE VS. DAYS OF MONTHLY RAINFALL**



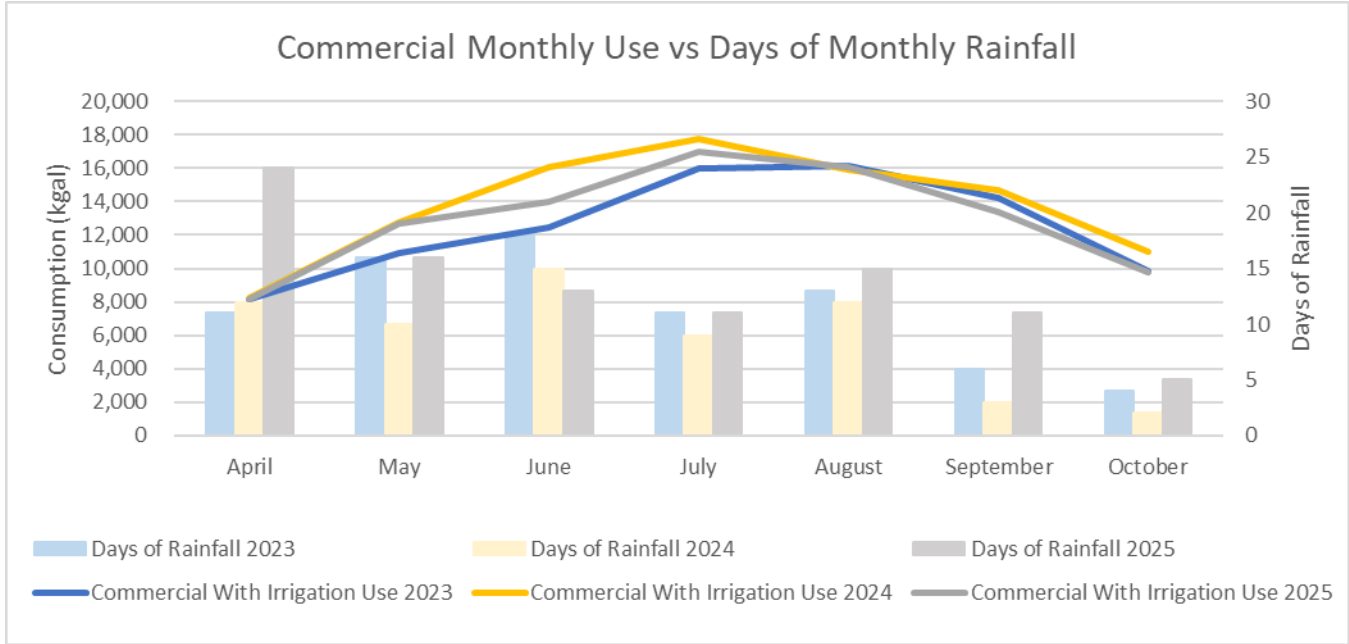
**CHART 34: IRRIGATION MONTHLY USAGE VS. DAYS OF MONTHLY RAINFALL**



**CHART 35: MULTIFAMILY WITH IRRIGATION MONTHLY USAGE VS DAYS OF MONTHLY RAINFALL**



**CHART 36: COMMERCIAL WITH IRRIGATION  
MONTHLY USAGE VS. DAYS OF MONTHLY RAINFALL**

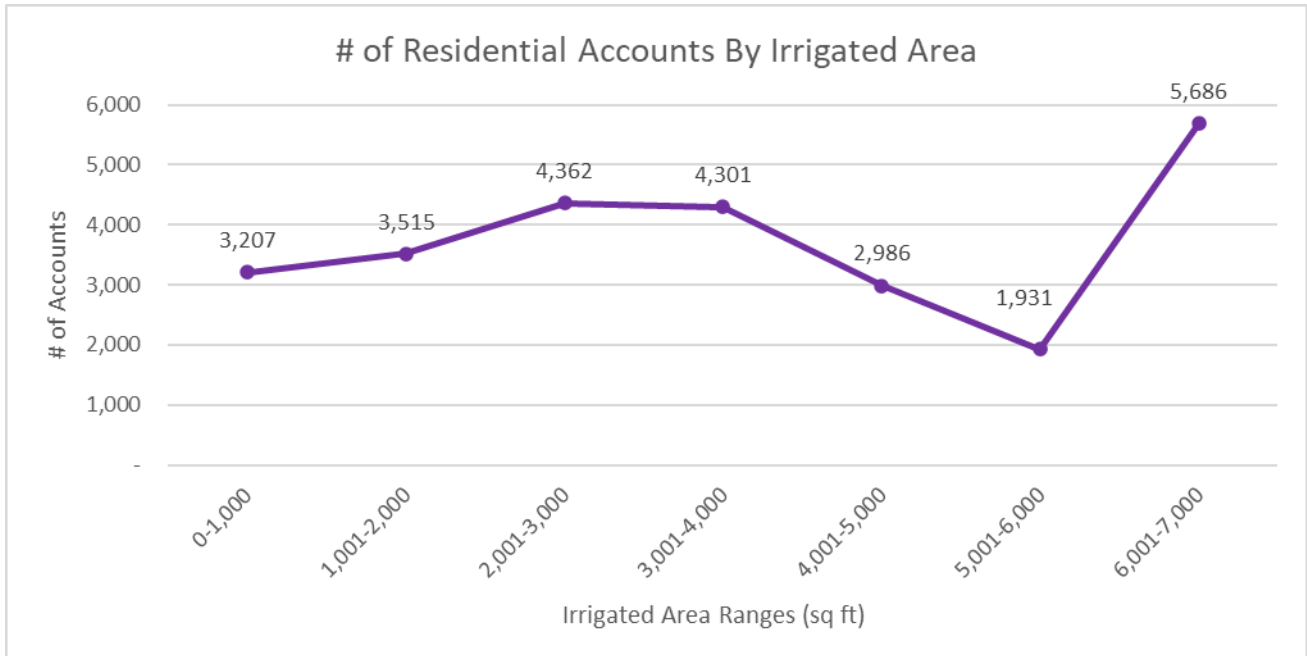


**IMPACT OF IRRIGATED AREAS (SQUARE FEET)**

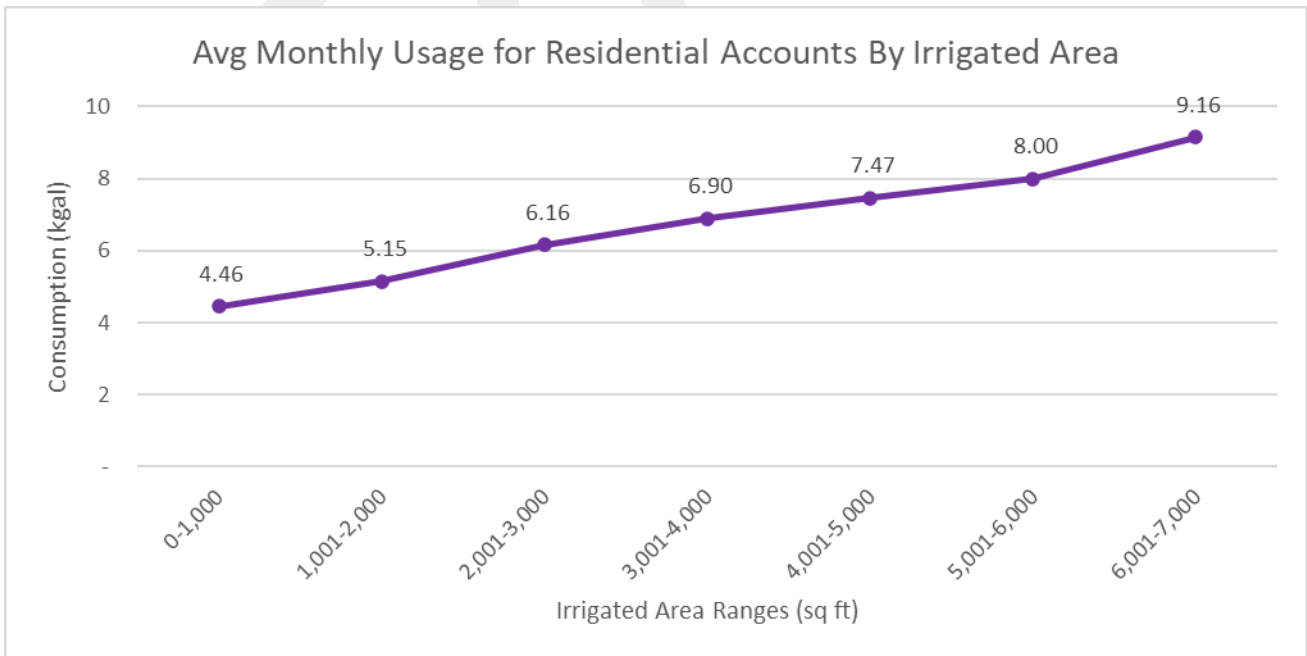
Chart 37 illustrates the number of residential accounts categorized by irrigated area. Chart 38 presents the average monthly consumption for residential customers within each irrigated area category. As expected, accounts with larger irrigated areas generally demonstrate higher average monthly water consumption, reflecting the increased outdoor irrigation demand associated with maintaining larger landscaped areas.

Chart 39 shows total water usage by irrigated area for commercial accounts, while Chart 40 presents the average monthly consumption for commercial customers by irrigated area category. Similar to residential accounts, commercial customers with larger irrigated areas typically exhibit higher overall water usage and greater average monthly consumption due to increased irrigation requirements. These analyses help Castle Rock Water better understand the relationship between landscaped area and water demand across customer classes and support long-term conservation and demand management planning.

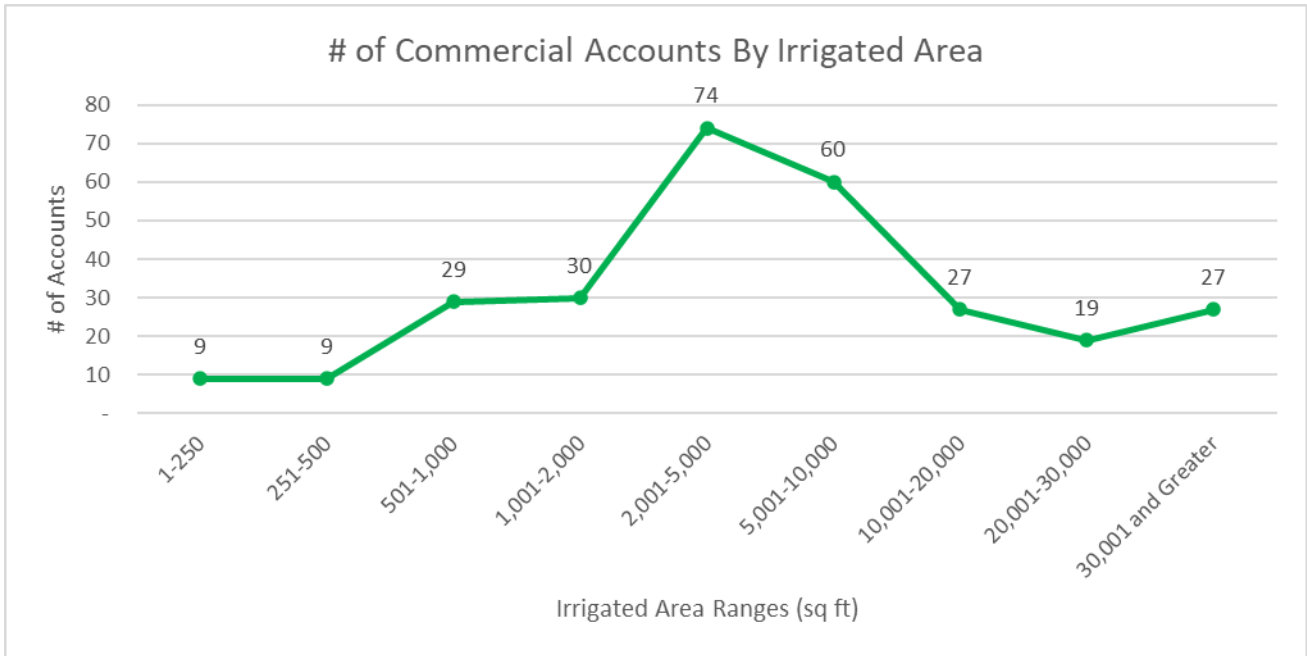
**CHART 37: RESIDENTIAL ACCOUNTS BY IRRIGATED AREA**



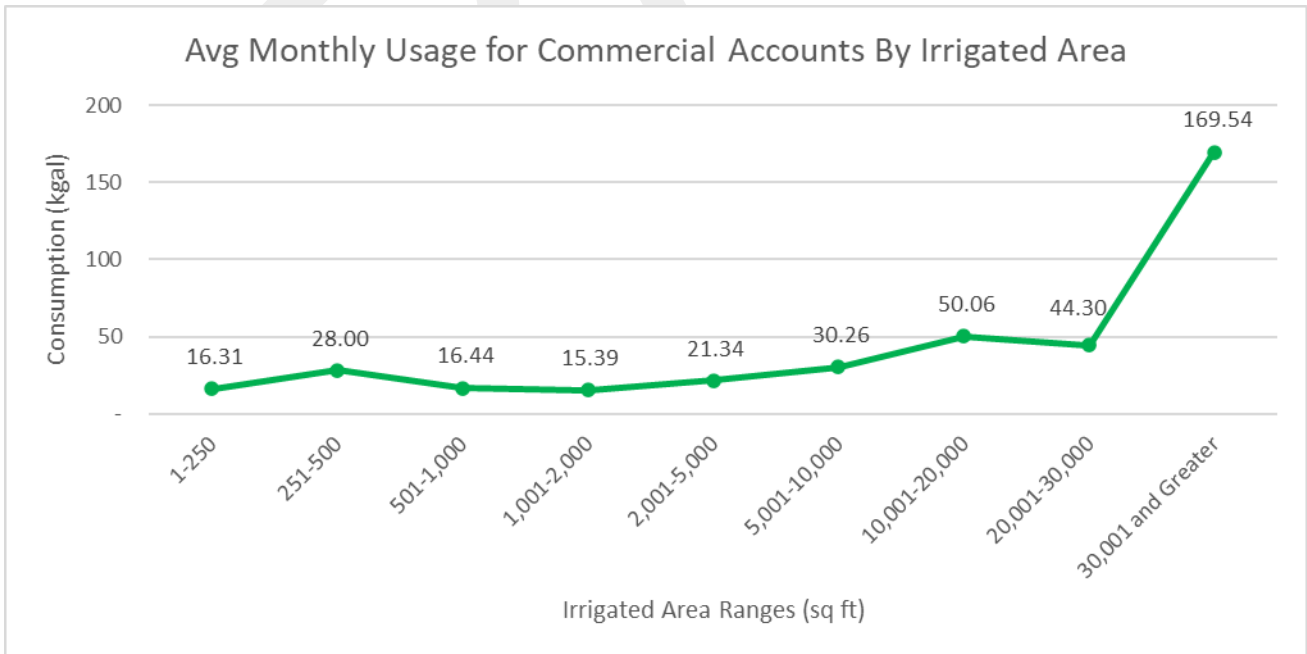
**CHART 38: RESIDENTIAL AVERAGE MONTHLY CONSUMPTION BY IRRIGATED AREA**



**CHART 39: COMMERCIAL ACCOUNTS BY IRRIGATED AREA**



**CHART 40: COMMERCIAL AVERAGE MONTHLY CONSUMPTION BY IRRIGATED AREA**



## HOAS AVERAGE MONTHLY CONSUMPTION

**CHART 41: AVERAGE MONTHLY CONSUMPTION FOR ALL HOAS (85) COMBINED**

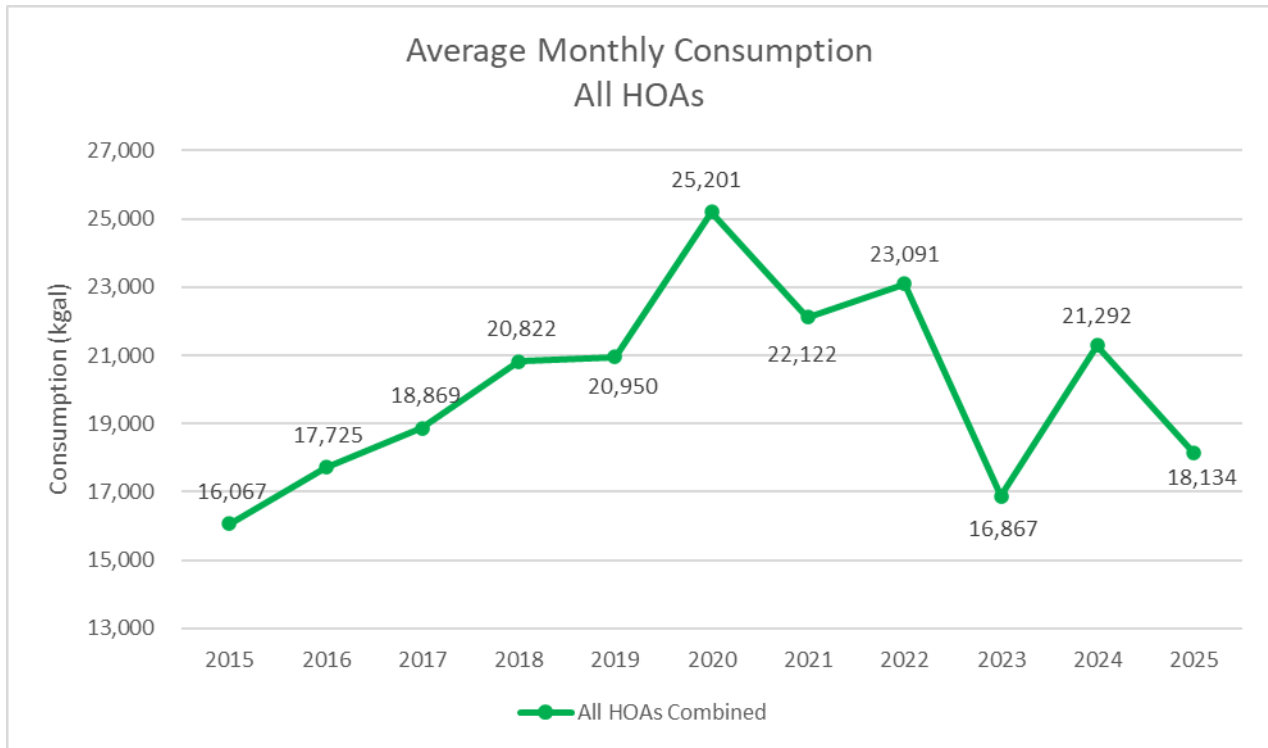
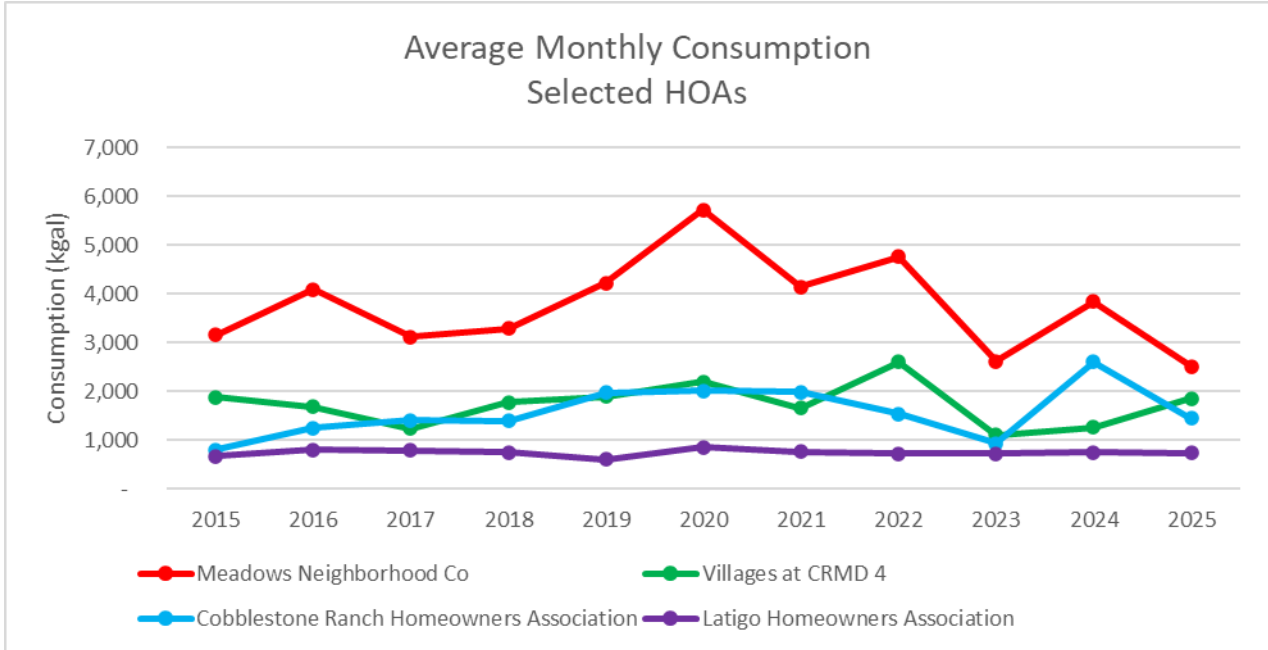


Chart 41 illustrates the average monthly consumption for all Homeowners Associations (HOAs). HOA consumption increased during 2020 due to several contributing factors, including dry weather conditions and significant growth within the Meadows and Founders neighborhoods. In contrast, 2023 experienced a notable decrease in HOA consumption as a result of the above-average rainfall received during the irrigation season, which reduced outdoor watering demand.

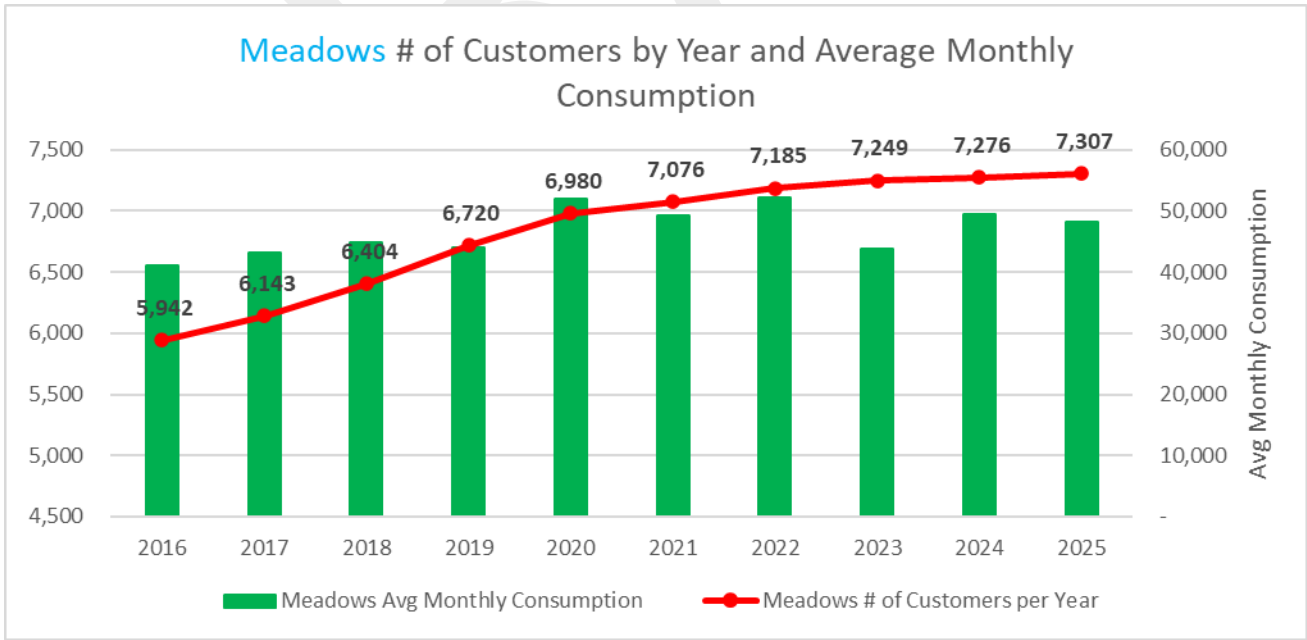
Chart 42 presents the average monthly consumption patterns for four HOAs selected at random from the total population of 85 HOA accounts. These examples demonstrate the variability in consumption patterns among HOA customer types and provide additional insight into how irrigation demand, landscape characteristics, and operational practices can influence overall water usage trends within this customer class.

**CHART 42: SELECTED FOUR HOAS AVERAGE MONTHLY CONSUMPTION**

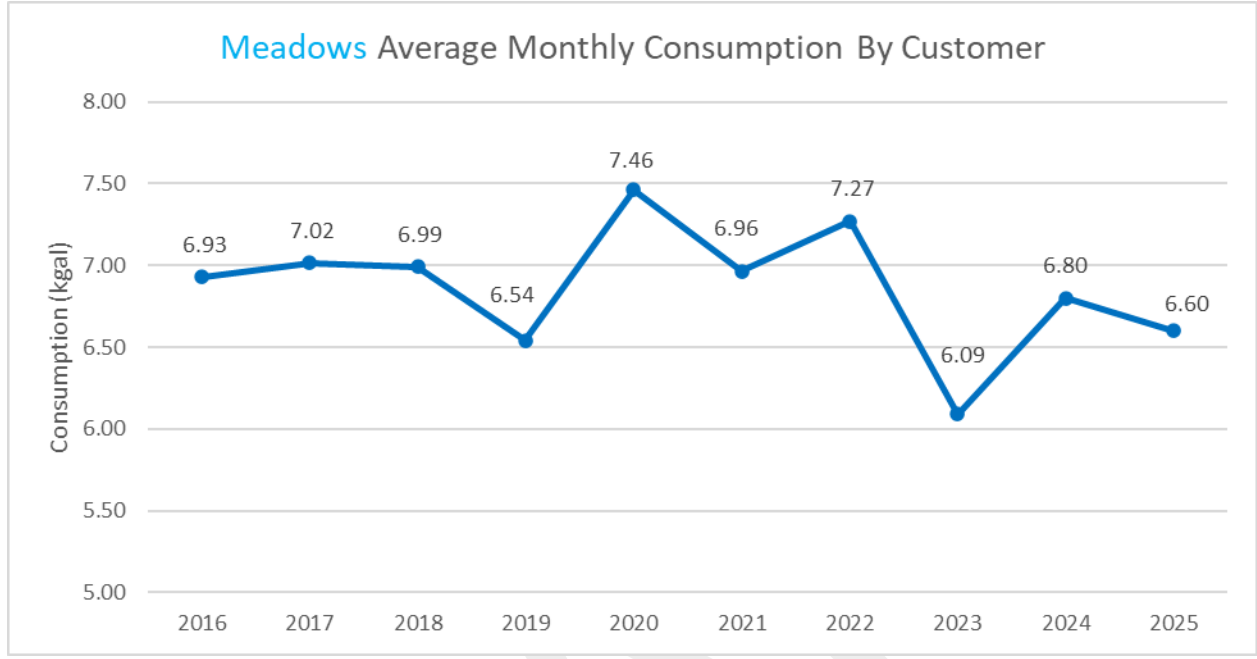


**MONTHLY CONSUMPTION BY SUBDIVISION**

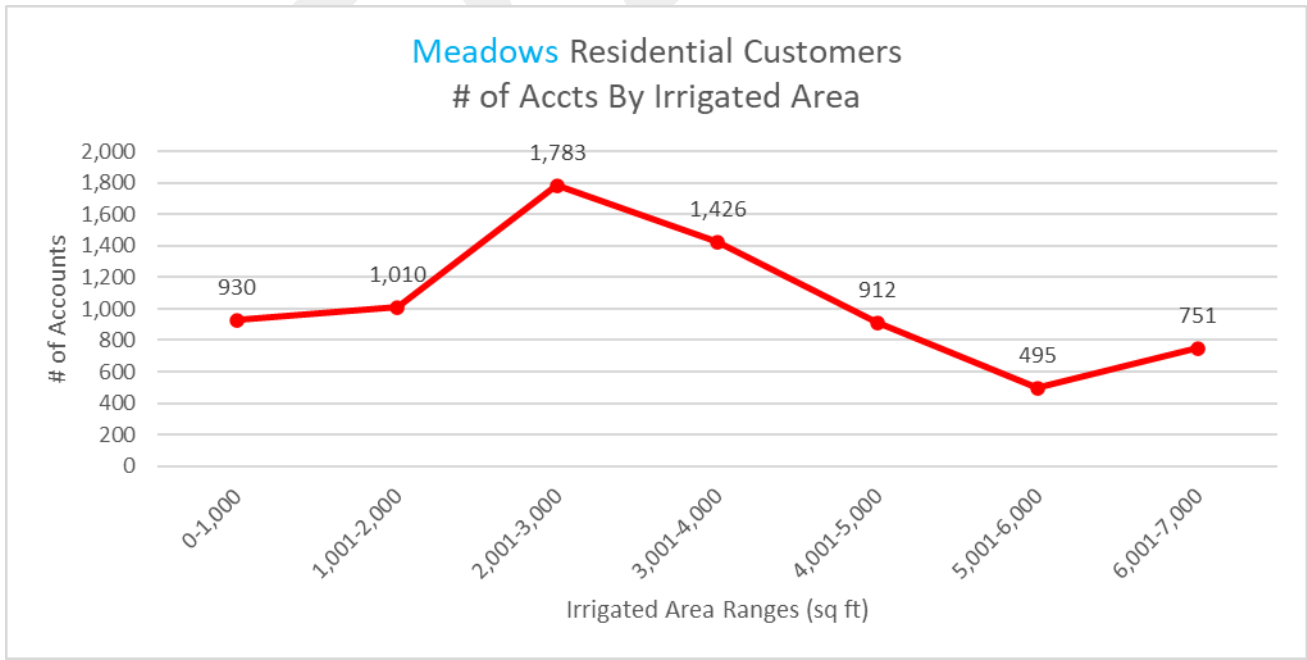
**CHART 43: MEADOWS AVERAGE MONTHLY CONSUMPTION**



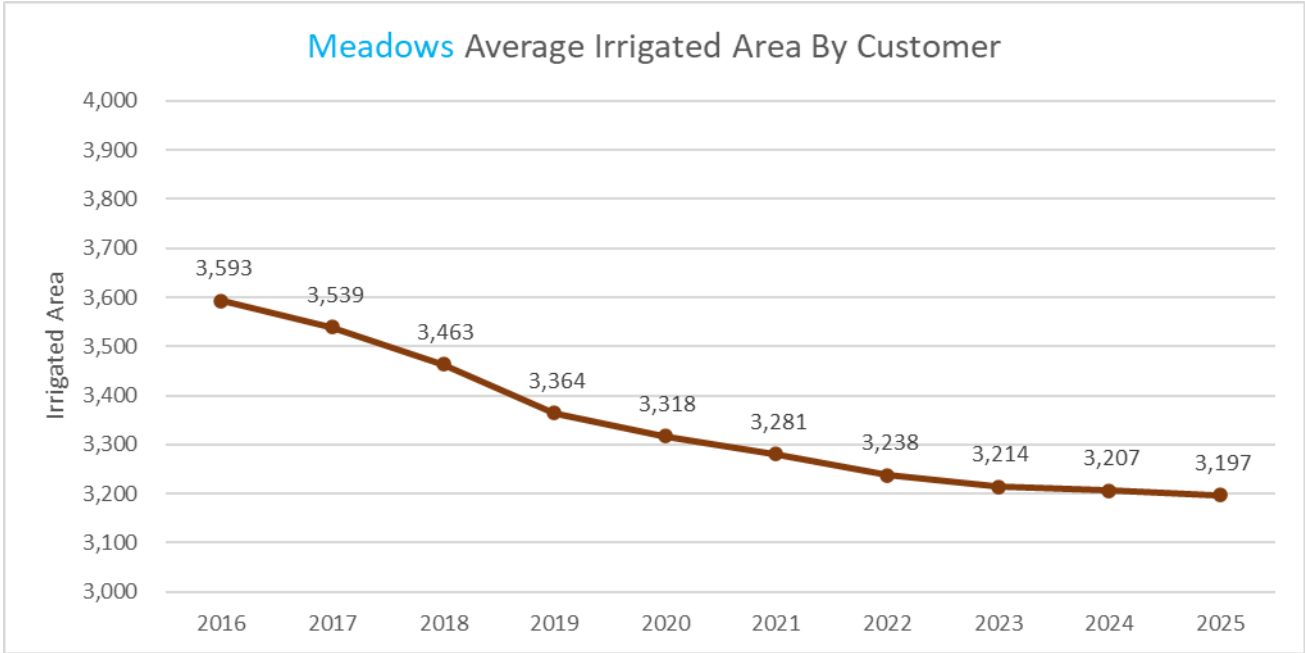
**CHART 44: MEADOWS AVERAGE MONTHLY CONSUMPTION BY CUSTOMER**



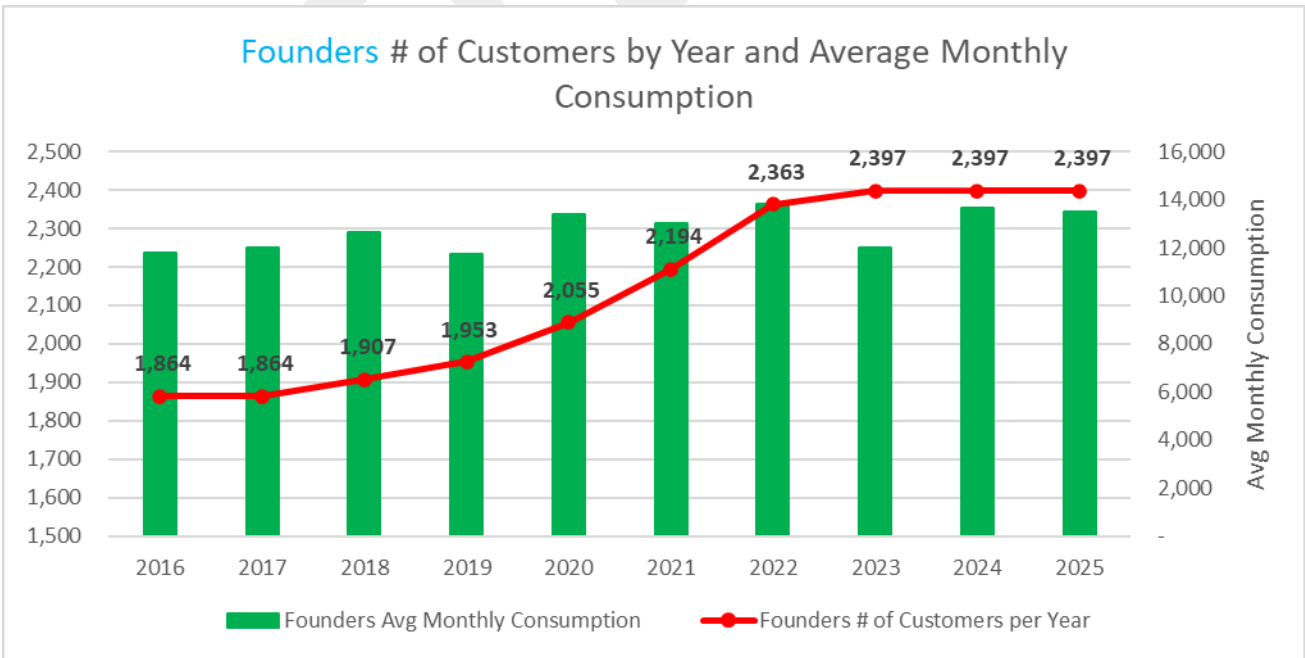
**CHART 45: MEADOWS RESIDENTIAL ACCOUNTS BY IRRIGATED AREA**



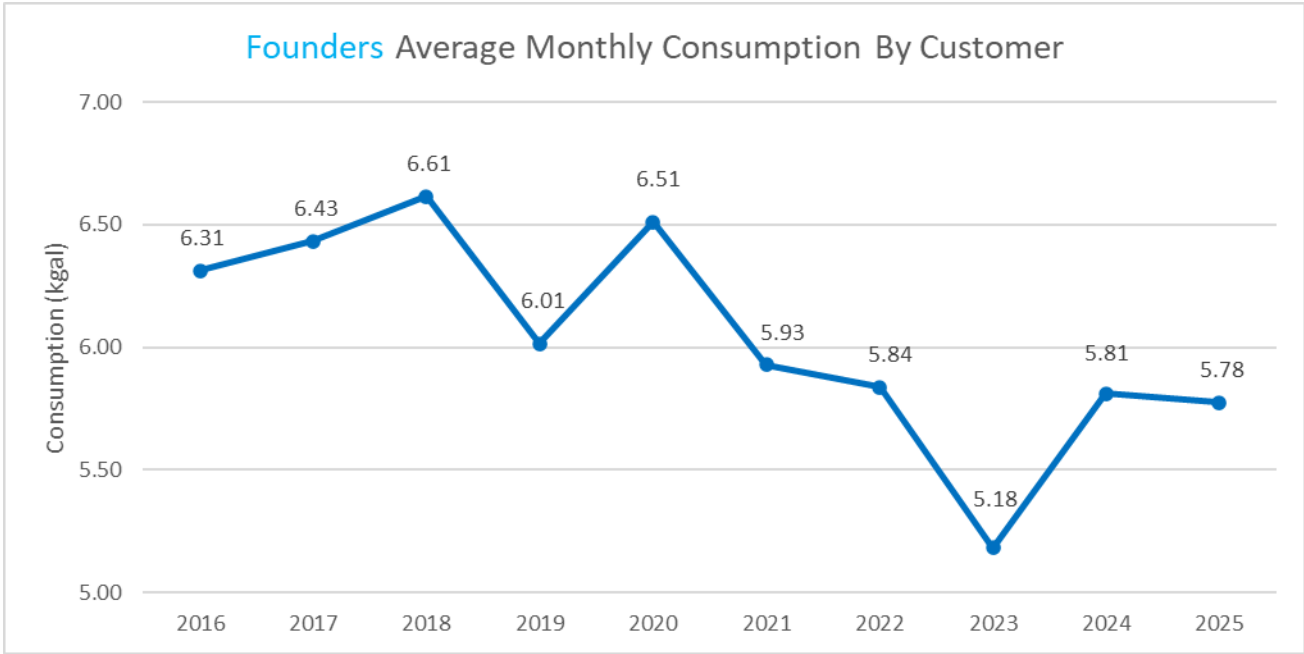
**CHART 46: MEADOWS RESIDENTIAL ACCOUNTS IRRIGATED AREA BY CUSTOMER**



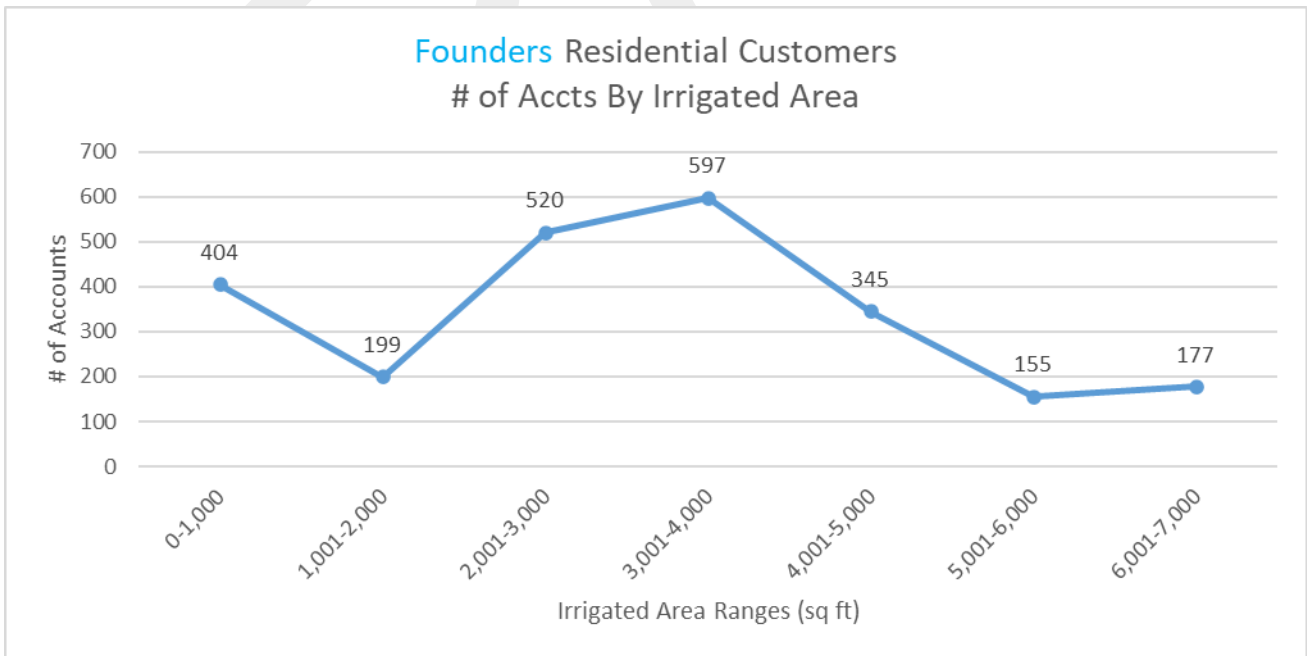
**CHART 47: FOUNDERS AVERAGE MONTHLY CONSUMPTION**



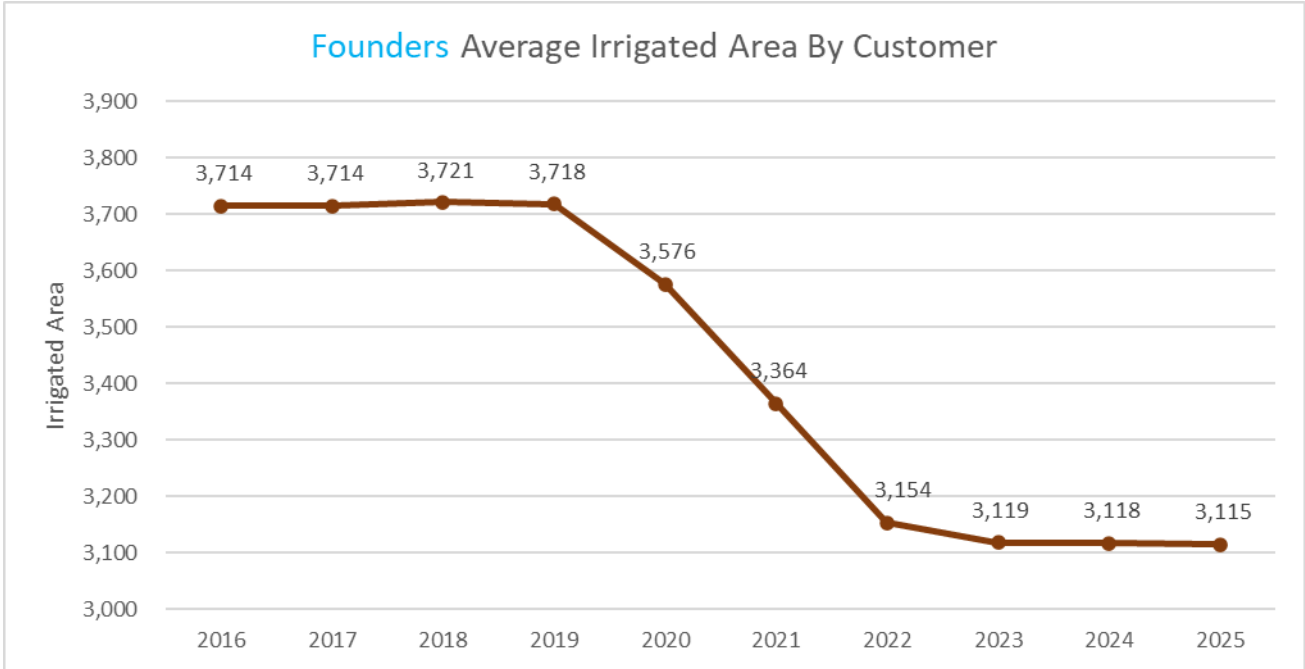
**CHART 48: FOUNDERS AVERAGE MONTHLY CONSUMPTION BY CUSTOMER**



**CHART 49: FOUNDERS RESIDENTIAL ACCOUNTS BY IRRIGATED AREA**

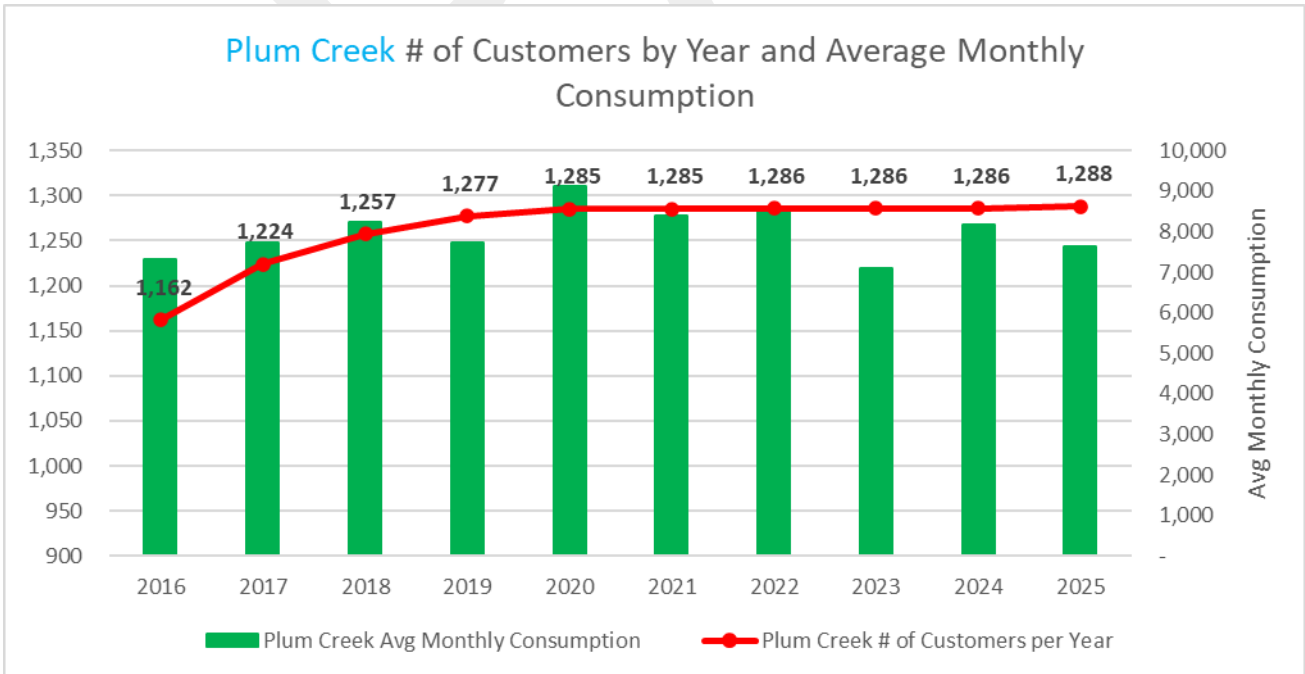


**CHART 50: FOUNDERS RESIDENTIAL ACCOUNTS  
IRRIGATED AREA BY CUSTOMER**

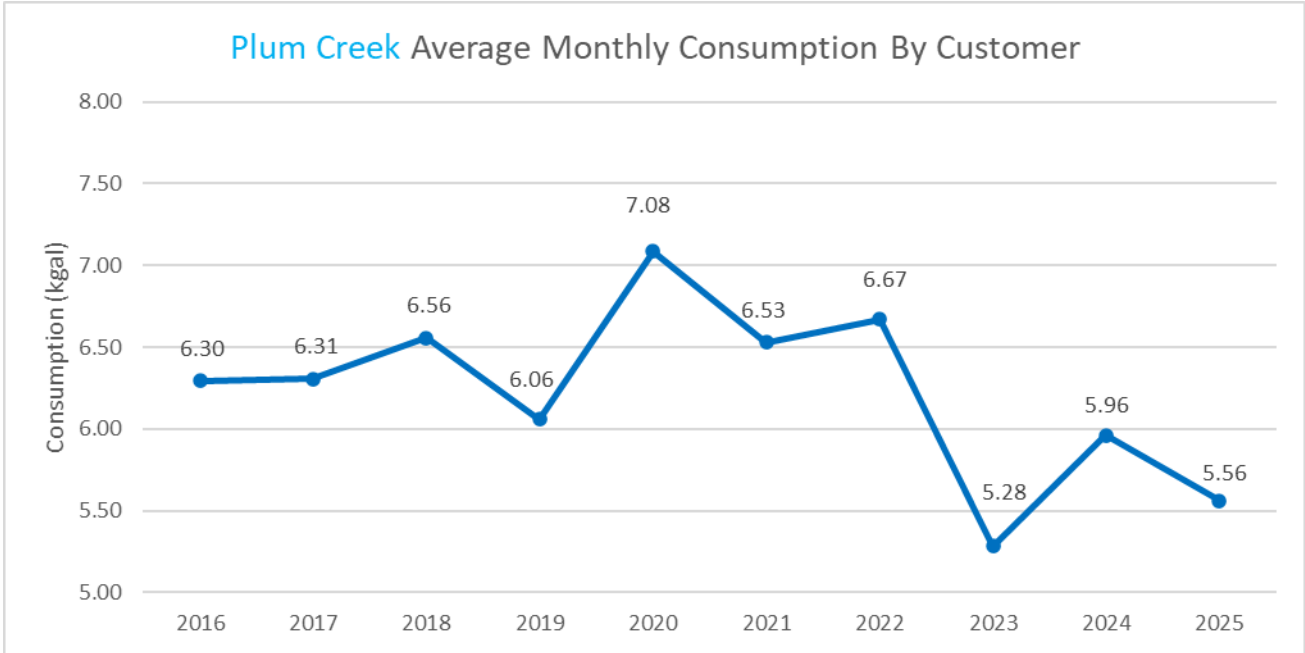


\*Drop in average irrigated area beginning in 2020 due to lower irrigated area in new builds

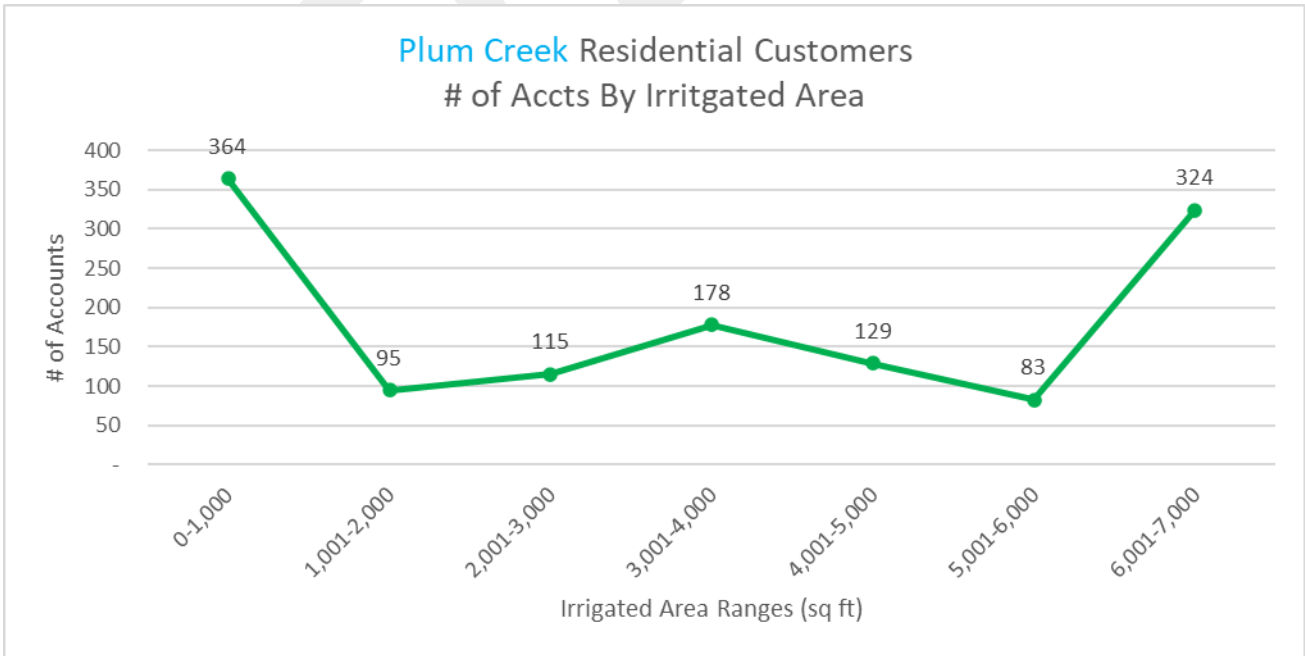
**CHART 51: PLUM CREEK AVERAGE MONTHLY  
CONSUMPTION**



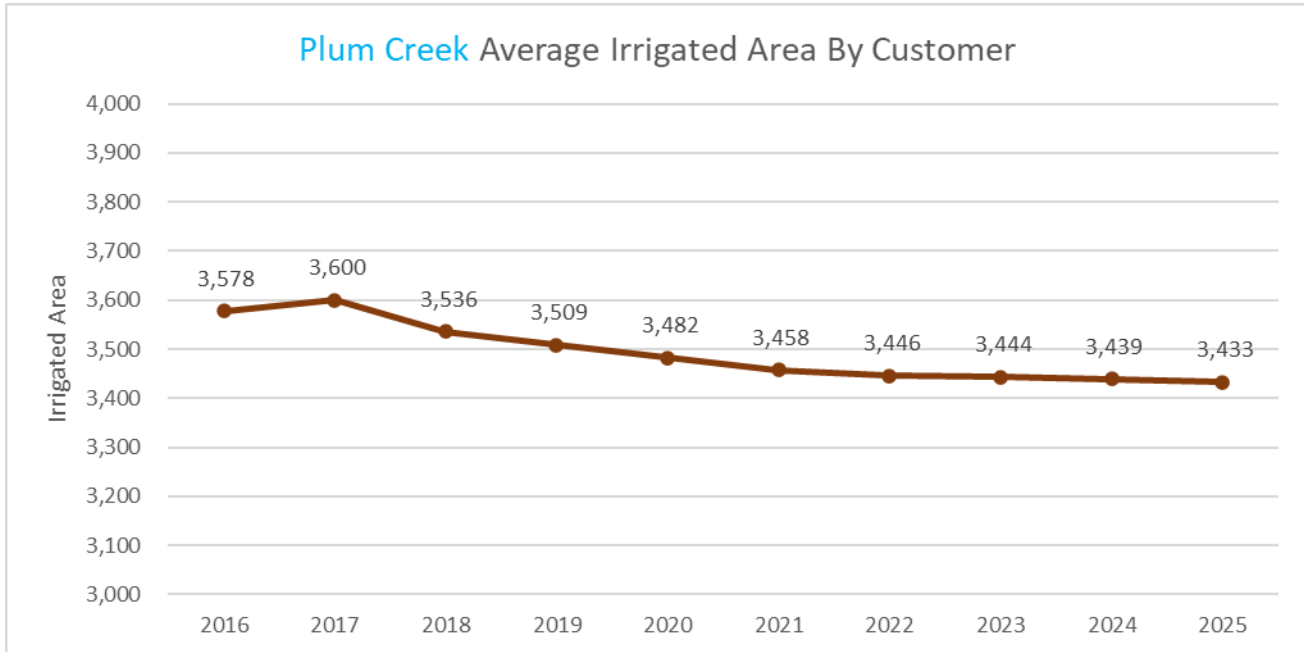
**CHART 52: PLUM CREEK AVERAGE MONTHLY CONSUMPTION BY CUSTOMER**



**CHART 53: PLUM CREEK RESIDENTIAL ACCOUNTS BY IRRIGATED AREA**



**CHART 54: PLUM CREEK RESIDENTIAL ACCOUNTS  
IRRIGATED AREA BY CUSTOMER**

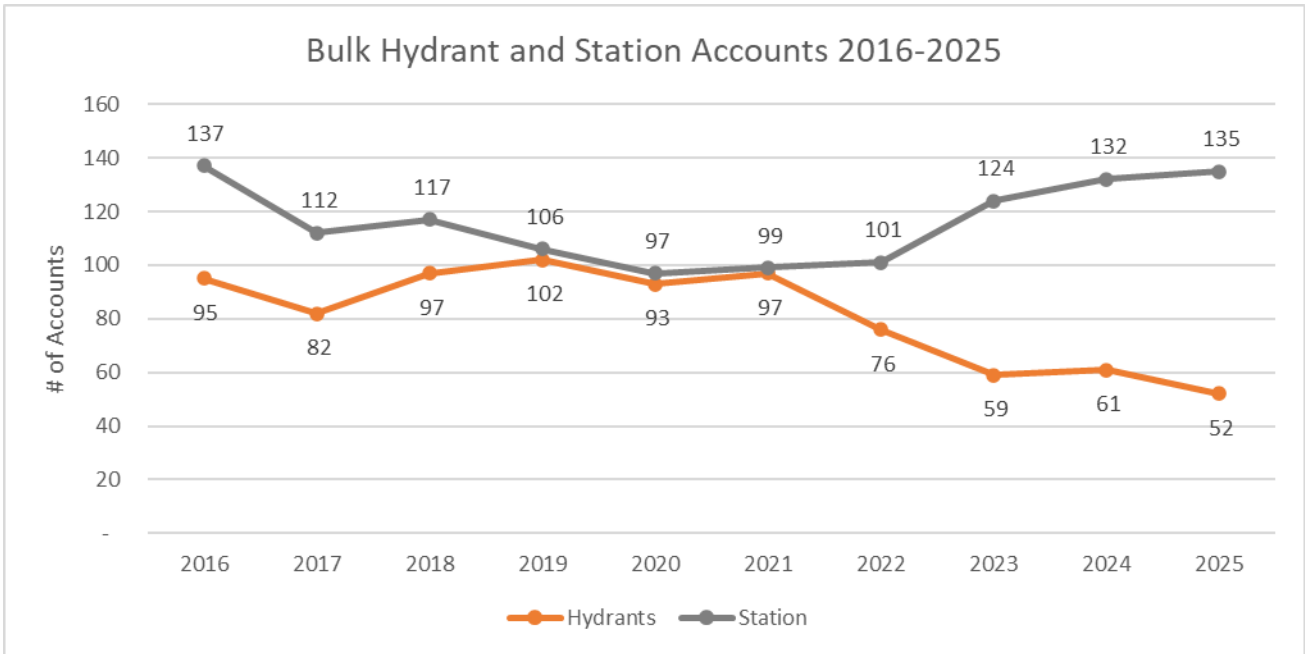


### **BULK WATER ACCOUNTS**

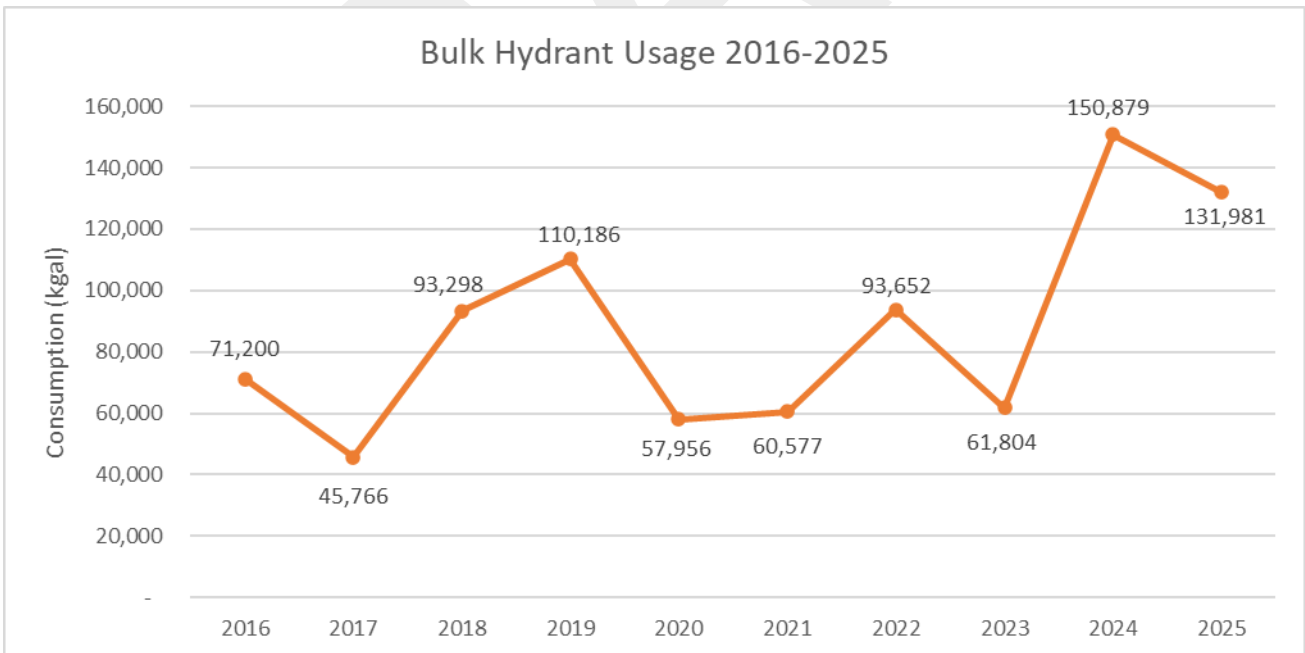
Castle Rock Water maintains both bulk hydrant accounts and bulk station accounts and tracks the number of accounts and annual water usage associated with these customer types each year. The charts below illustrate bulk hydrant and bulk station account activity and associated usage trends from 2016 through 2025.

Consumption and account activity for these programs can vary significantly from year to year depending on customer demand and operational needs. In recent years, Castle Rock Water has observed a decrease in bulk hydrant accounts, due in part to slower development activity and reduced construction-related demand within Castle Rock. These trends reflect the temporary and demand-driven nature of bulk water usage associated with construction, landscaping, and other short-term water needs.

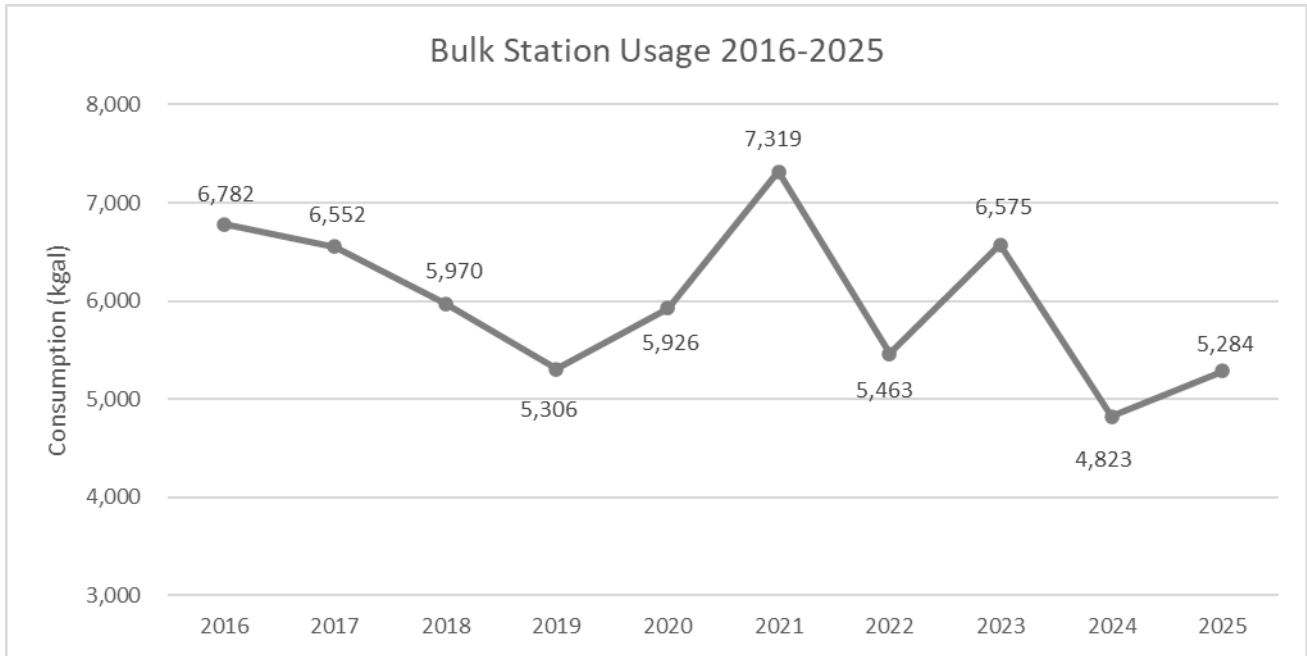
**CHART 55: BULK HYDRANT AND BULK STATION ACCOUNTS**



**CHART 56: BULK HYDRANT USAGE**



### CHART 57: BULK STATION USAGE



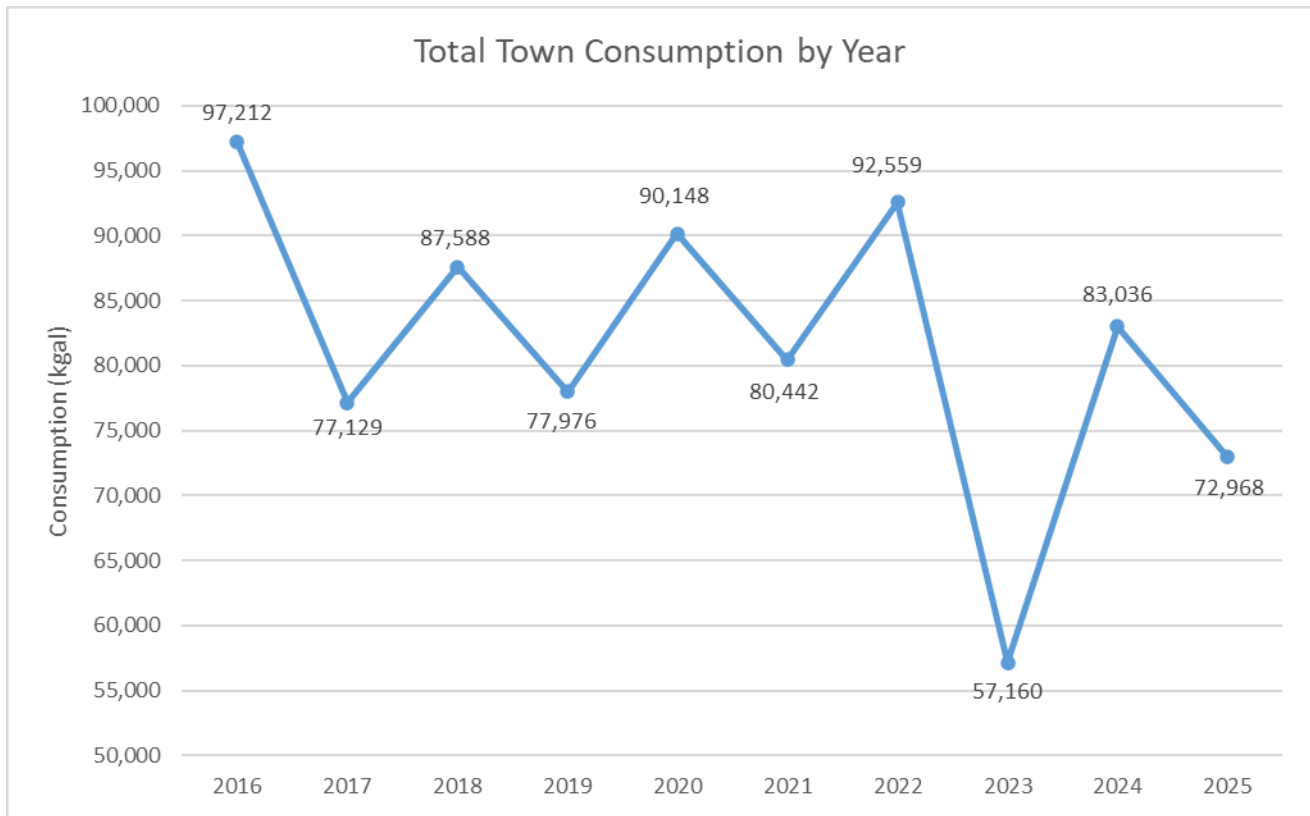
### TOWN ACCOUNT CONSUMPTION

Chart 58 illustrates overall Town water consumption from 2016 through 2025. The Parks Department consistently represents the largest portion of annual Town water use, accounting for approximately 85% to 90% of total municipal consumption each year.

The most significant increases in Town consumption during 2022 were associated with operation of the Festival Park Splash Pad and the expansion of Cobblestone Ranch Park. Despite these increases, the Parks Department has recently partnered with Castle Rock Water to reduce irrigation demand and improve long-term water efficiency at several locations throughout the Town.

As part of these conservation efforts, natural turf athletic fields at Metzler Ranch Park were replaced with synthetic turf in 2019. Similarly, natural turf athletic fields at Paintbrush Park were converted to synthetic turf at the end of 2022. These projects are expected to reduce long-term irrigation demand and contribute to overall municipal water conservation goals.

**CHART 58: TOWN CONSUMPTION**



**TABLE 10: TOWN CONSUMPTION BY YEAR AND DEPARTMENT (Kgal)**

Department	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
CRW	1,135	644	778	862	1,190	2,507	1,518	1,632	1,881	2,771
Facility Maintenance	31	26	25	5	0	0	0	0	0	0
Fire	1,114	858	1,159	1,307	1,280	1,165	1,227	860	1,062	1,353
Golf Course	383	324	325	311	251	295	268	287	374	427
Parks	86,753	66,873	76,572	68,900	82,625	71,371	84,345	50,226	73,960	62,623
Police	231	210	265	188	170	177	156	139	125	118
Rec Center	5,586	6,192	5,887	4,625	3,284	3,721	3,765	3,008	4,414	4,389
Service Centers	782	778	690	193	511	406	403	299	440	392
Streets	372	442	434	482	388	356	124	291	275	283
Town Hall	448	171	331	340	117	112	151	161	118	208
Treatment Plants	377	611	1,122	763	332	332	602	257	387	404
<b>Total Consumption</b>	<b>97,212</b>	<b>77,129</b>	<b>87,588</b>	<b>77,976</b>	<b>90,148</b>	<b>80,442</b>	<b>92,559</b>	<b>57,160</b>	<b>83,036</b>	<b>72,968</b>

# WASTEWATER ENTERPRISE FUND

## NUMBER OF ACCOUNTS BY METER SIZE & CUSTOMER CLASS

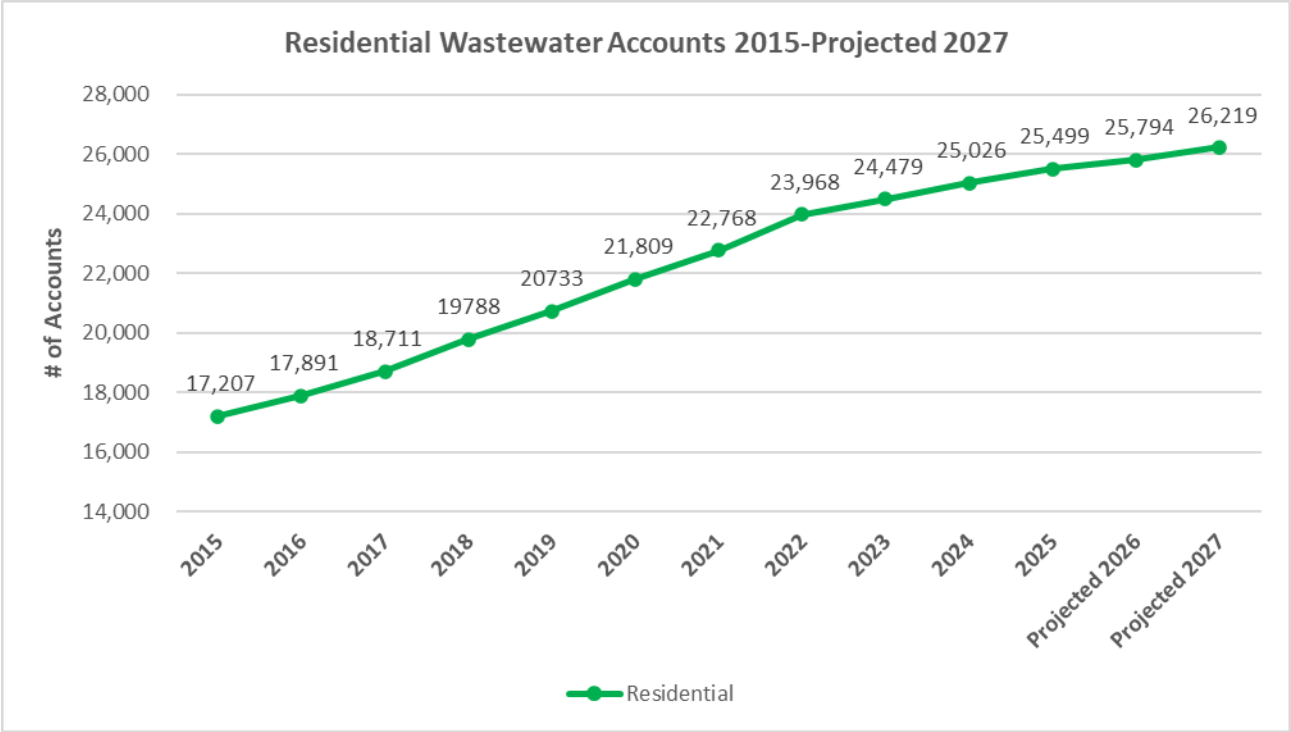
Table 11 presents the number of accounts by meter size and customer class using 12 months of billing data from January 2025 through December 2025. This analysis shows that 26,751 customers received wastewater service during the FY2025 capture period. By comparison, the FY2024 analysis, based on billing data from January 2024 through December 2024, identified 26,264 wastewater accounts. This represents an increase of 487 wastewater accounts between FY2024 and FY2025.

There are 1,220 fewer customers receiving wastewater service than water service. This difference is primarily attributable to irrigation-only accounts, which do not receive wastewater service, as well as customers utilizing septic systems rather than Castle Rock Water’s wastewater collection and treatment services.

**TABLE 11: ACCOUNTS BY METER SIZE & CUSTOMER CLASS (FY2025)**

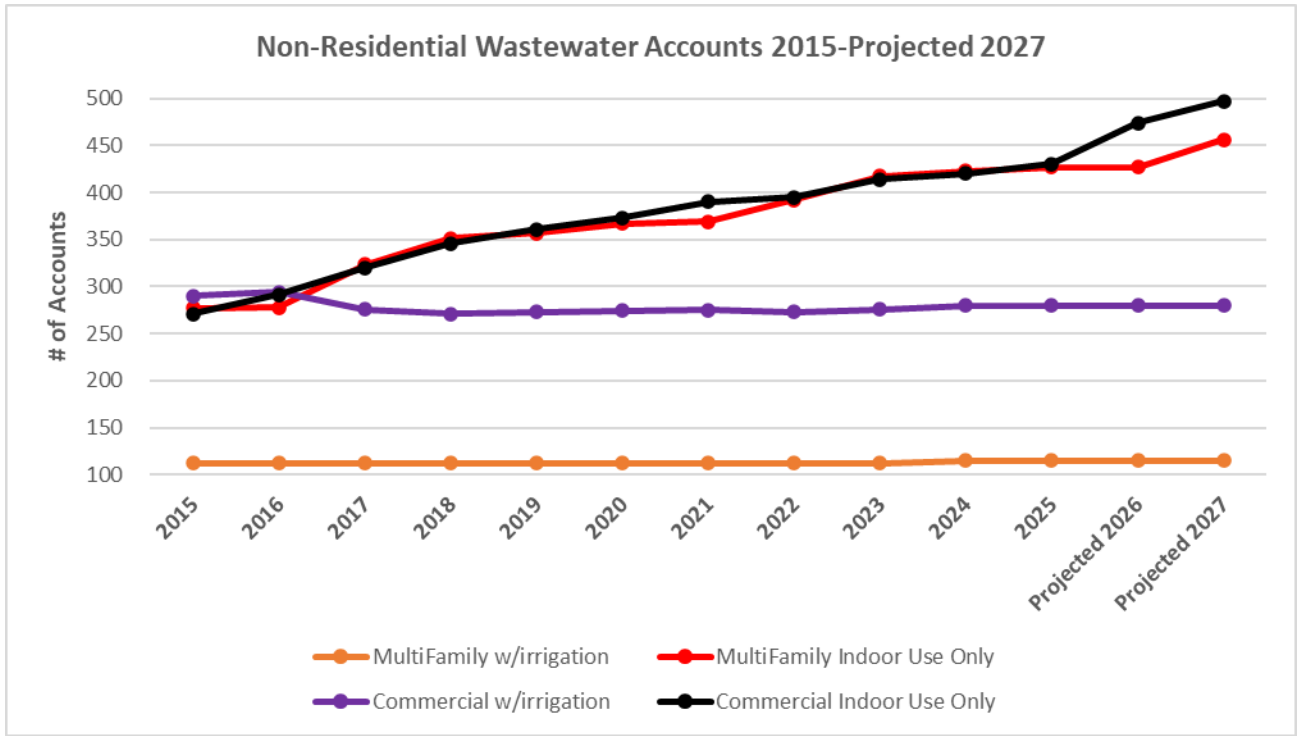
Meter Size	Residential	Multifamily	Commercial	MultiFamily Indoor Use Only	Commercial Indoor Use Only	Total
<b>5/8"</b>	2,473	-	-	4	7	2,484
<b>3/4"</b>	23,001	15	123	103	133	23,375
<b>1"</b>	25	25	72	147	113	382
<b>1.5"</b>	-	55	50	123	111	339
<b>2"</b>	-	16	28	45	51	140
<b>3"</b>	-	3	5	5	14	27
<b>4"</b>	-	1	-	-	1	2
<b>6"</b>	-	-	2	-	-	2
<b>Total</b>	25,499	115	280	427	430	26,751

CHART 59: RESIDENTIAL WASTEWATER ACCOUNTS



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**CHART 60: NON-RESIDENTIAL WASTEWATER ACCOUNTS**



Castle Rock Water projects FY2027 wastewater accounts using FY2025 billing data combined with projected growth estimates for FY2026 and FY2027. Based on these projections, total wastewater accounts in FY2027 are estimated to reach 27,567 accounts, consisting of 26,219 residential accounts and 1,348 non-residential accounts.

Projected new wastewater accounts by customer class are as follows:

**FY2026 Projected New Accounts**

295 Residential (1 SFE)  
 0 Multifamily  
 44 Commercial  
 339 Total Accounts

**FY2027 Projected New Accounts**

425 Residential (1 SFE)  
 29 Multifamily  
 23 Commercial  
 477 Total Accounts

Overall, wastewater account growth is projected to total 339 new accounts in FY2026 and 477 new accounts in FY2027, resulting in a combined projected increase of 816 accounts through FY2027 for the wastewater fund.

## WATER RESOURCES ENTERPRISE FUND

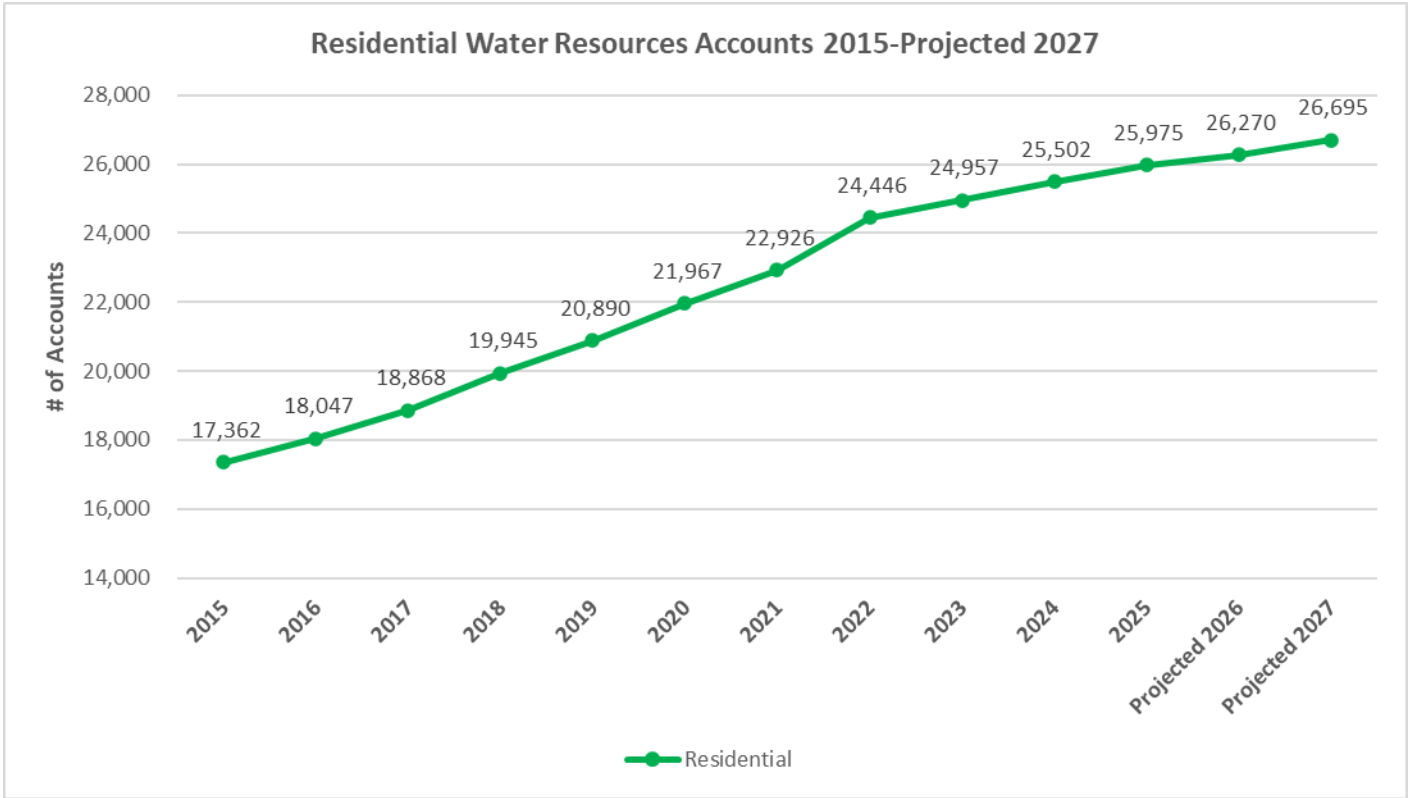
### NUMBER OF ACCOUNTS BY METER SIZE & CUSTOMER CLASS

Table 12 presents the number of accounts by meter size and customer class using 12 months of billing data from January 2025 through December 2025. This analysis shows that 27,969 accounts were served by the Water Resources Enterprise Fund during the FY2025 capture period. By comparison, the FY2024 analysis, based on billing data from January 2024 through December 2024, identified 27,474 Water Resources accounts. This represents an increase of 495 accounts between FY2024 and FY2025.

**TABLE 12: ACCOUNTS BY METER SIZE AND CUSTOMER CLASS (FY2025)**

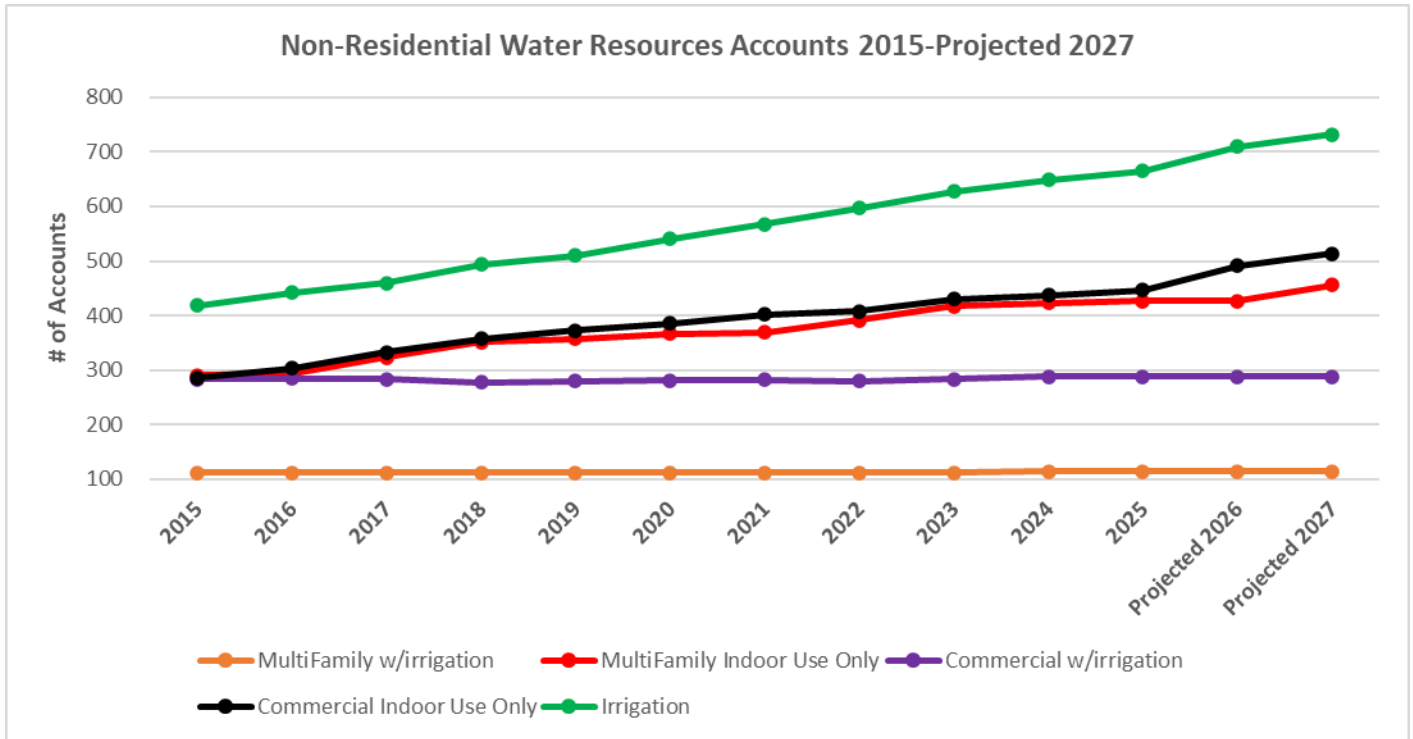
Meter Size	Residential	Multifamily	Commercial	Bulk	Irrigation	MultiFamily Indoor Use Only	Commercial Indoor Use Only	Total
5/8"	2,473	-	-	-	2	4	7	2,486
3/4"	23,476	15	126	52	239	103	144	24,155
1"	26	25	74	-	131	147	117	520
1.5"	-	55	53	-	192	123	111	534
2"	-	16	28	-	91	45	52	232
3"	-	3	5	-	8	5	15	36
4"	-	1	-	-	2	-	1	4
6"	-	-	2	-	-	-	-	2
<b>Total</b>	25,975	115	288	52	665	427	447	27,969

**CHART 61: RESIDENTIAL WATER RESOURCES ACCOUNTS**



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## CHART 62: NON-RESIDENTIAL WATER RESOURCES ACCOUNTS



Castle Rock Water projects FY2027 Water Resources accounts using FY2025 billing data combined with projected growth estimates for FY2026 and FY2027. Based on these projections, total Water Resources accounts in FY2027 are estimated to reach 28,800 accounts, consisting of 26,695 residential accounts and 2,105 non-residential accounts.

Projected new Water Resources accounts by customer class are as follows:

### FY2026 Projected New Accounts

295 Residential (1 SFE)  
 0 Multifamily  
 44 Commercial  
 44 Irrigation  
 383 Total Accounts

### FY2027 Projected New Accounts

425 Residential (1 SFE)  
 29 Multifamily  
 23 Commercial  
 23 Irrigation  
 500 Total Accounts

Overall, Water Resources account growth is projected to total 383 new accounts in FY2026 and 500 new accounts in FY2027, resulting in a combined projected increase of 883 accounts through FY2027 for the Water Resources Fund.

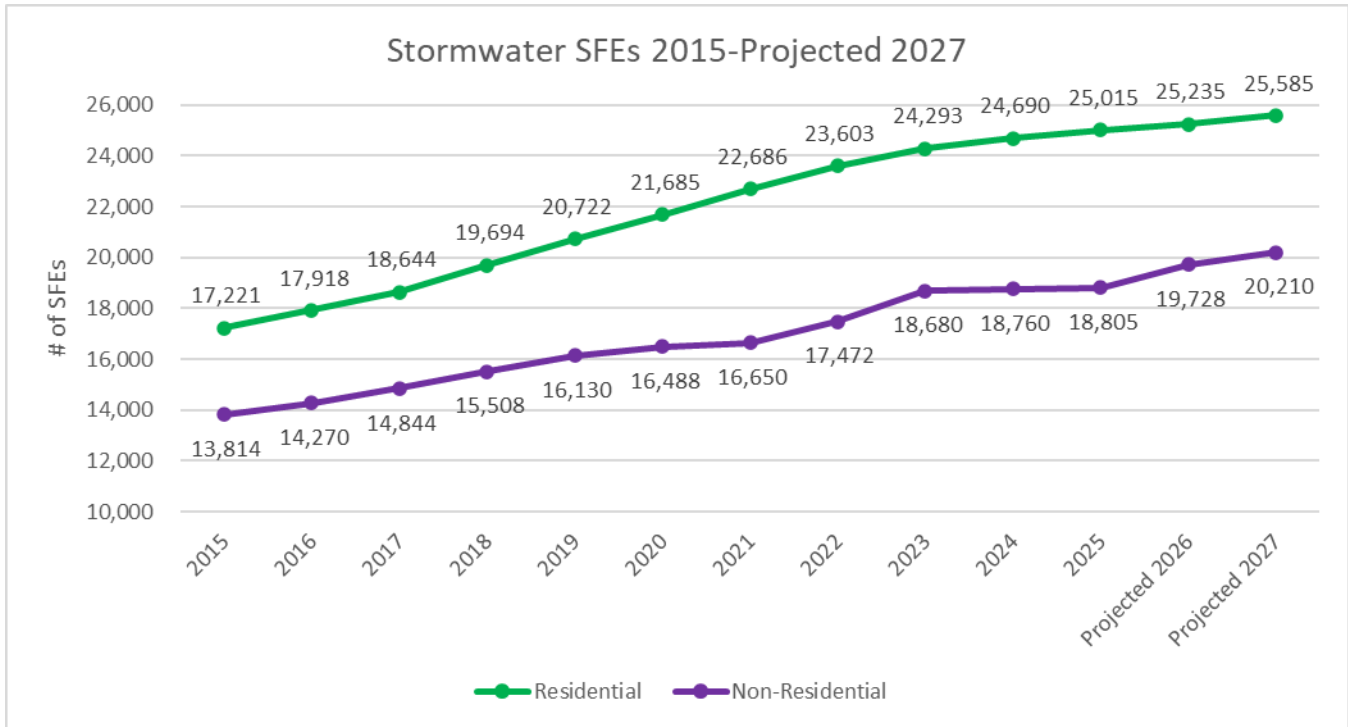
***STORMWATER ENTERPRISE FUND***

Table 13 presents the average monthly Stormwater Single Family Equivalents (SFEs) based on 12 months of billing data from January 2025 through December 2025. This analysis shows that 43,820 SFEs received stormwater services during the FY2025 capture period. By comparison, FY2024 billing data from January 2024 through December 2024 showed 43,450 SFEs receiving stormwater services. This represents an increase of 370 SFEs between FY2024 and FY2025.

**TABLE 13: STORMWATER SFES (JAN 25-DEC 25)**

Total Monthly SFEs	
Residential	25,015
Non-Residential	18,805
Stormwater SFE's	43,820

**CHART 63: STORMWATER SFES**



Castle Rock Water projects FY2027 Stormwater SFES using FY2025 billing data combined with projected growth estimates for FY2026 and FY2027. Based on these projections, total stormwater SFES in FY2027 are estimated to reach 45,795 SFES, consisting of 25,585 residential SFES and 20,210 non-residential SFES.

Projected new stormwater SFES are as follows:

**FY2026 Projected New SFES**

- 220 Residential SFES
- 9 Detached SFES in the Cherry Creek Basin
- 211 Detached SFES in the Plum Creek Basin
- 923 Commercial SFES in the Plum Creek Basin
- 1,143 Total SFES

**FY2027 Projected New SFES**

- 350 Residential SFES
- 14 Detached SFES in the Cherry Creek Basin
- 336 Detached SFES in the Plum Creek Basin
- 482 Commercial SFES in the Plum Creek Basin
- 832 Total SFES

Overall, projected growth for the Stormwater Fund totals 1,143 SFEs in FY2026 and 832 SFEs in FY2027, resulting in a combined projected increase of 1,975 SFEs through FY2027.

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# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 11. **File #:** WC 2026-062

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water

**Tallgrass Project Phase #2**

**Town Council Agenda Date:** June 16, 2026

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### Executive Summary

This will be a discussion item only.



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 12. **File #:** WC 2026-063

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Lauren Moore, Water Resources Manager  
Zuzana, Howard, Water Resources Program Analyst

**Resolution Approving the Water Lease Agreement between the Town of Castle Rock and Central Colorado Water Conservancy District**  
**Town Council Agenda Date:** May 19, 2026

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### Executive Summary

Attached is a copy of the Council Packet for the above reference project for your information.

### Attachments

Attachment A: Central Lease TC Packet



## STAFF REPORT

**To:** Honorable Mayor and Members of Town Council

**Through:** David L. Corliss, Town Manager

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Lauren Moore, Water Resources Manager  
Zuzana Howard, Water Resources Program Analyst

**Title:** **Resolution Approving the 2026/2027 Water Lease Agreement between the Town of Castle Rock and Central Colorado Water Conservancy District**  
*[Morgan County, Colorado]*

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### Executive Summary

Castle Rock Water (CRW) is seeking Town Council approval of a Resolution (**Attachment A**) authorizing a Water Lease Agreement (**Exhibit 1**) with Central Colorado Water Conservancy District (Central) to lease the Town's Rothe Recharge Credits acquired with the purchase of the Rothe water rights in 2014. Town Council previously approved the Intergovernmental Agreement Re Sublette Recharge and Chatfield Project (Project IGA) on September 17, 2024, under which the Town may provide Central with 1.5 acre-feet of Town Credits annually for each 1 acre-foot of Central's stored water right in Chatfield Reservoir; however, in periods when Central does not have sufficient water stored in Chatfield Reservoir for the Project IGA to function as intended, the Water Lease Agreement provides an alternative mechanism to meet Central's augmentation needs. The Town will not be able to use the Rothe Recharge Credits in the coming year, and the water cannot be reasonably moved by exchange back upstream to the Town of Castle Rock.

Central proposes to lease up to 491.9 acre-feet (AF) of the recharge credits for use as a projection tool supporting pumping from the hundreds of wells included in its augmentation plan thru March 31, 2027. The Town will charge \$140 per acre-foot, for a total lease value of up to \$68,866, which is reasonable for water of this type and location based on available data from comparable leases in the area.

### Discussion

As part of the long-term water supply identified in the Water Resource Strategic Master Plan, the Town purchased the Rothe Recharge property in 2014, and in 2021 the property and its

associated water rights were incorporated into the Box Elder Augmentation Plan (Case No. 19CW3231). The property includes 770 acre-feet (AF) of water rights that may be used as an augmentation water source in conjunction with the Box Elder Creek Well Field for the Town's Box Elder Project.

The general concept of the Rothe Recharge Project is that water can be diverted from the South Platte River at the Riverside Canal which is located east of Greeley under a water right with an effective 1988 priority date (**Attachment B**). This water is delivered from the Riverside Canal into several recharge ponds which then makes its way through the alluvial sands as groundwater return flow to the South Platte River approximately 16 miles downstream of the point where Box Elder Creek theoretically enters the South Platte River. The hydrogeologic transport of this water through the alluvium takes a number of years. The decree in Colorado Water Court Case No. 89CW027 defines the terms and conditions for operation of this project, including the specific timing of the recharge credits. The Town of Castle Rock will not be able to use this water in the next year, and the water cannot currently be reasonably moved by exchange back upstream to the Town of Castle Rock.

The key terms of the Water Lease Agreement are summarized below:

- Central will lease up to 491.4 AF at \$140 per AF;
- Revenue total of up to \$68,866 and
- The lease will terminate on March 31, 2027.

The benefit of this lease agreement is that it allows the Town to generate revenue from Rothe Recharge Credits that would not otherwise be realized under the Project IGA, particularly in circumstances where Central is unable to meet the Project IGA terms due to insufficient stored water. Additionally, this allows the Town to recoup a portion of the 2014 purchase price, thus, decreasing the overall financial impact to the Town. Arrangements like this support the Colorado Water Plan by developing regional cooperation between other water providers and creating ways to utilize existing supplies within the state.

### **Budget Impact**

If Council approves this Water Lease Agreement, Castle Rock Water would receive up to an additional \$68,866 in revenue over the next year. The revenue will be deposited into the Water Resources Fund Capital Leases account 211-4375-393.70-00.

### **Staff Recommendation**

Staff recommends approval of the resolution as presented.

### **Proposed Motion**

*"I move to approve the Resolution as introduced by title."*

### **Alternative Motions**

*"I move to approve the resolution as introduced by title, with the following conditions: (list conditions)."*

*“I move to continue this item to the Town Council meeting on \_\_\_\_\_ date to allow additional time to (list information needed).”*

**Attachments**

Attachment A: Resolution  
Exhibit 1: Agreement  
Attachment B: Location Map

**RESOLUTION NO. 2026- \_\_**

**A RESOLUTION APPROVING THE WATER LEASE AGREEMENT  
BETWEEN THE TOWN OF CASTLE ROCK AND CENTRAL  
COLORADO WATER CONSERVANCY DISTRICT**

**WHEREAS**, pursuant to the decree in Case No. 89CW27, District Court, Water Division No. 1 (the “Decree”), the Town of Castle Rock (the “Town”) and other owners operate the Rothe-Sublette Recharge Project (the “Project”), which diverts water from the South Platte River at the Riverside Canal into recharge ponds that accrete water to the South Platte River to generate recharge credits (the “Recharge Credits”); and

**WHEREAS**, the Town owns the right to 60.4% of the first 1,275 acre-feet (AF), up to 770 AF annually, of Recharge Credits generated by the Project (the “Town Recharge Credits”); and

**WHEREAS**, Recharge Credits from the Project are used by the Town and the other owners to augment depletions from alluvial wells pursuant to the Decree; and

**WHEREAS**, the Decree authorizes the lease of excess recharge credits to third parties for use in judicially approved plans for augmentation; and

**WHEREAS**, the Town and the Central Colorado Water Conservancy District (the “District”) have previously entered into that certain Intergovernmental Agreement dated September 17, 2024 (the “IGA”), whereby the Town provides the District with 1.5 AF of Town Recharge Credits annually in exchange for each 1.0 AF of the District’s water storage right in Chatfield Reservoir; and

**WHEREAS**, the District approached the Town about leasing additional Town recharge credits to provide an alternative mechanism by which to meet its augmentation needs; and

**WHEREAS**, the Town and the District previously entered into an Agreement that commenced on July 1, 2025 and expired on March 31, 2026, whereby the District leased up to 604 AF of Recharge Credits for which the Town charged \$140 per AF for a total lease value of up to \$84,560; and

**WHEREAS**, at present, the Town does not have any available means by which to use the Town Recharge Credits within its water system over the next year; and

**WHEREAS**, a lease with the District will allow the Town to generate revenue from the Town Recharge Credits that it would not otherwise be able to realize; and

**WHEREAS**, accordingly, the Town and the District desire to enter into a water lease agreement by which the District may lease up to 491.4 AF of excess Town Recharge Credits to support pumping from wells included in the District’s augmentation plan.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO AS FOLLOWS:**

**Section 1. Approval.** The Water Lease Agreement between the Town and the District is hereby approved in substantially the same form as presented at tonight’s meeting, with such technical changes, additions, modifications, deletions, or amendments as the Town Manager may approve upon consultation with the Town Attorney. The Mayor and other proper Town officials are hereby authorized to execute the Agreement and any technical amendments thereto by and on behalf of the Town.

**PASSED, APPROVED AND ADOPTED** this 19th day of May, 2026, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading, by a vote of \_\_\_ for and \_\_\_ against.

**ATTEST:**

**TOWN OF CASTLE ROCK**

\_\_\_\_\_  
Lisa Anderson, Town Clerk

\_\_\_\_\_  
Jason Gray, Mayor

**Approved as to form:**

**Approved as to content:**

\_\_\_\_\_  
Michael J. Hyman, Town Attorney

\_\_\_\_\_  
Mark Marlowe, Director Castle Rock Water

**WATER LEASE AGREEMENT BETWEEN THE TOWN OF CASTLE  
ROCK AND THE CENTRAL COLORADO WATER CONSERVANCY  
DISTRICT**

**THIS WATER LEASE AGREEMENT** (the “Agreement”) is entered into \_\_\_\_\_, 2026, by and between the Town of Castle Rock, Colorado, a home rule municipal corporation, acting by and through the Castle Rock Water Enterprise, as Lessor, whose address is 100 N. Wilcox Street, Castle Rock, Colorado 80104 (“Town”) and the Central Colorado Water Conservancy District, as Lessee, whose address is 3209 W 28th St, Greeley, CO 80634 (the “District”). The Town and the District are collectively referred to as the “Parties” and may be individually referred to as a “Party.”

**RECITALS**

**WHEREAS**, pursuant to the decree in Case No. 89CW27, District Court, Water Division No. 1 (the “Decree”), the Town and other owners operate the Rothe-Sublette Recharge Project (the “Project”), which diverts water from the South Platte River at the Riverside Canal into recharge ponds that accrete water to the South Platte River to generate recharge credits (the “Recharge Credits”); and

**WHEREAS**, the Town owns the right to 60.4% of the first 1,275 acre-feet (AF), up to 770 AF annually, of Recharge Credits generated by the Project (the “Town recharge credits”); and

**WHEREAS**, Recharge Credits from the Project are used by the Town and the other owners to augment depletions from alluvial wells pursuant to the Decree; and

**WHEREAS**, the Decree authorizes the lease of excess recharge credits to third parties for use in judicially approved plans for augmentation; and

**WHEREAS**, the Town and the District have previously entered into that certain Intergovernmental Agreement dated September 17, 2024 (the “IGA”), whereby the Town provides the District with 1.5 AF of Town Recharge Credits annually in exchange for each 1.0 AF of the District’s water storage right in Chatfield Reservoir; and

**WHEREAS**, the District approached the Town about leasing additional Town Recharge Credits to provide an alternative mechanism by which to meet its augmentation needs; and

**WHEREAS**, the Town and the District previously entered into an Agreement that commenced on July 1, 2025 and expired on March 31, 2026, whereby the District leased up to 604 AF of Recharge Credits for which the Town charged \$140 per AF for a total lease value of up to \$84,560; and

**WHEREAS**, at present, the Town does not have any available means by which to use the Town Recharge Credits within its water system over the next year; and

**WHEREAS**, a lease with the District will allow the Town to generate revenue from the Town Recharge Credits that it would not otherwise be able to realize; and

**WHEREAS**, accordingly, the Town and the District desire to enter into a water lease agreement by which the District may lease up to 491.4 AF of excess Town Recharge Credits to support pumping from wells included in the District’s augmentation plan.

**TERMS AND CONDITIONS**

**NOW THEREFORE**, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and the District agree as follows:

1. Lease of Town Recharge Credits. The Town hereby leases to the District up to and including 491.4 AF in excess Town Recharge Credits for the period effective from May 1, 2026 through and including March 31, 2027 (“Leased Credits”).

2. Lease Price. The District shall pay to the Town an amount equal to \$140.00 per AF of Leased Water, up to a maximum amount of \$68,866.00. The District shall make payment for any Leased Credits used by the District within thirty (30) days following the issuance of an invoice from the Town.

3. Lease Term. The term of this Agreement shall commence upon its effective date and expire March 31, 2027. By mutual written agreement of the Parties, this Agreement may be renewed on the same or on different terms.

4. District Obligations. The decreed uses of the Leased Credits include augmentation as set forth in Case No. 89CW27. It shall be the responsibility of the District to obtain any additional approvals necessary to use the Leased Credits for the District’s intended purposes, including but not limited to the approvals by the Colorado Division of Water Resources and the District Court, Water Division No. 1. The Town shall cooperate with the District in obtaining any required additional approvals. The Town makes no warranties or guarantees that such approvals can be obtained.

5. Town Obligations.

a. The Town shall deliver the Leased Credits to the District in accordance with the following monthly schedule:

Delivery Date	Amount (AF)
May 2026	48
June 2026	67
July 2026	47.6
August 2026	38.8
September 2026	42.6
October 2026	54.9



9. Entire Agreement. This Agreement represents the entire Agreement between the Parties on the matters set forth herein and supersedes all prior negotiations, representations or agreements respecting said matters whether written or oral.

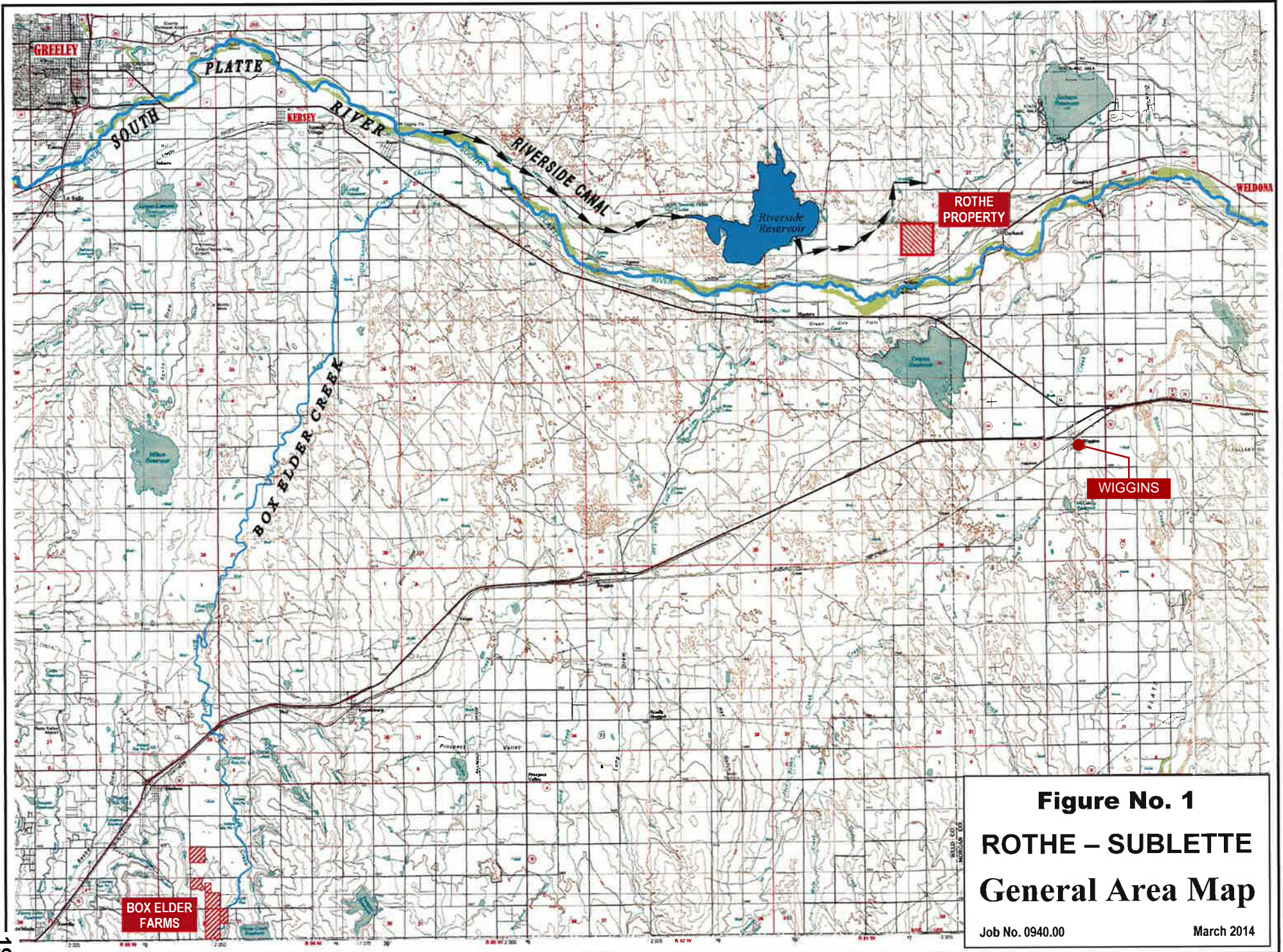
10. Binding Effect. The execution of the Agreement by the Town and the District constitutes the execution of a binding lease agreement by the Parties on the terms and conditions contained herein and may not be modified except in writing signed by both Parties. This Agreement shall be binding on the Parties' respective successors and assigns.

11. Enforcement. In the event either Party commences any action to enforce the terms and provisions of the Agreement, the prevailing Party shall be entitled to its reasonable attorneys' fees and all costs incurred in connection with such action, including, but not limited to, expert witness fees.

12. Controlling Law. This Agreement shall be governed under, and construed pursuant to the laws of the State of Colorado.

**(signature page to follow)**





**Figure No. 1**  
**ROTHE – SUBLETTE**  
**General Area Map**  
 Job No. 0940.00  
 March 2014



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 13. **File #:** WC 2026-064

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Lauren Moore, Water Resources Manager  
Zuzana Howard, Water Resources Program Analyst

**Resolution Approving the 2026 Spot Water Lease Agreement between the Town of Castle Rock and Climax Molybdenum Company**  
**Town Council Agenda Date:** May 19, 2026

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### Executive Summary

Attached is a copy of the Council Packet for the above-mentioned project for your information.

### Attachments

Attachment A: Molybdenum Co Water Lease TC packet



## STAFF REPORT

**To:** Honorable Mayor and Members of Town Council

**Through:** David L. Corliss, Town Manager

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Lauren Moore, Water Resources Manager  
Zuzana Howard, Water Resources Program Analyst

**Title:** **Resolution Approving a Spot Water Lease Agreement between the Town of Castle Rock and Climax Molybdenum Company [Chatfield Reservoir, Douglas County]**

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### Executive Summary

Castle Rock Water is seeking Town Council approval of a resolution (**Attachment A**) for a spot water lease agreement (**Exhibit 1**) with Climax Molybdenum Company (Climax). Climax has filed an Emergency Substitute Water Supply Plan to cover out-of-priority mountain diversions that impact Denver Water. As part of that plan, Climax proposes to lease a portion of the Town's surplus water stored in Chatfield Reservoir and book over the leased water into Denver Water's Chatfield storage account to satisfy its replacement water obligations. While the Town currently owns 848 acre-feet (AF) of storage in Chatfield, the Colorado Water Conservation Board (CWCB) allows for rental of the remaining permitted amount, for a total of 2,000 AF of storage. The Town currently has upwards of 1,827 AF of water stored in the reservoir with additional reusable supplies coming in each day.

If Council approves this lease, the Town will make available a minimum of 400 AF of water from its Chatfield Reservoir storage account for book-over into Denver Water's Chatfield Reservoir storage account during 2026. The initial 400 AF is guaranteed under the agreement and represents the minimum lease quantity and charge. Subject to water availability and at the Town's discretion, an additional quantity may be leased later in the year, for a total potential lease volume of up to 1,500 AF. Releases may occur between May 20, 2026, and December 31, 2026.

The lease rate is \$564 per AF, which was recently revised to reflect competitive raw water lease rates in the region. An initial payment of \$225,600 for the guaranteed 400 AF minimum lease volume will be due within 30 days of lease approval. Any additional quantities leased and released thereafter will be invoiced upon release. Total potential revenue under the agreement is up to \$846,000. The agreement will terminate at the end of 2026.

## History of Past Town Council, Boards & Commissions, or Other Discussions

Castle Rock Water Commission will be informed of the lease at their May 27, 2026 meeting.

### Discussion

Castle Rock Water has a strategic goal to strive to maintain sustainable rates and fees, and demonstrate fiscal responsibility, accountability, and transparency. One of the tactics to achieve this goal is to maximize leasing opportunities for idle water rights. Over the past eight years, the Town has generated over \$2.018 million by leasing idle water rights to downstream users (see **Table 1** below). Until these water rights can be fully utilized by the Town, Staff will continue to seek out users that can put these rights to beneficial use and generate revenue to the benefit of Castle Rock Water's customers.

Table 1. Revenue generated from leasing idle water rights to downstream users over the past eight years.

<b>Year</b>	<b>Revenue</b>
2018	\$70,699.75
2019	\$30,606.65
2020	\$29,019.13
2021	\$499,449.73
2022	\$531,647.81
2023	\$214,123.90
2024	\$262,490.54
2025	\$380,521.91
<b>TOTAL</b>	<b>\$2,018,559.42</b>

The key terms of the 2026 spot water lease agreement are summarized below:

- Climax will lease up to 1,500 AF of water at a rate of \$564/AF (guaranteed 400 AF min);
- Point of delivery measurement will be a book-over at Chatfield Reservoir into Denver Water's Chatfield Reservoir storage account; and
- The agreement will terminate on December 31, 2026.

As mentioned in the Executive Summary, the Town has been able to store excess supplies in Chatfield Reservoir over the past six years. To support future storage needs, the Town is planning to purchase an additional 129 AF of storage capacity in Chatfield Reservoir in 2026, for a total of 977 AF of storage, ultimately reaching 2,000 AF. Revenue generated through this proposed lease has the potential to recoup approximately 79% of the cost associated with that capacity purchase. This lease therefore provides an opportunity for the Town to maximize the value of its currently available stored supplies while offsetting a substantial portion of the anticipated storage capacity investment.

**Budget Impact**

If Council approves the agreement, Castle Rock Water would potentially receive \$225,600 \$846,000 of additional revenue in 2026. The revenue will be deposited into the Water Resources Fund Capital Leases account 211-4375-393.70-00.

**Staff Recommendation**

Staff recommends approval of the resolution as presented.

**Proposed Motion**

*“I move to approve the Resolution as introduced by title.”*

**Alternative Motions**

*“I move to approve the resolution as introduced by title, with the following conditions: (list conditions).”*

*“I move to continue this item to the Town Council meeting on \_\_\_\_\_ date to allow additional time to (list information needed).”*

**Attachments**

- Attachment A: Resolution
- Exhibit 1: Agreement

**RESOLUTION NO. 2026-\_\_**

**A RESOLUTION APPROVING THE 2026 SPOT WATER LEASE AGREEMENT BETWEEN THE TOWN OF CASTLE ROCK AND CLIMAX MOLYBDENUM COMPANY**

**WHEREAS**, the Town of Castle Rock, Colorado (the “Town”) owns certain water in the Chatfield Basin that is reusable and fully consumable after its first use for municipal purposes by the Town; and

**WHEREAS**, from time to time, a certain amount of this water is surplus to the needs and obligations of the Town (“Surplus Water”); and

**WHEREAS**, the Town anticipates it will have Surplus Water available for lease from time to time in 2026; and

**WHEREAS**, Climax Molybdenum Company (“CMC”) desires to lease a certain portion of the surplus water from the Town; and

**WHEREAS**, the Town and CMC have agreed upon the terms and conditions of a Spot Water Lease Agreement.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO AS FOLLOWS:**

**Section 1. Approval.** The Spot Water Lease between the Town and CMC is hereby approved in substantially the same form as presented at tonight’s meeting, with such technical changes, additions, modifications, deletions, or amendments as the Town Manager may approve upon consultation with the Town Attorney. The Mayor and other proper Town officials are hereby authorized to execute the Agreement and any technical amendments thereto by and on behalf of the Town.

**PASSED, APPROVED AND ADOPTED** this 19th day of May, 2026, by the Town Council of the Town of Castle Rock by a vote of \_\_ for and \_\_ against.

**ATTEST:**

**TOWN OF CASTLE ROCK**

\_\_\_\_\_  
Lisa Anderson, Town Clerk

\_\_\_\_\_  
Jason Gray, Mayor

**Approved as to form:**

**Approved as to content:**

\_\_\_\_\_  
Michael J. Hyman, Town Attorney

\_\_\_\_\_  
Mark Marlowe, Director of Castle Rock Water

**TOWN OF CASTLE ROCK/CLIMAX MOLYBDENUM COMPANY  
SPOT WATER LEASE AGREEMENT**

**THIS SPOT WATER LEASE AGREEMENT** (the “Agreement”) is entered into on \_\_\_\_\_, 2026, by and between the Town of Castle Rock, a home rule municipal corporation, acting by and through the Town the Castle Rock Water Enterprise, as Lessor (the “Town”), and Climax Molybdenum Company, as Lessee (“Lessee”) (collectively, the Town and Lessee are referred to as the Parties).

**RECITALS**

**WHEREAS**, the Town owns certain water in the Chatfield Basin that is reusable and fully consumable after its first use for municipal purposes by the Town; and

**WHEREAS**, from time to time, a certain amount of this water is surplus to the needs and obligations of the Town (“Surplus Water”); and

**WHEREAS**, the Town anticipates it will have Surplus Water available from time to time in 2026; and

**WHEREAS**, Lessee desires to lease a certain portion of the Surplus Water from the Town for use for municipal purposes in accordance with the terms and conditions of this Agreement.

**AGREEMENT**

**NOW THEREFORE**, in consideration of the mutual agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and Lessee agree as follows:

1. Water Rights Lease. The Town hereby leases to Lessee a minimum of 400 acre-foot (AF) and up to a maximum of 1,500 AF of Surplus Water (“Leased Spot Water”), which will be made available to Lessee from May 20, 2026 through December 31, 2026.

2. Deliveries.

A. Amount. The Town anticipates having sufficient water available within its Chatfield Storage Account to lease up to 1,500 AF to Lessee in 2026; provided, however, that the Town guarantees the availability of a minimum of 400 AF for lease to Lessee, subject to the terms of this Agreement. If additional water becomes available during 2026, the Town may, in its sole discretion, make available for lease up to an additional 1,100 AF, for a total potential lease amount of up to 1,500 AF. The Leased Spot Water will be withdrawn from the Town’s Storage Account upon coordination with the Colorado Department of Natural Resources – Division of Water Resources.

B. Location. Release will consist of a book-over from Castle Rock’s Chatfield Storage Account into Denver Water’s Chatfield Storage Account on behalf of Lessee.

C. Acceptance of Deliveries. Lessee will take delivery of the Leased Spot Water within its Chatfield Storage Account. The initial 400 AF will be delivered upon execution of this Agreement, by coordination between the Parties and the Colorado Department of Natural Resources – Division of Water Resources. Subsequent deliveries will be made by mutual agreement of the Parties.

D. Accounting. Lessee shall provide the Town with a copy of the water accounting showing the date(s) and quantities of the release of Leased Spot Water. This information will also be used to confirm and update the Town’s Chatfield accounting forms.

3. Lease Rate. Lessee shall pay to the Town \$225,600.00 for the first 400 AF of Leased Spot Water and \$564.00 for each additional AF of Leased Spot Water delivered thereafter. Payment for the first 400 AF of Leased Spot Water shall be made by no later than 30 days following the execution of this Agreement by both Parties and is non-refundable. Payment for the total quantity leased, less the initial payment, shall be made 30 days following the final day of the release as set forth in Section 1 herein.

4. Quality of Leased Water. Leased Water shall be delivered “as is,” but shall be of a quality that meets all standards and effluent limitations specified in Colorado Discharge Permit System Permit No. CO-0038547, as amended, or in any other discharge permit issued by the Colorado Water Quality Control Division or by the U.S. Environmental Protection Agency authorizing discharges from the Plum Creek Water Reclamation Authority facility. The quality of such water shall be measured at the authorized discharge point(s) specified in any such discharge permit. By entering into this Agreement and by accepting and using the Leased Spot Water, Lessee acknowledges that such water meets the requirements of this Agreement and is suitable for exchange purposes.

5. Lease Term. The term of this Agreement shall commence upon its execution and expire December 31, 2026. By mutual written agreement of the Parties, this Lease Agreement may be renewed on the same or on different terms.

6. Lessee’s Obligations. Lessee’s obligations under this Agreement are limited to making the payments as described in paragraph 3 above.

7. Notice. All notices which may be required to be given by either Party to the other shall be made in writing and either hand delivered or sent by first class United States mail, postage prepaid, addressed as follows, or by facsimile, or via electronic means:

If to Town:

Town of Castle Rock  
Castle Rock Water  
Attn: Lauren Moore, Water Resources Manager  
175 Kellogg Court  
Castle Rock, CO 80109  
[lmoore@crgov.com](mailto:lmoore@crgov.com)







# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 14. **File #:** WC 2026-065

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Hannah Branning, Water Quality & Regulatory Compliance Manager

**Update Water Quality Maintenance**  
**Town Council Agenda Date:** May 19, 2026

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### **Executive Summary**

This will be a presentation only item.



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 15. **File #:** WC 2026-066

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water

**Spring Up the Creek Update**  
**Town Council Agenda Date:** NA

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### Executive Summary

The annual Spring Up the Creek trash pickup event has been a cherished community tradition for over 20 years. This event is held each spring to help keep our local trails and waterways clean. Spring Up the Creek is timed to occur before shrubs and grasses fully leaf out, making it easier to spot and collect trash.

This year had a very manageable 130 volunteers with a large majority consisting of family groups. Additionally, several businesses brought in volunteers including AE2, Muller Engineering and Eternal Rock Lutheran Church.

The event collected over 100 bags of debris with the largest amount of debris being tires.

To support the event, 13 staff trail leaders distributed gloves and bags, coordinated group efforts, and ensured everyone's safety. These leaders exemplified the Town's core values of public service, stewardship, and environmental responsibility.



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 5/27/2026

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**Item #:** 16. **File #:** WC 2026-067

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**To:** Members of the Castle Rock Water Commission

**From:** Mark Marlowe, P.E., Director of Castle Rock Water

**Upcoming Town Council Items**  
**Town Council Agenda Date:** NA

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### Executive Summary

This item is an informational update only and is designed to give Commission a preview of time critical items that may need to go to Council prior to review at a Commission Meeting.

#### **Items for this month include:**

There are no additional items at this time.