



# 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, 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).

6:00 pm CALL TO ORDER / ROLL CALL

COUNCIL UPDATE

COMMISSION COMMENTS

ADMINISTRATIVE BUSINESS

1. [WC 2026-039](#) Approval of the March 25, 2026 Meeting Minutes

*Attachments:* [Attachment A: 2026-03-25 Mtg. Minutes](#)

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

2. [WC 2026-040](#) Resolution Approving a Spot Water Lease Agreement between the Town of Castle Rock and Highlands Ranch Water [Chatfield Reservoir, Douglas County]
3. [WC 2026-041](#) Fourth Amendment to Services Agreement with J-U-B Engineers, Inc. for the 6400 East Tributary at Paintbrush Park Phases 1 and 2 Project [Paintbrush Park]
4. [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]
5. [WC 2026-043](#) Ordinance to Prohibit HOA violations for not watering grass during Town drought declarations - including changes for consistency to the Drought Management Plan

6. [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]

**Attachments:**     [Attachment B: Area Map](#)  
                              [Attachment C: Site Map](#)

7. [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 [With-in the Town Limits]

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

8. [WC 2026-046](#) Resolution Approving the 2026 Town of Castle Rock/United Water & Sanitation District Spot Water Lease Agreement [Chatfield Reservoir, Douglas County]

**Attachments:**     [Attachment A: Resolution](#)  
                              [Exhibit 1: Agreement](#)

9. [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 [Sedalia, CO]

**Attachments:**     [Attachment A: Ordinance](#)  
                              [Attachment B: Map](#)

10. [WC 2026-048](#) Update: Water Quality Maintenance

11. [WC 2026-049](#) County Water Plan Focus Group

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

13. [WC 2026-051](#) Upcoming Town Council Items

#### **COMMISSIONER MEETING COMMENTS**



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

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**Item #:** 1. **File #:** WC 2026-039

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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 March 25, 2026 Meeting Minutes**  
**Town Council Agenda Date:** NA

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### Executive Summary

Attached are the meeting minutes for the March 25, 2026 Water Commission Board Meeting.

### Proposed Motion

*"I move to approve the Minutes as presented"*

### Attachments

Attachment A: March 25, 2026 Meeting 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, March 25, 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** 11 - Jason Gray, Mark Marlowe, Mark Henderson, Nichol Bussey , Paul Rementer, Roy Gallea, Lauren Moore, Aaron Stremel, Frank Main, Matt Hayes, and MaryJo Reese

**COUNCIL UPDATE**

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

**COMMISSION COMMENTS**

Time was allowed for Commissioner Comments.

**ADMINISTRATIVE BUSINESS**

[WC 2026-027](#)

**Approval of the February 25, 2026, Meeting Minutes  
Town Council Agenda Date: NA**

**I move to approve the Minutes as presented.**

- Yes:** 5 - Chair Rathbun, Egnatios, Hammelman, Kocher, and Snow
- Abstain:** 2 - Vice-Chair Penoyar-Perez, and Gaddie

[WC 2026-028](#)

**Update on Water Commission Open Positions & Interview  
Process  
Town Council Agenda Date: May 29, 2026**

Mr. Marlowe explained that there will be three open positions for the 2026-2027 Water Commission. Commissioner Rathbun is term limited; Commissioner Egnatios and Kocher are up for renewal. Applications will be accepted from April 1st through April 27th. Interviews will be on May 12th with final recommendations being taken to Town Council on May 19th.

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

[WC 2026-029](#)

**Ordinance Modifying the System Development Fee Methodology for New Residential Homes [Entire Castle Rock Water Service Area]**  
**Town Council Agenda Date:** April 21, 2026

Ms. Bussey explained that the purpose of this ordinance is to change how System Development Fees (SDFs) are calculated for new single-family homes so that fees reflect actual water and wastewater demand under Castle Rock Water’s (CRW’s) 2022 No Turf Ordinance and evaluate those fees also based on varying home size.

The key change to the ordinance is a shift to a tiered fee structure based on total square footage (including unfinished basements).

Ms. Bussey looked at 750 homes built between 2023-2025 to analyze the current water use, which showed a clear link between home size and water use; it was not a perfectly linear one, so a tiered approach was determined to be appropriate. The 75th percentile home size will act as the baseline fee level, so homes with a smaller square footage will pay a smaller SDF.

This change will affect single-family homes with a standard ¾ inch meter. Commission Penoyar-Perez asked how this change will affect the budget in the future? It was explained that this will potentially reduce SDF revenues, but the reduction will be consistent with the actual needs of the new houses if they are smaller in square footage.

Commissioner Hammelman, by making these changes, can staff guarantee there won’t be a need to take out additional loans? Staff explained that a Rates & Fees study is completed each year to make sure that there are enough funds to cover all projects and needs.

**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 2026-030](#)

**Resolution Approving the 2026 Agriculture Lease between the Town of Castle Rock and PM Farming, LLC. [Weld County, Colorado]**  
**Town Council Agenda Date:** March 24, 2026

Ms. Moore shared that this item is for a one-year agricultural lease with PM Farming, LLC for the Town-owned Rothe Property (about 640 acres in Weld County). Ms. Moore explained that PM Farming is the same company as Sublette, Inc., who have leased the property in the past.

PM Farming will be using the property for dryland (non-irrigated) farming, grazing, hunting and other related agricultural activities.

The annual rent will be \$7,137.

Commissioner Kocher asked if this agreement has been reviewed by the Town's legal team? Staff explained that all agreements are reviewed by the legal team.

[WC 2026-031](#)

**Resolution Approving the 2026 Town of Castle Rock/Colorado Parks & wildlife Spot Water Lease Agreement [Chatfield Reservoir, Douglas County]**  
**Town Council Agenda Date:** March 24, 2026

Ms. Moore explained that this is a spot water lease allowing Castle Rock Water (CRW) to lease surplus water stored in Chatfield Reservoir to Colorado Parks & Wildlife (CPW) for use across state parks and wildlife areas in the South Platte Basin.

CPW is allowed to lease up to 200 acre-feet (AF). They are allowed to lease the water from March 24, 2026, to December 31, 2026. The rate is \$420 per AF. The potential revenue from the lease would be up to \$84,000.

Ms. Moore shared that this is good for CRW because CRW has more water stored in Chatfield than CRW can currently use. It will help CPW with water needs for parks, wildlife areas and hatcheries during anticipated dry conditions, and by leasing unused water generates revenue for CRW.

Commissioner Snow asked how CRW decides on the lease amount? It was explained that the lease rate was determined a number of years ago by market comparison data. More recently, the rate has been updated annually in accordance with CPI. CRW will check on current lease rates for Denver Water out of Chatfield.

[WC 2026-032](#)

**Resolution Approving a Services Agreement between the Town of Castle Rock and ???? for the Stormwater Master Plan**  
**Town Council Agenda Date:** April 21, 2026

Mr. Main reported that the original Stormwater Master Plan (SWMP) was developed in 2004 for the purpose of outlining long-term programs to ensure that drainage and runoff systems reduce hazards, protect citizens and property, and are environmentally sound and enhance beneficial uses. Every 5 years the plan has been renewed internally. At this time, CRW staff feel that it would be good to have a consultant help review and update the plan. The scope of work includes:

- Assess all stream reaches. Assessment will be broken down by drainageways: Cherry Creek Basin and Tributaries, Plum Creek Basin and Tributaries.
- Update remaining capital improvement priorities from each Outfall plan and provide updated cost estimates.
- Reevaluate and develop a new Prioritization strategy for remaining improvements.
- Provide plan view exhibits showing remaining improvement reaches and recommendations on conceptual design(s).
- Develop Detention Pond Retrofit Plan to improve water quality and reduce

operational burden. Evaluate the effectiveness of existing detention ponds, recommend improvements and document an implementation plan.

- Recommendations on upcoming Regulatory and Criteria updates related to MS4, Floodplain and Stormwater management.
- Evaluate the cost-benefit of managing privately-owned stormwater facilities. Identify the most cost-effective approach to ensuring long-term maintenance of privately owned facilities.

This item was planned for Council before the next Commission meeting. It was noted that Commission will be updated on costs and sent the Council memo prior to the Council meeting to ensure review and any questions are answered.

[WC 2026-033](#)

**Resolution Approving a Construction Contract between the Town of Castle Rock and ???? for the 6400 E. Tributary at Paint Brush Park Project**

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

Mr. Stremmel explained that this item is for a construction contract for improvements to the existing pond and downstream channel near Paintbrush Park in the Meadows. The current structure was built in 1960 for agricultural uses. The pond has stability issues that cause downstream erosion, the outlet structure frequently clogs and needs maintenance, and the pond is classified as a jurisdictional dam which requires upgrades or removal.

The Downstream Channel has significant bank erosion, which is threatening nearby paved trails. There are unsafe stream crossings, overgrown vegetation and erosion at the storm sewer outfalls.

The proposed improvements include:

**Phase 1 (Pond Improvements)**

- Reconstruct/upgrade dam to meet **State dam safety standards**
- Build improved pond to support **recreation (fishing)**
- Add **water quality storage volume**
- Install **reinforced overflow spillway**

**Phase 2 (Channel Improvements)**

- Stabilize channel using **riffle-pool drop structures**
- Add **riprap and grading** to reduce erosion
- Construct **new soft-surface trails and crossings**
- Add landscaping to improve **aesthetics and habitat**

Bids were sent to 8 prequalified contractors. Proposals are due March 26, 2026.

Construction is anticipated to be completed by May 2027.

Mr. Main also mentioned that the Metro District #6 may contribute to the funding. This item was planned for Council before the next Commission meeting. It was noted that Commission will be updated on costs and sent the Council memo prior to the Council meeting to ensure review and any questions are answered.

[WC 2026-034](#)

**Resolution Approving a Services Agreement between the Town of Castle Rock and ???? for design services for the Hillside Pump Station**

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

Mr. Stremmel reported that this item is for a services agreement for the design work to upgrade the Hillside Pump Station. Hillside Pump Station was originally built in 1985 and was designed to move water between two storage tanks that are no longer in service. CRW staff would like to:

- Design a new pump station capable of 2,600 gallons per minute (GPM) (major capacity increase)
- Evaluate alignment alternatives
- Design a 12-inch discharge pipeline
- Coordinate with nearby residents
- Complete required permitting

The request for proposal (RFP) was sent to 9 prequalified consultants, and the bids are due March 26, 2026.

This item was planned for Council before the next Commission meeting. It was noted that Commission will be updated on costs and sent the Council memo prior to the Council meeting to ensure review and any questions are answered.

[WC 2026-035](#)

**Proclamation: Mayor’s Challenge Supporting April as Water Conservation Month**

**Town Council Agenda Date:** 1st Reading March 24th and 2nd Reading April 7th

Mr. Marlowe shared that Town Council has proclaimed April as Water Conservation Month.

[WC 2026-036](#)

**Budget Update**

**Town Council Agenda Date:** NA

Mr. Rementer shared an update on the 2026-2027 budget process.

[WC 2026-037](#)

**Drought Update**

**Town Council Agenda Date:** NA

Mr. Marlowe shared a drought update.

[WC 2026-038](#)

**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.

There are no items at this time.

**COMMISSIONER MEETING COMMENTS**

Time was allowed for Commissioner Comments.





# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

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**Item #:** 2. **File #:** WC 2026-040

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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 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

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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 Highlands Ranch Water (Highlands Ranch). Highlands Ranch wishes to lease some of the Town's surplus water stored in Chatfield Reservoir to increase their storage supplies within Chatfield and have additional water. 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 1,600 AF of water stored in the reservoir with additional reusable supplies coming in each day.

If Council approves this lease, up to 1,000 AF of water may be released from the Town's Chatfield Reservoir storage account as a book-over into Highlands Ranch's Chatfield Reservoir storage account during 2026. This release may occur between May 5, 2026 and December 31, 2026. The Town will assess a \$420 per AF price for the water with a minimum lease of 200 AF. The 2026 lease rate was increased by the Consumer Price Index (CPI) based on 2.1% annual increase from \$411 per AF in 2025. Initial payment of \$84,000 for the minimum 200 AF lease will be required within 30 days from approval of this lease, with the remaining quantity to be paid upon subsequent releases. The potential revenue for this lease is up to \$420,000. The agreement will terminate at the end of 2026.

### 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.

Year	Revenue
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:

- Highlands Ranch will lease up to 1,000 AF of water at a rate of \$420/AF;
- Point of delivery measurement will be a book-over at Chatfield Reservoir; 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 year, which have exceeded the purchased storage amounts (848 AF). Since the Town does not physically have a way to utilize these excess storage supplies at this point in time, CWCB has developed, and Town Council has approved, a lease agreement with the Town to lease the optioned storage space for \$50/AF. With a current annual lease rate for 1,152 AF (2,000 AF minus 848 AF), the Town will pay the CWCB \$57,600 in 2026. This spot lease with Highlands Ranch would allow the Town to further maximize storage space within the reservoir and will help to cover the annual lease option of storage space with CWCB.

### **Budget Impact**

If Council approves the agreement, Castle Rock Water would potentially receive up to \$420,000 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 recommend to Town Council approval of the Resolution as presented"*

### **Attachments**

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**Item #: 2. File #: WC 2026-040**

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Attachment A: Resolution  
Exhibit 1: Agreement



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

**Item #:** 3. **File #:** WC 2026-041

**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  
 Matthew Hayes, P.E., Technical Engineering Manager  
 Josh Hansen, P.E., Project Manager Supervisor  
 Frank Main, Project Manager  
 Aaron Stremel, Water Engineer

**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

### Executive Summary

The purpose of this memo is to request Town Manager approval of Fourth Amendment (**Attachment 1**) to the Services Agreement with J-U-B Engineers (formerly Anderson Consulting Engineering), Inc. for the 6400 East Tributary at Paintbrush Park Phases 1 and 2 Project. This amendment provides funding to support construction-phase engineering services, project closeout, and preparation and submittal of a FEMA Letter of Map Revision (LOMR). These services are necessary to advance the project from final design into construction and through completion, including regulatory closeout.

Purchase Order No. 3056 was originally authorized on February 15, 2023, in the amount of \$107,490. Amendment 1 increased the contract by \$98,855 for additional design and permitting efforts, bringing the total to \$206,345. Amendment 2 extended the term of the agreement through December 31, 2025, to allow completion of design and permitting work. Amendment 3 further extended the agreement through December 31, 2026, with no additional cost to allow time for bidding support services.

With design now complete and the project moving into construction in 2026, Staff recommends approval of this Fourth Amendment adding \$XXX,XXX for engineering support during construction, post-construction documentation, and FEMA coordination for a total authorization of \$XXX,XXX. This amendment ensures continuity of engineering services by the Engineer of Record (J-U-B) through project completion and regulatory approval. The proposed amendment also extends the contract duration through December 31, 2027.

## Discussion

The 6400 East Tributary at Paintbrush Park Phases 1 and 2 Project combines the previously separate Phase 1 and Phase 2 designs into a single construction project. This approach reduces overall construction costs and shortens the construction duration, minimizing impacts to the surrounding residential neighborhood and public park.

The final project design includes improvements that address stream stabilization, dam safety, water quality, and public recreation goals, including:

- Redesign of the pond located north of The Grange to support recreational fishing
- Redesign of the dam embankment to meet State Engineer’s Office criteria for jurisdictional dams
- Inclusion of water quality capture volume in the new pond
- Addition of a riprap-reinforced pond overflow spillway
- Riffle pool drop structures to stabilize the channel grade
- Riprap and grading to prevent stream bank erosion
- New soft surface trails, stream crossings, and fishing access improvements
- Landscaping to enhance aesthetics, reduce erosion, and support wildlife habitat

Due to budget limitations, the project did not proceed to construction in 2024 or 2025. However, based on an updated Engineer’s Opinion of Probable Cost (EOPC), the Town now has a refined understanding of the project budget requirements and has moved forward with bidding the project in 2026.

This Fourth Amendment provides funding for construction-phase engineering services, including submittal and RFI review, construction observation, field design support, record drawings, coordination of post-construction survey, and completion of the FEMA Letter of Map Revision (LOMR). These services are necessary to ensure the project is constructed in accordance with the design and successfully closed out. The anticipated construction schedule is Summer 2026 through Summer 2027. This amendment extends J-U-B’s contract through December 31, 2027.

## Budget Impact

The table below shows the previous amendment history for the Services Agreement between CRW and J-U-B.

Amendment	Date	Additional Authorization	Notes
Original Contract	February 15 <sup>th</sup> , 2023	\$107,490.00	
Amendment 1	August 31 <sup>st</sup> , 2023	\$98,855.00	
Amendment 2	January 9 <sup>th</sup> , 2025	\$0.00	Extension through December 31 <sup>st</sup> , 2025
Amendment 3	December 29 <sup>th</sup> , 2025	\$0.00	Extension through December 31 <sup>st</sup> , 2025

*This amendment requests an additional \$XXX for a total project authorization of \$XXX. The project is funded by the 6400 E Trib. Stabilization Fund ().*

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**Item #: 3. File #: WC 2026-041**

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Project Number	Account Name	Account Number	Total Contract Amount	Remaining	Requested Additional Authorization Amount	2026 Budget
250017	6400 E. Trib Stabilization	212-4475-444.75-52		\$112,000	\$421,200	\$2,700,000
250017	6400 E. Trib Stabilization	210-4275-442.75-11				\$2,700,000

**Proposed Motion**

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

**Attachments**

Attachment A: Resolution (Not Attached)  
Exhibit 1: Exhibit (Not Attached)



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

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**Item #:** 4. **File #:** WC 2026-042

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

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Mark Henderson, Assistant Director of Castle Rock Water  
Lauren Moore, Water Resources Manager  
Rick Schultz, Water Efficiency Supervisor

**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

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### Executive Summary

The purpose of this memorandum is to request Town Council approval of a Resolution (**Attachment A**) declaring an **Advisory Drought Stage (Stage 1)** in the Castle Rock Water service area. Current and projected water supply conditions, including historical below-average snowpack, elevated temperatures, and increased water demand, indicate a heightened risk to the Town's near-term renewable water supply reliability. While current system storage levels remain stable and the Water Supply Index (WSI) is above drought trigger thresholds, emerging regional and statewide drought indicators demonstrate a need for proactive action to preserve water resources, support regional water providers, and potentially avoid more severe restrictions later this summer. Pursuant to Castle Rock Municipal Code Chapter 13.15, the Director of Castle Rock Water, as Program Administrator, is authorized to declare and implement drought stages based on the Water Supply Index (WSI) and existing water supply conditions. In accordance with Castle Rock Municipal Code Chapter 13.12, once a drought stage is declared, public notice must be provided and becomes enforceable within 24 to 48 hours, at which point all water users are required to comply with the applicable restrictions, and violations may result in enforcement actions as outlined in the Water Use Management Plan (WUMP) and Drought Management Plan (DMP)

Declaring Stage 1 drought will reinforce existing conservation practices, increase public awareness and early behavioral changes, and position the Town to respond more effectively if conditions worsen. This early declaration is intended to reduce demand, protect stored supplies, and maintain operational flexibility in advance of peak summer water use. Under the Town's DMP, **Stage 1 consists of voluntary conservation and early demand reduction, with a target of approximately 10% water savings.**

### Notification and Outreach Efforts

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**Item #: 4. File #: WC 2026-042**

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Notification and outreach efforts include regional coordination and collaboration with neighboring communities and water providers including Highlands Ranch Water and Parker Water and Sanitation District to monitor and communicate drought conditions including a joint press release on March 24<sup>th</sup>. That news release urged residents to conserve as irrigation season approaches and given the warm, dry winter and below-average snowpack across Colorado to remind customers to use water wisely and avoid unnecessary waste.

Upon approval of the drought resolution, Castle Rock Water will provide formal notice of the declared drought stage in accordance with Castle Rock Municipal Code Chapter 13.12, which requires that notice be delivered to customers and/or published on the Town's website. Such notice becomes legally effective within 24 hours of those notices delivered to the customer or 48 hours after publication of the notice, whichever occurs sooner, at which point all water users are required to comply with the applicable drought restrictions.

Castle Rock Water plans to conduct the following outreach in response to the drought declaration:

- Provide public notice by publishing the drought declaration on the Town website
- Conduct outreach of the public notice via Town websites, email newsletter, social media, and press releases.
- Provide guidance on voluntary conservation measures
- Continue customer education through existing outreach programs
- Coordinate messaging with regional partners as appropriate

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

Castle Rock Water Staff have presented frequent drought updates to the Castle Rock Water Commission at meetings in January through April of 2026.

On April 17, 2018 Town Council approved Resolution 2018-041 adopting the 2018 Drought Management Plan.

On May 1, 2018 Town Council approved by second reading Ordinance 2018-011 Amending Section 13.12.070 of the Castle Rock Municipal Code Concerning Emergency Regulation of Water.

On February 4, 2025, Town Council approved Resolution 2025-007 for the 2025 Drought Management Plan.

Castle Rock Water staff have presented drought updates to Town Council at Town Council meetings starting in January 2026.

Castle Rock Water staff presented to the Economic Development Council (EDC) Water Subcommittee on April 17, 2026 summarizing the drought stages and restrictions according to the Drought Management Plan and potential implications to new development.

### **Discussion**

Current data indicates that drought conditions persist both regionally and statewide. According to the

U.S. Drought Monitor, Douglas County is currently 100% in abnormally dry conditions, with approximately 85% in moderate drought and 25% in severe drought. The Town's 10-day WSI is 3.77 (as of April 15, 2026), indicating sufficient supply at present; however, this metric does not account for anticipated seasonal increases in demand or the potential for reduced imported supplies, such as Water Infrastructure Supply Efficiency (WISE) project deliveries.

Snowpack conditions across Colorado remain historically low, increasing concern for reduced runoff and future water supply constraints. While local storage conditions are currently stable, long-term renewable supplies remain highly dependent on future runoff conditions.

On March 17, 2026, Governor Jared Polis activated Colorado's Drought Task Force and initiated Phase 2 of the State Drought Response Plan in response to worsening statewide conditions. The Governor's action was based on several key indicators, including one of the warmest and driest starts to a water year on record, snowpack levels among the lowest in more than four decades, and roughly one-third of the state experiencing severe drought or worse. This activation underscores growing concerns about water supply reliability and the need for coordinated, proactive response efforts across jurisdictions

Additionally, other Front Range communities have already implemented or are planning drought restrictions. The City of Aurora and Denver Water have issued drought declarations and are implementing water restrictions. As a participant in the regional WISE project, Castle Rock is directly connected to these providers. The Town currently owns 2,250 acre-feet (AF) of WISE shares, including associated delivery infrastructure, and receives water supplied through Aurora's sources and treatment facilities. In some years, WISE has delivered up to 1,242 AF to the Town. Because WISE is a shared regional system, implementing drought restrictions in Castle Rock helps support system reliability and aligns with conservation efforts across partner providers.

Availability of Castle Rock Water's WISE supply, which is interruptible 2 out of every 10 years for drought, is in question this year given the scale and impact of the drought on Aurora Water and Denver Water.

### **Advisory Drought Stage (Stage 1) Measures:**

Under the Town's Drought Management Plan, an Advisory Drought Stage (Stage 1) includes voluntary conservation and early demand reduction, with a target of approximately 10% water savings.

Key measures include:

- **Outdoor Water Use**
  - Continued enforcement of existing watering schedules and time-of-day restrictions
  - Emphasis on limiting watering days and duration
  - Encouragement of efficient irrigation practices and reduction of non-essential outdoor water use
- **Indoor and Commercial Use**
  - Voluntary conservation; no mandatory indoor restrictions at this stage
  - Encouragement of water-saving behaviors and efficiency improvements

- **General Conservation Practices**
  - Promote reduction of water waste (e.g., runoff, overwatering, leaks)
  - Encourage use of low-water landscaping and irrigation technologies
  - Encourage reduced frequency of water-intensive activities (e.g., vehicle washing, decorative water use)
- **Commercial and Institutional Measures**
  - Encourage conservation practices such as reduced linen washing in lodging establishments and general water efficiency measures

Advisory Drought Stage (Stage 1) actions are intended to increase awareness, achieve some demand reductions without significant impacts to customers, while preparing the community for potential escalation if conditions worsen. This approach aligns with the Town’s Drought Management Plan, which emphasizes early action to prevent supply depletion, phased implementation of conservation measures, and potential avoidance of more severe restrictions later in the season.

### **Budget Impact**

The implementation of Advisory Drought Stage (Stage 1) measures is expected to have minimal direct budget impact, as conservation efforts are voluntary and outreach and enforcement will be managed within existing operational resources. At this stage, no drought-specific rate adjustments are triggered under the current structure. However, Castle Rock Water has evaluated potential impacts of higher drought stages, where conservation would be driven in part by rate structure modifications, including reduced outdoor water budgets and adjusted surcharge thresholds. These future measures could influence both water demand and revenues but are not anticipated under Stage 1 conditions.

### **Proposed Motion**

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

### **Attachments**

Attachment A: Resolution



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

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**Item #:** 5. **File #:** WC 2026-043

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

**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Mark Henderson, P.E., Assistant Director of Castle Rock Water  
Lauren Moore, Water Resources Manager  
Rick Schultz, Water Efficiency Supervisor

**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

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### Executive Summary

This memorandum has been prepared to seek Council approval on first reading for an Ordinance (**Attachment A**) to prohibit Homeowners Associations (HOAs) from issuing violations to residents for not watering grass and allowing the grass to go dormant or brown during Town drought declarations. The Town of Castle Rock has adopted a Drought Management Plan that establishes staged responses to water shortages, including restrictions on outdoor irrigation. During declared drought conditions, compliance with these measures may result in brown or dormant turf. Currently, some homeowners' associations (HOAs) maintain covenants that require green or well-maintained turf and may impose fines or enforcement actions when those standards are not met. This creates a potential conflict between Town-directed water conservation efforts and private enforcement of landscaping standards.

This ordinance will amend the Castle Rock Municipal Code to prohibit HOAs from issuing fines or enforcement actions related to brown grass or similar landscape conditions when such conditions are the result of compliance with Town-declared drought restrictions.

The ordinance would:

- Apply only during officially declared drought stages under the Town's Drought Management Plan.
- Prohibit HOA enforcement actions related to turf condition, irrigation levels, or drought-related landscaping impacts.
- Require suspension of ongoing enforcement actions for the duration of the drought declaration; and

- Preserve HOA authority over non-water-related property maintenance and governance.

Castle Rock Water is also proposing under separate Resolution (**Attachment B**) to update the 2024 Drought Management Plan to be consistent with the proposed ordinance and code changes.

### **Discussion**

Castle Rock Water's 2024 Drought Management Plan establishes a framework for reducing water demand during periods of limited supply. These measures include restrictions on outdoor irrigation, which can lead to turf dormancy or browning. The ongoing drought this year is a perfect example of the importance of Castle Rock Water's Drought Management Plan for managing outdoor water use to ensure reliable water supplies are preserved for the community over the long term.

Castle Rock has also adopted a "no new turf" ordinance for front yards for new residential development and for all areas of non-residential development, also known as the Coloradoscaping Ordinance. Colorado state law and policy increasingly support water conservation and drought-tolerant landscaping. Recent legislation is catching up with Castle Rock and now requires HOAs to allow water-wise landscaping and limits their ability to enforce aesthetic standards that conflict with conservation goals. However, HOA enforcement practices during active drought conditions are inconsistent across Castle Rock communities and a source of concern and contention with residents.

The proposed ordinance is intended to:

- Ensure residents are not penalized for complying with Town water conservation measures.
- Support the effectiveness of the Town's Drought Management Plan.
- Reduce confusion and conflict between public regulations and private HOA requirements; and
- Align local practices with state policy encouraging water conservation and drought resilience.

Without this clarification, residents may feel pressure to overwater landscapes to avoid HOA penalties, undermining the Town's conservation objectives. The ordinance and resulting changes to Municipal Code have been developed to address several potential concerns that might be raised by HOAs:

- The ordinance is narrowly tailored to apply only during declared drought conditions.
- It does not regulate general HOA governance or financial authority.
- It is designed to complement, not conflict with, the Colorado Common Interest Ownership Act (CCIOA); and
- It reinforces existing state and local policy promoting water conservation.

It is important to understand that brown grass in Castle Rock does not mean the grass is dead. Castle Rock Water's drought stage restrictions allow some level of watering through Stages 1, 2 and 3. The watering allowed is not expected maintain green grass but keep the dormant brown grass alive. Typical grasses used in Castle Rock can survive 4-8 weeks without water in a brown dormant state depending on the exact grass type. The watering allowed in Stages 1, 2 and 3 of drought restrictions allows the grass to maintain until conditions improve.

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**Item #: 5. File #: WC 2026-043**

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In addition to the Ordinance, Castle Rock Water plans to update the 2024 Drought Management Plan to incorporate the HOA enforcement changes into the Plan. This will ensure consistency with Town code and allow for easy implementation by staff and understanding by the broader community.

### **Budget Impact**

Budget impacts during drought declarations and restrictions are expected to be significant. Castle Rock Water maintains a Rate Revenue Stabilization Reserve to offset some of these impacts. In Stage 2 drought and beyond, Castle Rock Water also implements tighter water budgets and surcharges (in Stage 3 and beyond) which help mitigate revenue impacts from selling less water during a drought declaration.

### **Proposed Motion**

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

### **Attachments**

Attachment A: Ordinance  
Attachment B: Resolution Approving Changes to the Drought Management Plan



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

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**Item #:** 6. **File #:** WC 2026-044

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**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  
Matthew Hayes, P.E., Technical Engineering Manager  
Josh Hansen, P.E., CIP Project Manager Supervisor  
Aaron Stremel, Water Engineer

**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

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### Executive Summary

The purpose of this memo is to request the Town Council approval of a Design Services Agreement (**Attachment A**) with Tetra Tech for design, engineering and bid support services for the replacement and upgrade of Hillside Pump Station and relevant distribution system piping. An assessment will be performed to evaluate pipeline alternatives for upgrade including a memorandum of the identified alignment. Staff recommends approval of the agreement between Castle Rock Water (CRW) and Tetra Tech for \$583,575 with a 10% contingency for a total authorization of \$641,932.50. Services are expected to begin upon execution of the contract and be completed Spring 2027.

### Discussion

The Hillside Pump Station and associated transmission infrastructure are critical components of the Town's potable water delivery system, conveying treated water from the Plum Creek Water Purification Facility (PCWPF) and the Meadows Water Treatment Facility in the Yellow Zone to the eastern portions of the system within the Blue Zone. The existing pump station, originally constructed in 1985, was designed to transfer water between storage facilities that have since been removed from the Town's distribution system (Tank 1 and Tank 2), resulting in operations that no longer align with the current system configuration. The facility is currently limited to a single pump with an approximate design capacity of 800 GPM and discharges through approximately 2,100 linear feet of predominantly 8-inch pipeline with limited conveyance capacity. As system demands have increased and development has expanded within the Blue Zone, these facilities have become capacity-constrained, inefficient, and lack resilience, including the absence of on-site backup power. To address these deficiencies and support future system demands, the Town is advancing

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**Item #: 6. File #: WC 2026-044**

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improvements to both the pump station and transmission infrastructure, including increasing firm pumping capacity and evaluating options to upsize or replace the existing conveyance system.

The objective of this project is to improve system capacity, reliability, and operational resiliency through the replacement of the Hillside Pump Station and the upgrade of the associated transmission main. The proposed pump station will be designed to provide up to 2,600 GPM firm capacity at approximately 450 feet of total dynamic head, while meeting current design standards and accommodating long-term operations and maintenance needs. Transmission improvements will include evaluation of alternatives to either upsize the existing 8-inch pipeline or construct a new 12-inch alignment extending from the pump station south along South Gilbert Street to the point of connection with the existing 12-inch distribution system. Work will include the following: an initial Alignment Evaluation Phase to assess feasible pipeline alternatives, a Design Phase consisting of survey and site investigation, identification of property lines and easements, preliminary through final design of the pump station and pipeline, preparation of TESC plans and technical specifications, coordination with local residents to address neighborhood considerations, and completion of required permitting.

A Request for Qualifications (RFQ) was advertised on Bidnet to procure qualified consultants for the 2026 pre-qualified consultants list for various Castle Rock Water Capital Improvement Projects. A project specific Request for Proposal (RFP) was issued to nine (9) of these pre-qualified consultants for this project from both the Water Infrastructure and Water Facility lists. Responses were received from six (6) firms. The following table shows the fee proposals received from the consulting firms assuming that full replacement of the pump station would be required:

<b>Consulting Firm</b>	<b>Total Cost</b>
Black & Veatch	\$1,183,135
Burns & McDonnell	\$699,894
Carollo	\$742,522
Conсор	No Proposal
Dewberry	\$862,102
Hazen	\$762,629
HDR	No Proposal
Providence	No Proposal
Tetra Tech	\$583,575

Tetra Tech was selected by the evaluation committee to perform services for this project, and staff have determined that their proposed fee is reasonable. While proposal values ranged from approximately \$580,000 to \$1,200,000, all teams generally met the project scope. Tetra Tech's proposal, however, best aligned with the requirements and intent of Castle Rock Water while also offering the lowest cost. Additionally, Castle Rock Water has an established working relationship with Tetra Tech that has consistently proven to be collaborative and successful.

**Budget Impact**

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**Item #: 6. File #: WC 2026-044**

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The Tetra Tech proposal fee is \$583,575. Staff requests an additional \$58,357.50 (Town-managed 10% contingency) be authorized for a total project authorization of \$641,932.50. The project will be funded from the Distribution System Upgrades Fund (210-4275-442.75-38) and managed by a budget transfer from the Tank 8B Fund (210-4275-442.79-36) after 2025 to 2026 carry-forward.

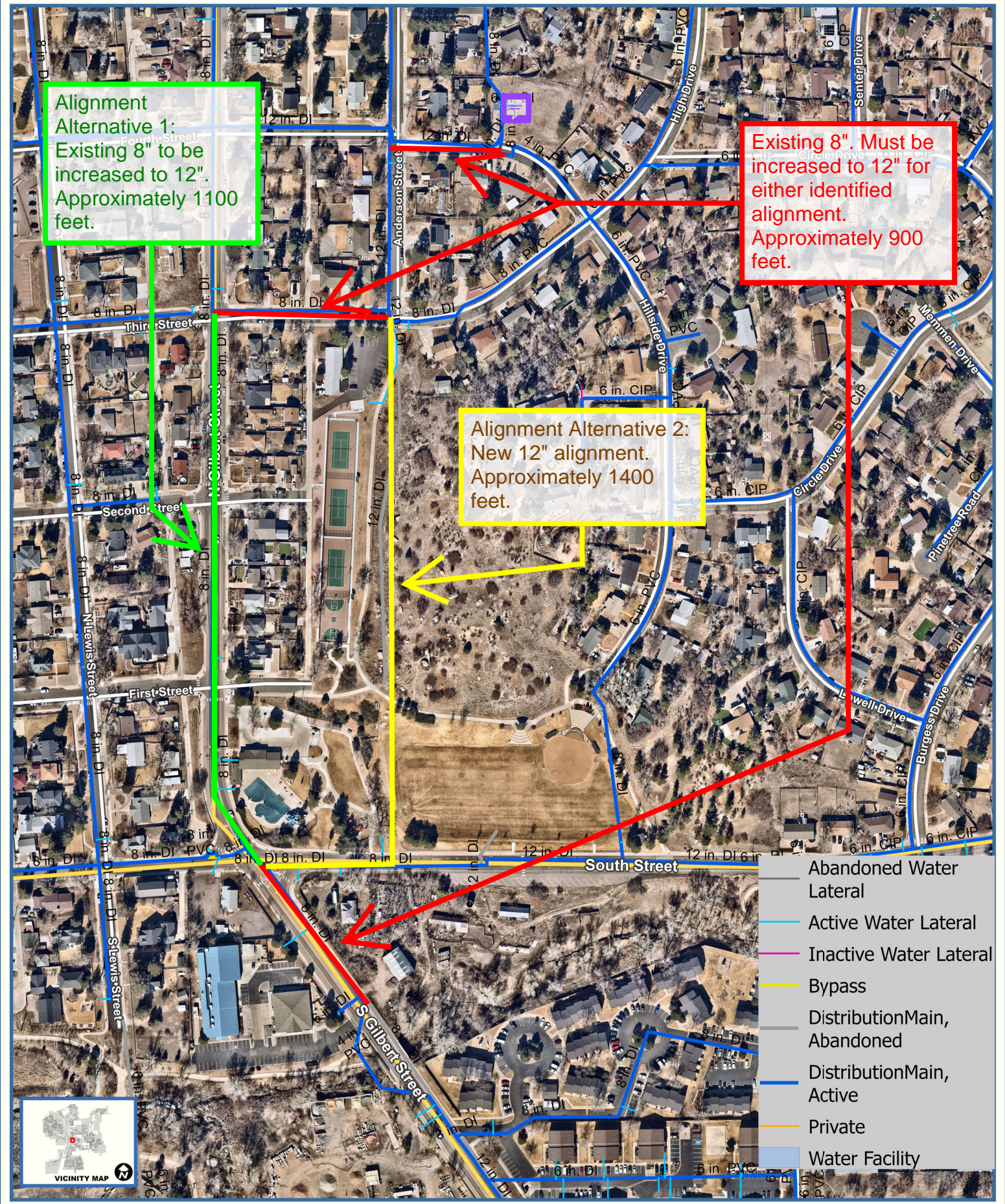
Project Number	Account Name	Account Number	Contract Amount	Contingency	Authorization Amount	2026 Budget
260007	Distrib System Upgrades	210-4275-442.75-38	\$583,575.00	\$58,375.50	\$641,932.50	\$0

**Proposed Motion**

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

**Attachments**

- Attachment A: Resolution (Not Attached)
- Exhibit 1: Agreement (Not Attached)
- Attachment B: Area Map
- Attachment C: Location Map

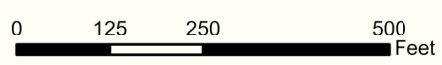


Alignment Alternative 1:  
Existing 8" to be increased to 12".  
Approximately 1100 feet.

Existing 8". Must be increased to 12" for either identified alignment.  
Approximately 900 feet.

Alignment Alternative 2:  
New 12" alignment.  
Approximately 1400 feet.

- Abandoned Water Lateral
- Active Water Lateral
- Inactive Water Lateral
- Bypass
- Distribution Main, Abandoned
- Distribution Main, Active
- Private
- Water Facility

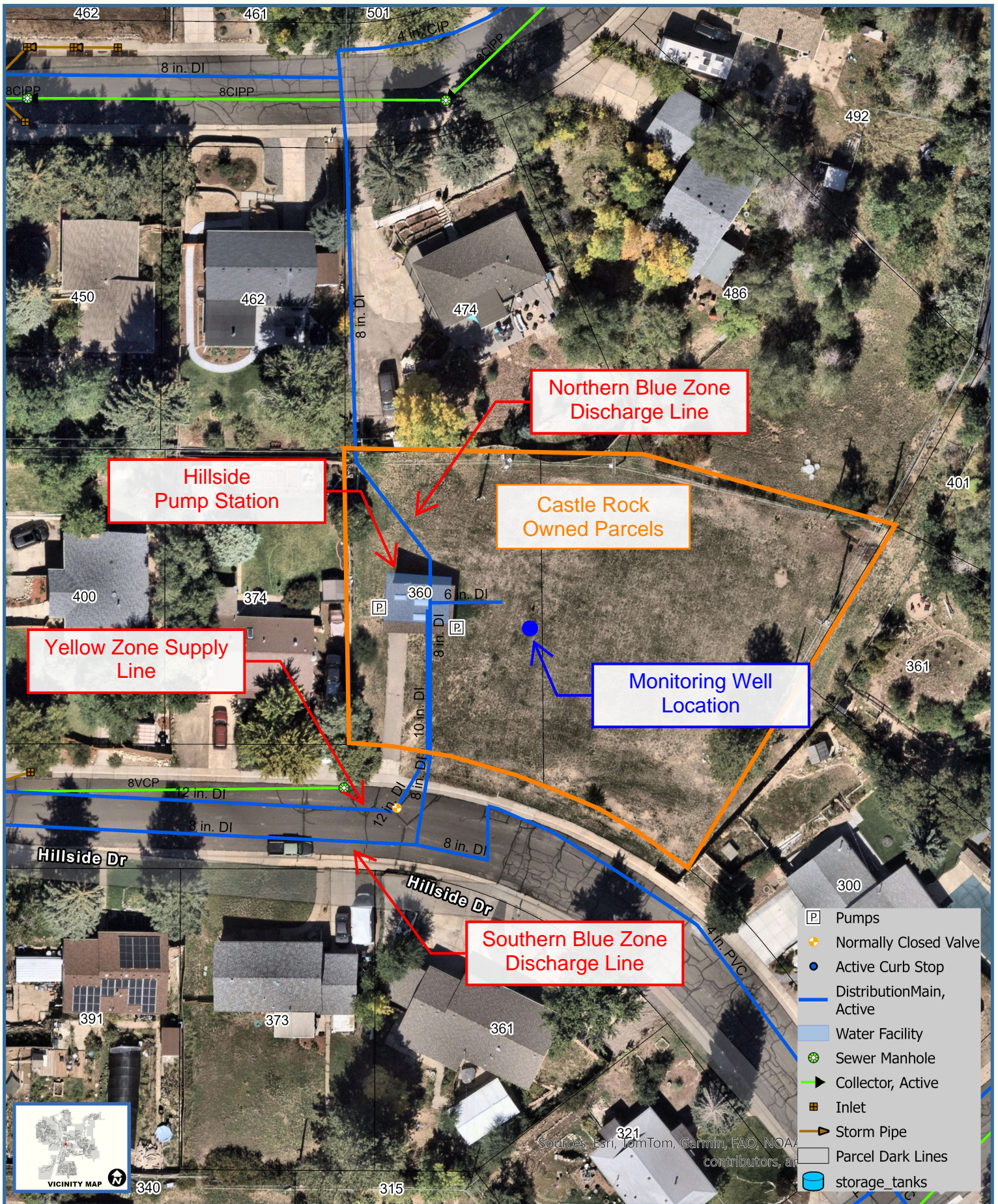


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**CASTLE ROCK UTILITIES MAP**  
**(INTERNAL USE ONLY)**



- P Pumps
- + Normally Closed Valve
- Active Curb Stop
- Distribution Main, Active
- Water Facility
- + Sewer Manhole
- Collector, Active
- Inlet
- Storm Pipe
- Parcel Dark Lines
- storage\_tanks



Sources: Esri, TomTom, Garmin, FAO, NOAA, contributors, ar



Date: 2/23/2026 1:600  
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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.

**Hillside Pump Station and Pipeline Site Map**  
 27



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

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**Item #:** 7. **File #:** WC 2026-045

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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 Services Agreement Between the Town of Castle Rock and Muller Engineering Company, for the 2026 Stormwater Master Plan Update *[With-in the Town Limits]***

**Town Council Agenda Date:** May 5, 2026

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### Executive Summary

Castle Rock Water (CRW) seeks Town Council approval of a Resolution (**Attachment A**) to award a Services Agreement with Muller Engineering Company (Muller) for the 2026 Stormwater Master Plan Update in the amount of \$442,610 plus a 10% Town-managed contingency in the amount of \$44,261 for a total authorization of \$486,871. The project is located throughout the Town Limits of Castle Rock.

The scope of work generally includes the following:

- Finalize the update to the Town's 2017 Stormwater Master Plan.
- Assess all streams.
- Updates to remaining capital improvement priorities from each Outfall plan and provide updated cost estimates.
- Reevaluate and develop a new Prioritization strategy for remaining improvements.
- Provide plan view exhibits showing remaining improvement reaches and recommendations on conceptual design(s).
- Develop Detention Pond Retrofit Plan to improve water quality and reduce operational burden. Evaluate the effectiveness of existing detention ponds, recommend improvements and document an implementation plan.
- Recommendations regarding upcoming regulatory and criteria updates related to MS4, floodplain and stormwater management.
- Evaluate the cost-benefit of adopting privately-owned stormwater facilities.

### Discussion

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**Item #: 7. File #: WC 2026-045**

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A Stormwater Master Plan (SWMP) was originally developed in 2004 with the purpose of outlining a long-term program to ensure that drainage and runoff systems reduce hazards, protect citizens and property, are environmentally sound and enhance beneficial uses. Per the 2004 SWMP, the program goals are to plan, design, construct, operate, and maintain a stormwater system that adequately provides for public safety, property protection, water quality and aesthetics. The SWMP provides the framework for drainageway master planning, floodplain management, stormwater phase II permit requirements and long-term maintenance in a comprehensive manner.

The 2004 SWMP identified guiding principles and policies that were developed through extensive outreach with the community and ultimately adopted by Town Council.

Older parts of the community were lacking basic stormwater infrastructure, causing localized flooding concerns and water quality impairment. Areas of rapid growth prior to the implementation of a stormwater utility had already experienced significant channel degradation. The 2004 SWMP identified more than thirty critical stormwater and drainage problem areas and recommended improvements, including stream stabilization, water quality enhancements, detention, and conveyance improvements. The Stormwater Master Plan was last updated in 2017 and highlighted critical findings and recommendations resulting from a reassessment of stormwater program needs for the Town of Castle Rock.

The Town issued a Request for Proposals (RFP) for the 2026 Storm Water Master Plan on February 25, 2026, to eight pre-qualified consultants.

A selection committee, consisting of town staff reviewed and ranked each proposal. Following the qualification-based selection process, the fee schedule for each firm was opened and reviewed, not for low bid, but for a reasonable and appropriate level of effort from each team member. The following table identifies each consultant and their pricing.

<b>Consulting Firm</b>	<b>Total Cost</b>
RESPEC Company, LLC	\$ 265,605
Olsson	\$ 637,574
Dewberry Engineers Inc.	\$ 754,975
Muller Engineering Company	\$ 442,610
Felsburg Holt & Ullevig	\$ 510,000
Merrick	\$ 297,690

The top-ranked firm in terms of qualifications, response to scope of work, understanding of project and team experience was Muller, whose proposal represented the best overall value for the services requested. Staff found the fee to be reasonable for the proposed scope included in the proposal with an estimated 12-month completion. Muller's fee was \$442,610.

*Muller's proposal and fee combination represented the best value for the Town in terms of project approach and understanding, technical expertise and scope of services provided, and staff is recommending award herein.*

**Budget Impact**

Funds for this Services Agreement will be charged to the Stormwater capital account identified below. Funds for this Services Agreement are to be drawn from the Watershed Master Plan Account #212-4475-444.78-74. A second quarter budget amendment will be required in the amount of \$307,415 to fund this project.

<b>Fund Description</b>	<b>Account Number</b>	<b>Amount</b>	<b>Contingency</b>	<b>Total</b>	<b>Budget*</b>
<i>Watershed Master Plan</i>	<i>212-4475-444.78-74</i>	<i>\$442,610</i>	<i>\$44,261</i>	<i>\$486,871</i>	<i>\$179,456</i>

\*Budget will be covered with a Q2 Budget Amendment.

**Proposed Motion**

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

**Attachments**

Attachment A: Resolution (Not Attached)  
Exhibit 1: Agreement (Not Attached)



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

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**Item #:** 8. **File #:** WC 2026-046

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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 Town of Castle Rock/United Water & Sanitation District Spot Water Lease Agreement [Chatfield Reservoir, Douglas County]**  
**Town Council Agenda Date:** April 21, 2026

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### Executive Summary

Castle Rock Water is seeking Town Council approval of a resolution (**Attachment A**) for a spot water lease with United Water & Sanitation District (United). United wishes to lease some of the Town's surplus water stored in Chatfield Reservoir to augment their downstream reservoir diversions from the main stem of the South Platte River. While the Town currently owns 848-acre feet (AF) of storage in Chatfield and intends to purchase an additional 129 AF in 2026, 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 approximately 1,750 AF of water stored in the reservoir.

If Council approves this lease, up to 200 AF of water would be released from the Town's Chatfield Reservoir storage account into the main stem of the South Platte River. This release would occur between April 22, 2026 and December 31, 2026. The Town will assess a \$420 per AF price for the water, with a minimum lease of 20 AF. Initial payment of \$8,400 for the minimum 20 AF lease will be required 30 days from approval of this lease, with the remaining quantity to be paid upon subsequent releases. The potential revenue for this lease is up to \$84,000. The agreement will terminate at the end of 2026.

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

Castle Rock Water Commission was informed of a lease with United at their March 24, 2021 meeting and recommended approval of the 2021 Water Lease Agreement.

On April 6, 2021 Town Council unanimously approved the 2021 Water Lease Agreement.

Castle Rock Water Commission was informed of a lease with United at their February 23, 2022 meeting and recommended approval of the 2022 Water Lease Agreement.

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**Item #: 8. File #: WC 2026-046**

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On March 1, 2022, Town Council unanimously approved the 2022 Water Lease Agreement.

On April 15, 2025 Town Council approved a 2025 spot water lease with United.

**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:

- A minimum lease quantity of 20 AF with \$8,400 payable 30 days after execution;
- Up to 200 AF total of water at a lease rate of \$420/AF;
- Point of delivery will be to the main stem of the South Platte River, downstream of Chatfield Reservoir.

As mentioned in the Executive Summary, the Town has been able to store excess supplies in Chatfield Reservoir over the past year, which have exceeded the purchased storage amounts (848 AF). The Town does not physically have a way to utilize these excess storage supplies at this point in time, and CWCB has developed a lease agreement with the Town to lease the option amount for \$50/AF. The 2026 lease with CWCB will be at rate of \$51,150 for 1,023 AF (2,000 AF available storage - 848 AF owned storage - 129 AF purchased storage in 2026) of storage space. The spot lease with United would allow the Town to further maximize storage space within the reservoir and will more than cover the annual lease option of storage space with CWCB.

**Budget Impact**

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**Item #: 8. File #: WC 2026-046**

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If Council approves the agreement, Castle Rock Water would receive between \$8,400 and \$84,000 of additional revenue in 2026. The revenue will be deposited into the Water Resources Fund Capital Leases account 211-4375-393.70-00.

**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 UNITED WATER AND SANITATION DISTRICT**

**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**, United Water and Sanitation District (the “District”) desires to lease a certain portion of the surplus water from the Town for use as an augmentation source for municipal purposes for its partners; and

**WHEREAS**, the Town and the District 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 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 21st day of April, 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/UNITED WATER AND SANITATION DISTRICT  
SPOT WATER LEASE AGREEMENT**

**THIS SPOT WATER LEASE AGREEMENT** (the “Agreement”) is entered into on April 21, 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 United Water and Sanitation District, 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 as an augmentation source for municipal purposes for its partners 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 20 acre-feet (AF) and up to a maximum of 200 AF of Surplus Water (“Leased Spot Water”), which will be made available to Lessee from April 22, 2026 through December 31, 2026, with deliveries not to exceed 2 AF per day.

2. Deliveries.

A. Amount. The Town shall provide Lessee each day with flow measurement data at the discharge point for the Leased Spot Water for the preceding day. Notwithstanding the notice requirements below, the Town may provide flow measurement data by phone, fax, email or other suitable means to assure effective delivery management. Actual day-to-day deliveries that the Town guarantees a minimum of 0.01 AF will be available daily unless the Water Commissioner declares the Plum Creek is not a live stream at the Titan Gage. Lessee may verify at any time the accuracy of the flow measurement device used by the Town to measure the Leased Spot Water at the discharge point.

B. Location. Release from Chatfield Reservoir into the main stem of the South Platte River. Lessee shall take delivery of the Leased Spot Water at any facility Lessee owns, operates, or in which Lessee has the legal ability to store water on the South Platte River.

C. Acceptance of Deliveries. Subject to the non-refundable payment obligation below, Lessee may either accept or decline delivery of any portion of the Leased Spot Water the Town delivers in accordance with this Agreement. Acceptance of delivery will be confirmed only by inclusion of Leased Spot Water in substitute water supply plan or augmentation plan accounting described below.

D. Accounting. Beginning on the 1<sup>st</sup> of each month, Lessee shall provide the Town with a weekly accounting of the water it uses from this supply as an exchange. Lessee shall supply the Town its exchange accounting on a monthly basis, no later than the fifteenth day of the month, following the month of accounting, or on a more frequent basis and at the times required to report to the water commissioner or division engineer as required by the Division of Water Resources.

3. Lease Rate. Lessee shall pay to the Town \$8,400.00 for the first 20 AF of Leased Spot Water and \$420.00 for each additional AF of Leased Spot Water delivered hereunder. Payment for the first 20 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)

With a copy to: Town of Castle Rock  
Town Attorney's Office  
Attn: Michael J. Hyman, Town Attorney  
100 N. Wilcox Street  
Castle Rock, CO 80104  
[mhyman@crgov.com](mailto:mhyman@crgov.com)

If to United: United Water and Sanitation District  
Attn: Drew Damiano  
8301 E. Prentice Avenue, #120  
Greenwood Village, CO 80111

With a copy to: David F. Bower  
Johnson & Repucci LLP  
850 W. South Boulder Road, Suite 100  
Louisville, CO 80027  
[Dfbower@j-rlaw.com](mailto:Dfbower@j-rlaw.com)

8. Assignment. Lessee may not assign its rights hereunder without the prior written consent of Lessor, which may be withheld in Lessor's sole discretion. In the event that Lessor consents to an assignment of Lessee's rights hereunder, the assignee shall execute an assumption agreement pursuant to which it shall assume Lessee's obligations hereunder. The terms of such assumption agreement must be approved by Lessor.

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 this Agreement by the Town and the Lessee 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 Lease shall be binding on the Parties' respective successors and assigns.

11. Controlling Law. This Lease Agreement shall be governed under, and construed pursuant to the laws of the State of Colorado.

*(Signature page to follow)*





# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

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**Item #:** 9. **File #:** WC 2026-047

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**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  
Josh Hansen, P.E., Project Manager Supervisor  
Erin Evans, P.E., Project Manager

**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

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### Executive Summary

Castle Rock Water (CRW) is seeking Town Council adoption of an Ordinance (*Attachment A*) authorizing the exercise of the Town's power of eminent domain, if necessary, for the Sedalia Lift Station and Force Main to Plum Creek Water Reclamation Authority (PCWRA) Project.

The Sedalia Lift Station and Force Main project is to design and build the main wastewater conveyance line to PCWRA for the town of Sedalia and the surrounding area as shown in **Attachment B**. Sewer trunk lines and connections to residents and businesses will need to be constructed through system development fees to take full advantage of this project. However, the first phase of providing these services includes a lift station and force main pipeline.

The proposed pipeline is approximately 4 miles in length and crosses 9 properties, including Town Right-of-Way. The majority of the force main alignment overlaps the Town's Raw Water Return Pipeline and Dominion's Eastern Regional Pipeline easement boundaries to minimize additional usable space on each property. During design, the team also worked to keep the new pipeline alignment in proximity to existing utility crossing locations and corridors that cannot be developed and along existing property boundaries. A land acquisition consultant, Western States Land Services (Western States), was retained to assist with property owner coordination and conduct good-faith negotiations to acquire the necessary easements. Staff and Western States have completed numerous onsite meetings and phone conversations with property owners to discuss potential project impacts and gather feedback regarding specific property owner concerns. Notice of Intent letters have been sent to all property owners, one acquisition is completed, and several others are in the final negotiation stages.

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**Item #: 9. File #: WC 2026-047**

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The project construction is starting in April 2026 with a deadline of December 31, 2026, to spend down American Rescue Plan Act funds that comprise the majority of project funding. Additionally, CRW has invested in this project to provide up to \$5.8 million to close the funding gap for the total project cost of \$19.8 million. Therefore, time is of the essence to complete the acquisition process. Given project schedule and experience on other projects, Staff requests approval for the use of eminent domain, if necessary, to facilitate easement acquisition on the remainder of the properties to avoid unnecessary project delays.

**Notification and Outreach Efforts**

In order to obtain right of entry agreements to complete survey and geotechnical investigations in the pipeline corridor, staff have conducted numerous meetings and discussions with individual property owners.

Notice of Intent to Acquire letters were sent to all affected property owners in October 2025.

The Town has completed the Location and Extent permitting process with Douglas County, which also notified and solicited additional information from surrounding property owners.

Douglas County has conducted outreach including posting a news article on their web page about the Highway 85 Southern Corridor Wastewater Project. Castle Rock Water has also posted information on its web page, mailed notification post cards in January and April 2026 to surrounding residents and project stakeholders, and hosted an open house for all surrounding residents and stakeholders in February 2026.

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

Town Council approved the Amended and Restated IGA with Douglas County for the Highway 85 Wastewater Collection and Treatment System on July 2, 2024, Per the IGA, Douglas County fully funded an Escrow Account of \$14,000,000 in American Rescue Plan Act (ARPA) funds for CRW to withdraw payment to contractors for the project based upon the submitted invoices to Douglas County and their subsequent approval.

CRW staff presented this Douglas County IGA to the Castle Rock Water Commission at their meeting held in November 2024, and the Castle Rock Water Commission voted to recommend Town Council approval of the Resolution as presented.

On January 7, 2025, Town Council approved the Progressive Design-Build Agreement with S.J. Louis Construction, Inc. for the Sedalia Lift Station and Force Main to PCWRA Project.

In August 2025 Douglas County and the Town approved an amendment to the IGA adjusting the project funding amount to \$18.8 million, with CRW funding a projected shortfall of approximately up to a maximum of \$4.8 million.

On September 16, 2025, Town Council approved the First Amendment to the agreement with S.J. Louis for Phase 2 Design services to complete design to 100%.

A second amendment to the IGA with Douglas County and the Town was approved on January 20, 2026, adjusting the project funding amount to \$19.8 million, with CRW funding the projected shortfall of up to a maximum of \$5.8 million.

On December 16, 2025, Town Council approved the Second Amendment to the agreement with S.J. Louis to finalize the Guaranteed Maximum Price for the construction phase of the project.

### **Discussion**

The Sedalia Lift Station and Force Main to PCWRA Project will benefit Sedalia residents and businesses by eliminating the need for onsite septic systems for their respective residential and facility wastewater treatment. The reduction of onsite wastewater treatment systems along the East Plum Creek corridor will assist in improving the water quality of East Plum Creek and Plum Creek, a water supply source for the Town of Castle Rock. The project is funded, in part, by the American Rescue Plan Act (ARPA) through Douglas County with CRW acting as the Project Manager for the project and eventually operating and owning the system for the benefit of the community. ARPA funding is required to be expended by December 31, 2026. The current key stakeholders planning to discharge into the lift station for conveyance to PCWRA are the Douglas County School District, Douglas County Public Works, CORE, Sedalia Water and Sanitation District water customers, and current developers with development proposals in process with Douglas County.

The project is to design and build the main wastewater conveyance line for the Town of Sedalia, Colorado and the surrounding area. Design is complete, final permits are being obtained, and construction is planned to start in April 2026 in order to maintain the ARPA funding deadlines. The 12-inch diameter high density polyethylene (HDPE) force main alignment and lift station location has been determined. The force main runs from Sedalia to PCRWA paralleling Highway 85 and Burlington Northern Santa Fe (BNSF) and Union Pacific Railroad (UPRR) railroads.

In December 2024, the Town retained a consultant, Western States Land Services (Western States), to assist with obtaining right of entry agreements needed to complete the corridor survey and to assist with acquiring temporary and permanent pipeline easements needed from property owners.

The project has identified 11 permanent easements, 15 temporary construction easements, and one parcel purchase from 8 property owners required for construction of the project. Other portions of the pipeline are in properties owned by the Colorado Department of Transportation and BNSF Railroad and will require different types of agreements and permits. In general, the Town is seeking 20-foot-wide permanent pipeline easements and up to 50-foot-wide additional temporary construction easements from property owners. The 2.5-acre lift station parcel will be purchased. Legal descriptions, exhibits, draft easement and purchase documents, and valuations or appraisals have been prepared for each parcel as needed. The Town has made initial offers to all property owners based on these values.

The Town has been making every effort to negotiate with the property owners on a voluntary basis by means of communicating the need and benefit of the project and offering fair and equitable compensation. With the assistance of its acquisition agent, Western States, the Town has executed

**Item #: 9. File #: WC 2026-047**

easements with PCWRA and is currently in negotiations with the rest of the property owners. A temporary license has been executed with Ice Tong Land & Cattle Company to allow construction to begin on the property, and negotiation efforts to finalize all easements and purchase documents are almost complete. Agreements are near final with CORE electric as well. The remaining properties are in progress.

The negotiation process can be concluded relatively quickly for some parcels, but in other cases the process can be drawn out, and in rare situations a compromise cannot be reached, and the property must be acquired through condemnation. If the parties are unable to negotiate a solution regarding the easements, the project schedule could be impacted. Therefore, an ordinance authorizing condemnation is recommended for approval at this time. In either case, the property owner will be compensated with fair and equitable payment based on current market value.

**Budget Impact**

The current project budget estimate is \$19,784,296.46 million. A total of \$14,000,000 of funding for this project is being paid for by Federal American Rescue Plan Act funds granted to Douglas County. CRW plans to collect the additional \$984,296.46 needed for the project through system development fees along with the \$4.8M that was previously approved. The project is being administered by CRW and a 1% Project Management fee of up to \$140,000 is being included for the management of the project. The request for this ordinance does not have a direct budget impact, but project delays that could result from the inability to acquire needed easements in a timely manner could result in an increasing project cost.

The current estimated projected costs are:

Description	GMP	Previously Authorized Contingency	Cost
SJ Louis PDB Phase 1 - 0-60%	\$ 633,203.00		\$ 633,203.00
SJ Louis PDB Phase 2 - 60% - 100%	\$ 964,300.00		\$ 964,300.00
General Conditions	\$ 826,950.00		\$ 826,950.00
Single FM & LS Construction Cost of Work	\$ 13,775,379.90		\$ 13,775,379.90
Allowances	\$ 268,265.00		\$ 268,265.00
Fiber Optic Conduit - Garver Design	\$ 40,082.00		\$ 40,082.00
PDB Contingency (2.1%)	\$ 385,711.33		\$ 385,711.33
Bonds & Insurance (1.3%)	\$ 219,620.59		\$ 219,620.59
D-B Fee (7.5%)	\$ 1,283,513.39		\$ 1,283,513.39
Permanent Easements	\$ 458,600.00		\$ 458,600.00
Temporary Easements	\$ 342,640.00		\$ 342,640.00
Lift Station Land Purchase	\$ 328,683.00		\$ 328,683.00
CRW PM Fee invoiced to date of \$140,000	\$ 11,123.26		\$ 11,123.26
Western States/Kilty	\$ 234,500.00	\$ 11,725.00	\$ 246,225.00
Totals	\$ 19,772,571.46	\$ 11,725.00	\$ 19,784,296.46

As per the IGA with Douglas County, expenses to be reimbursed to CRW from the escrow account will be processed through GL Account # 213-4575-445.79-33 - 85 Regional Wastewater, project number 250024.

**Attachments**

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**Item #: 9. File #: WC 2026-047**

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Attachment A: Ordinance  
Attachment B: Alignment Corridor Map

**ORDINANCE NO. 2026-\_\_**

**AN 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**

**WHEREAS**, the Town of Castle Rock, Colorado (the “Town”) operates a wastewater collection system and owns wastewater treatment capacity in the Plum Creek Water Reclamation Authority (“PCWRA”) treatment facility to provide retail wastewater service to its customers

**WHEREAS**, the Board of County Commissioners of the County of Douglas (the “County”) desires to utilize American Rescue Plan Act funding to design and construct a wastewater collection and treatment system along the Highway 85 corridor (the “Highway 85 Wastewater Collection and Treatment System” or “System”), extending from the unincorporated Town of Louviers to the PCWRA wastewater treatment facility, which System will allow all treated wastewater to be collected and reused in the County to the maximum extent allowed by law;

**WHEREAS**, on May 22, 2024, the Town and the County entered into an Amended and Restated Intergovernmental Agreement (the “IGA”) for the design, construction, and operation of the Highway 85 Wastewater Collection and Treatment System (the “Project”), which IGA has since been amended by the First Amendment to the IGA dated July 15, 2025, and the Second Amendment to the IGA dated January 20, 2026; and

**WHEREAS**, the Town and the County believe the Project will improve water quality in Plum Creek and Chatfield Reservoir, both of which are drinking water sources for the Town and the County, by eliminating failing wastewater lagoon systems and, eventually, septic systems; and

**WHEREAS**, for this reason, the Town Council has determined that a compelling public need and purpose exists for the Project; and

**WHEREAS**, the Project will require the acquisition of one (1) real estate parcel, approximately 2.5-acres in size, for the construction of a wastewater lift station, eleven (11) permanent utility easements, 20 feet in width, for the installation of a wastewater force main, and fifteen (15) temporary construction easements, up to and including 50 feet in width, to facilitate such construction and installation, which property interests are generally described in the map attached as *Exhibit 1* (the “Property”); and

**WHEREAS**, the exercise of the Town’s powers of eminent domain to acquire the Property for the Project is necessary and serves a valid public purpose.

**NOW, THEREFORE, IT IS ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK AS FOLLOWS:**

**Section 1. Acquisition Authorization.** The Town Attorney is authorized to take necessary and appropriate action to acquire good title to the Property in accordance with Section 38-1-101, et seq., C.R.S., and Section 24-56-101 et seq., C.R.S., subject to compliance with Section 4 of this Ordinance, as applicable. The Town Attorney is further authorized to retain the services of special condemnation counsel for this purpose.

**Section 2. Just Compensation.** The Town Manager is authorized to establish the just compensation to be offered to each Property owner in compliance with applicable laws and regulations.

**Section 3. Good Faith Negotiations.** Town staff is directed to undertake in an expedient manner and in accordance with the requirements of Section 38-1-101, et seq., C.R.S., and Section 24-56-101 et seq., C.R.S., as applicable, good faith negotiations with each Property owner for the acquisition of such owner's Property on the basis of fair and reasonable value.

**Section 4. Filing of Petition in District Court.** Pursuant to the requirements of Section 14.02.070 of the Castle Rock Municipal Code, should good faith negotiations fail to result in agreement with any Property owner on the value of such owner's Property, the Town Attorney shall so advise the Town Council and request Council authorization to institute eminent domain proceedings and acquire immediate possession of the Property. The Town Council shall consider the request at a regular or special Town Council meeting, at which time the Property owner will have the opportunity to be heard. Upon conclusion of the hearing, the Town Council shall approve or deny the request for commencement of filing a petition in condemnation. If the request is denied, Town staff will seek to continue negotiations with the Property owner.

**Section 5. Need, Necessity and Public Use.** The Town Council finds and determines it is in the interest of the public's health, safety and welfare for it to acquire, as soon as possible, the Property. The Town further finds and determines there is a public need and necessity for obtaining possession of and acquiring the Property.

**Section 6. Costs.** The Town Manager shall be further authorized to incur reasonable costs associated with acquiring the Property, including, without limitation, the cost of title examination, title insurance, appraisal fee payments mandated by statute, normal closing costs, filing fees and charges, and all other related or incidental costs or expenses customarily associated with the quiet title, acquisition or condemnation of the Property.

**Section 7. Approval and Amendment.** The Director of Castle Rock Water, or such director's designee, is authorized to approve and, if and when necessary, amend the legal descriptions of any Property to be acquired and the nature of the interests to be acquired, including the commencement date and duration of any temporary easement.

**Section 8. Severability.** If any clause, sentence, paragraph, or part of this Ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect the remaining provisions of this Ordinance.

**Section 9. Safety Clause.** The Town Council finds and declares that this Ordinance is promulgated and adopted for the public health, safety and welfare and this Ordinance bears a rational relation to the legislative object sought to be obtained.

**APPROVED ON FIRST READING** this \_\_\_\_ day of \_\_\_\_\_, 2026, by the Town Council of the Town of Castle Rock, Colorado, by a vote of \_\_ for and \_\_ against, after publication in compliance with Section 2.02.100.C of the Castle Rock Municipal Code; and

**PASSED, APPROVED AND ADOPTED ON SECOND AND FINAL READING** this \_\_\_\_ day of \_\_\_\_\_, 2026, by the Town Council of the Town of Castle Rock, Colorado, 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

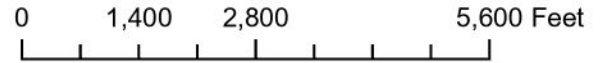
\_\_\_\_\_  
Mark Marlowe, Director of Castle Rock Water



### Sedalia Lift Station and Force Main-Easement Acquisition

- Lift Station
- ForceMain
- PCWRA
- ALEXANDER FAMILY RANCHES LLC
- BDM CAPITAL TIME INVESTMENTS LLC
- BLACK PAW RE LLC
- CPV INC
- CORE ELECTRIC COOPERATIVE
- ICE TONG LAND & CATTLE COMPANY LLC
- PLUM CREEK WATER RECLAMATION AUTHORITY
- THE KEEP WETLANDS, LLC

Disclaimer: If you are unable to access any portion of this map due to a disability as defined under Colorado House Bill 21-1110, we are here to help! 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).





# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

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**Item #:** 10. **File #:** WC 2026-048

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

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

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

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### **Executive Summary**

This will be a presentation only item.



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

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**Item #:** 11. **File #:** WC 2026-049

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

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

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

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### Executive Summary

This will be a discussion item only.



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

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**Item #:** 12. **File #:** WC 2026-050

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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 Fund analyst

**Preliminary Budget/CIP Planning**  
**Town Council Agenda Date:** NA

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### Executive Summary

This will be a presentation only item.



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 4/22/2026

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**Item #:** 13. **File #:** WC 2026-051

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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 the month include:***

There are no items at this time.