



## **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  
Matt Benak, P.E., Water Resources Manager

**Title:** **Resolution Approving Staff Appointment to the Cherry Creek Project Water Authority (CCPWA) as Board Alternate** *[Located in eastern portion of Castle Rock]*

---

### **Executive Summary**

On February 12, 2021 the Town of Castle Rock closed on the purchase of Arapahoe County Water & Wastewater Authority's (ACWWA's) 41.25% stake in the Cherry Creek Project Water Authority (CCPWA). Section 4.1.a. of the First Amended and Restated Water Project Agreement and Establishing Contract (Agreement) states that each member shall appoint one representative to serve on the Authority Board and may name one or more alternate Board members.

Castle Rock Water named Matt Benak, Water Resources Manager as the primary Board member representing Castle Rock's interest in the Authority (he is currently serving as Treasurer). Originally Mark Marlowe, Director of Castle Rock Water was named as an alternate Board member, and then, Heather Justus (Water Resources Project Manager) was named as an alternate board member in his place (in November 2022). Heather has since left Castle Rock Water, and staff desires to name, David van Dellen (Assistant Director of Castle Rock Water) as alternate board member.

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

On June 17, 2019, CRW staff presented the opportunity to purchase ACWWA's interest in the CCPWA to the Castle Rock Water Commission (CRWC), who recommended that the Town move forward with the purchase.

On June, 18, 2019, CRW staff presented the opportunity to purchase ACWWA's interest in the CCPWA to the Water Resources Committee. The Committee recommended moving forward with an offer, the offer ultimately agreed to and outlined in this memo.

On October 2, 2019, the Director of CRW attended the CCPWA's Board Meeting to discuss Castle Rock's proposed purchase of ACWWA's interest in the project and to confirm that the other members were open to reevaluating the proposed capital infrastructure for the project and the manner in which that infrastructure is funded by the CCPWA members.

On October 23, 2019, CRW staff presented the revised agreement to CRWC, and CRWC again recommended that Council approve the purchase and the agreement.

On December 11, 2019, CRWC was updated on the final agreement approach and CRWC offered their continued support by general consensus.

On January 21, 2020, Town Council approved the Purchase and Sale Agreement with ACWWA.

On March 5, 2020 the Town and ACWWA entered into the Contract for the Purchase and Sale Agreement.

On May 5, 2020, the Town and ACWWA entered into the First Amendment to the Contract for the Purchase and Sale Agreement which put into effect a 90-day stay due to the potential impacts of the COVID-19 pandemic.

On November 3, 2020, Town Council approved the Second Amendment to the Contract for the Purchase and Sale Agreement to provide an extension of time for diligence activities and closing.

On February 12, 2021 the Town of Castle Rock closed on the purchase of Arapahoe County Water & Wastewater Authority's (ACWWA's) 41.25% stake in the Cherry Creek Project Water Authority (CCPWA).

On November 1, 2022, Town Council approved a resolution naming Heather Justus as alternate board member to the CCPWA.

## **Discussion**

The CCPWA is a group of water providers that has formed an Authority to construct and operate a water project, consisting of renewable and Denver Basin water, in the Cherry Creek Basin to provide relatively firm water yield of from 500 to 2,000 acre feet per year. CCPWA is comprised of four participants with shares in the project as follows:

- Castle Rock Water: 41.25%
- Inverness Water & Sanitation District: 31.118%
- Denver Southeast Suburban (AKA "The Pinery"): 20.489%
- Cottonwood Water & Sanitation District: 7.143%

Staff recommended that Matt Benak be named to the Authority Board to represent Castle Rock's interest and Mark Marlowe as an alternate Board Member. Given the expansiveness of the Director duties, staff recommended that Heather Justus take Mark Marlowe's place as an alternate board member given her familiarity with the Authority's activities and goals. Heather

has since resigned her position with Castle Rock, and staff would like to name the Assistant Director of Castle Rock Water, Mr. David van Dellen, as an alternate board member for CCPWA.

### **Budget Impact**

There are no direct financial impacts by naming alternate staff to the CCPWA Board.

### **Staff Recommendation**

Staff recommends that Town Council approve the appointment of staff to the CCPWA Board.

### **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