Town Council
Agenda - Final-Amended

Mayor Jason Gray
Mayor Pro Tem Laura Cavey
Councilmember Ryan Hollingshead
Councilmember Kevin Bracken
Councilmember Mark Davis
Councilmember Max Brooks
Councilmember Tim Dietz

Tuesday, February 3, 2026 **6:00 PM**

Town Hall Council Chambers
100 North Wilcox Street
Castle Rock, CO 80104
www.CRgov.com/CouncilMeeting

This meeting is open to the public. All times indicated on the agenda are approximate. Town Council Meetings are also streamed online in real time at www.CRgov.com/WatchCouncil, and are broadcast for Comcast Cable subscribers on Channel 22 (please note there is a delay to the broadcast). Public Comments may also be submitted in writing online at www.CRgov.com/CouncilComments by 1:00 p.m. February 3, 2026, to be included in the public record. 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 or submit an accommodation request form at www.CRgov.com/A11yRequest

5:00 pm COUNCIL DINNER & INFORMAL DISCUSSION

6:00 pm INVOCATION

6:05 pm CALL TO ORDER / ROLL CALL

- PLEDGE OF ALLEGIANCE

- COUNCIL COMMENTS

1. EXEC 2026-002 **Executive Session Report: January 20, 2026**

2. APPT 2026-002 **Appointment: Board of Adjustment**

- UNSCHEDULED PUBLIC APPEARANCES

Reserved for members of the public to make a presentation to Council on items or issues that are not scheduled on the agenda. As a general practice, the Council will not discuss/debate these items, nor will Council make any decisions on items presented during this time, rather will refer the items to staff for follow up.
Comments are limited to three (3) minutes per speaker. Time will be limited to 30 minutes. Residents will be given priority (in the order they signed up) to address Council, followed by non-residents representing Castle Rock businesses, then non-residents and businesses outside the Town of Castle Rock, as time permits.

- TOWN MANAGER'S REPORT

3. ID 2026-011 **Update: Calendar Reminders**

4. ID 2026-012 **Youth Commission and Rising Star Scholarship Update**

5. ID 2026-016 **Update: Legislative Update**

6. ID 2026-013 **Update: Residential Unit Data (through December 31, 2025) With Potential Buildout Estimates**

7. ID 2026-014 **Development Services Project Updates**

8. ID 2026-015 **Update: Quasi-Judicial Projects**

- TOWN ATTORNEY'S REPORT

- ACCEPTANCE OF AGENDA

If there are no changes, additions or deletions to the agenda, a motion to accept the agenda as presented will be accepted.

- CONSENT CALENDAR

These items are generally routine in nature or have been previously reviewed by Town Council and will be voted on in a single motion without discussion. Any member of Town Council may remove an item from the Consent Calendar.

9. ORD 2026-003 **Ordinance Approving the First Amendment to the Dawson Trails Development Agreement (Second Reading - Approved on First Reading on January 20, 2026, by a vote 7-0)** *[property located west of Interstate 25 and north and south of Territorial Road]*

10. RES 2026-010 **Resolution Authorizing the Engagement of Eide Bailly, LLP, for the Fiscal Year 2025 Town of Castle Rock Independent Annual Audit**

11. RES 2026-011 **Resolution Approving a Settlement Agreement and Release Between the Town of Castle Rock and Ohio Casualty Insurance Company for the Craig and Gould North Infrastructure Improvements Project** *[Located in Historic Downtown Castle Rock]*

12. MIN 2026-004 **Minutes: January 20, 2026 Town Council Meeting**

- ADVERTISED PUBLIC HEARINGS & DISCUSSION ACTION ITEMS

Public comment will be taken on items and limited to four (4) minutes per speaker.

13. ORD 2026-004 **Ordinance Amending Various Sections of the Castle Rock Municipal Code Regarding Board and Commission Membership, Absences, Term Limits, and Meetings (Second Reading - Approved on First Reading on January 20, 2026, by a vote 7-0)**

14. ORD 2026-005 **Ordinance Amending Various Sections of Chapter 2.16 of the Castle Rock Municipal Code Regarding the Castle Rock Planning Commission (First Reading)**

15. RES 2026-012 **Resolution Approving the Amended and Restated Intergovernmental Agreement for Water Service Between Dominion Water and Sanitation District, Acting in its Capacity as a Water Activity Enterprise and the Town of Castle Rock Acting Through the Town of Castle Rock Water Enterprise** *[Castle Rock Water's distribution and transmission system inside the Town of Castle Rock to connection on the Northwest side of Town at the edge of unincorporated Douglas County, Colorado]*

16. RES 2026-013 **Resolution Approving a Services Agreement with Burns & McDonnell Engineering Company, Inc. for Arc Flash Safety Assessment Services** *[Entire Castle Rock Water Service Area]*

- ADDITIONAL UNSCHEDULED PUBLIC APPEARANCES

The Council has reserved this time only if the original 30 minutes allocated for Unscheduled Public Appearances as an earlier part of this agenda has been fully exhausted and speakers who signed up to speak were unable to be heard during the original 30 minutes allocated this topic. Residents will be given priority (in the order they signed up) to address Council, followed by non-residents representing Castle Rock businesses, then non-residents and businesses outside the Town of Castle Rock, as time permits.

- ADJOURN

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 1. **File #:** EXEC 2026-002

To: Honorable Mayor and Members of Town Council

From: Michael J. Hyman, Town Attorney

Executive Session Report: January 20, 2026

An Executive Session was held at the conclusion of the January 20, 2026 regular Town Council meeting. The purpose of the Executive Session was as follows:

Consider a motion to recess into executive session for the purpose of receiving legal advice on specific legal questions under CRS Section 24-6-402(4)(b) and for determining positions relative to matters that may subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under CRS 24-6-402 (4)(e), all related to Douglas County School District property within Castle Rock.

If anyone believes that any substantial discussion of any matters not included in the motion to go into the Executive Session occurred during the Executive Session, or that any improper action occurred during the Executive Session in violation of the Open Meetings Law, I would ask that you state your concerns for the record.

Seeing none, the next agenda item is ….

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 2. **File #:** APPT 2026-002

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Shannon Eklund, Executive Assistant

Appointment: Board of Adjustment

Executive Summary

The Board of Adjustment recently received the resignation of Chuck Kocher, as he accepted an appointment to the Castle Rock Water Commission. The Board currently has two vacancies, advertised on the Town website and in the Castle Rock News-Press. One applicant was interviewed on January 27, 2026; The panel is unanimously recommending the appointment of Nicholas Moore, for a partial term ending May 31, 2027.

The Board of Adjustment is responsible for hearing and deciding on requests for variances from the strict enforcement of the Town's zoning and sign codes, including requests for accommodations for persons with disabilities. Additionally, the board is responsible for hearing appeals of any decision or determination made by an administrative official. Decisions of the Board of Adjustment are final, subject to judicial review.

Proposed Motion

"I move to appoint Nicholas Moore to the Board of Adjustment for a term ending on May 31, 2027."

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 3. **File #:** ID 2026-011

To: **Honorable Mayor and Members of Town Council**

From: **David L. Corliss, Town Manager**

Update: Calendar Reminders

Executive Summary

Attached is an outline of upcoming items of general interest.

TOWN COUNCIL MEETING

TOWN MANAGER'S REPORT

DAVID L. CORLISS, TOWN MANAGER
FEBRUARY 3, 2026

UPCOMING CALENDAR ITEMS

7 FEB	**Fire & Rescue Department Annual Awards Banquet, 6 p.m.** The Oaks at Plum Creek, 321 Players Club Drive
16 FEB	**Presidents' Day Holiday – Town Offices closed** Recreation Center, MAC and Cantril School normal hours
17 FEB	**Town Council Meeting, 6 p.m. (dinner at 5 p.m.)** Town Hall Council Chambers

3 MAR	**Town Council Meeting, 6 p.m. (dinner at 5 p.m.)** Town Hall Council Chambers
15-18 MAR	**National League of Cities (NLC): Congressional City Conference** Washington, D.C.
24 MAR	**Special Town Council Meeting, 6 p.m. (dinner at 5 p.m.)** – replaced March 17 Town Hall Council Chambers

HIGHLIGHTS from CRgov.com/**Events**

4 FEB	Colorado Bluebird Project – Open House, 7 to 8 p.m. Millhouse, 1381 W. Plum Creek Parkway
13 FEB	Colorado Before 1876 – 7 to 8 p.m. Phillip & Jerry Miller Library, 100 S. Wilcox Street
18 FEB	Colorado Bluebird Project – Volunteer Monitor Training (opt. 1), 4 to 5:30 p.m. Millhouse, 1381 W. Plum Creek Parkway
26 FEB	Colorado Bluebird Project – Volunteer Monitor Training (opt. 2), 6:30 to 8 p.m. Millhouse, 1381 W. Plum Creek Parkway

NEIGHBORHOOD MEETINGS

10 FEB	**New Hope Church @ Coff33, 6:00 p.m., 3rd Meeting** Proposing a rezoning for New Hope Church for a new Planned Development Plan to allow for a medical office building on 1.5 acres in the northwest corner of the New Hope Church property, located south of the intersection of Prairie Hawk Drive and Meadows Boulevard.
11 FEB	**Wireless Communication Facility at Fire Station 152 @ Town Hall, 6:00 p.m., 2nd Meeting** A proposed wireless communication facility located at Fire Station 152 (485 Crystal Valley Parkway).
25 FEB	***Dawson Trails Multifamily Development, @ Cantril School Room 101, 6:00 p.m., 1st Meeting** Proposing a site development plan for 329 apartment units, in six buildings, situated on 12.6 acres located in central Dawson Trails. A pool, clubhouse, dog park and wash, and trail connections to the community Greenway are planned.

*tentative

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 4. **File #:** ID 2026-012

To: Members of the Youth Commission

From: Kristin Read, Assistant Town Manager

Youth Commission and Rising Star Scholarship Update

Executive Summary

This memo provides an update on the Castle Rock Youth Commission's activities to date. Since its establishment, the Commission has focused on involvement, communication, engagement and recognition for youth in Castle Rock, including the upcoming second annual Rising Star Scholarship program. The Commission continues to meet regularly and advance its advisory role to Council by fostering youth leadership and involvement in local government.

Discussion

Town Council established the Castle Rock Youth Commission on January 7, 2025, to provide high school students with opportunities to engage in local government, develop leadership skills, and advise the Town on youth-related matters. The Commission is composed of nine student members serving staggered terms and is supported by staff and a Council liaison.

Since its first members were appointed in September 2025, the Youth Commission has made meaningful progress in several areas:

Officers and operations

Commission members elected officers and have participated in monthly meetings since September. Meetings are open to the public and held in Council Chambers on the second Monday of each month through May at 6:30 p.m. Commission members have focused thus far on understanding their role and building a strong foundation for future work.

Involvement

Commission members have participated in opportunities designed to increase their understanding of local government, including presentations from Town departments and exposure to Town and County operations, personnel and events:

- Sept. 8, 2025, Town tour with Castle Rock Fire, Water, Police Departments
- Sept. 15, 2025, Crystal Valley Interchange tour
- Sept. 29, 2025, Douglas County Youth Congress (discussions with adult leaders)

- Sept. 30, 2025, State of the Town event
- Oct. 20, 2025, Boards and Commissions Appreciation event
- Dec. 11, 2025, State of the County event
- Upcoming: Feb. 12 Student Winter Legislative Kick-Off at State Capitol

Communication
Youth Commission members express the voices of teens in Castle Rock. This has included being featured in a Town video about the Commission, which played at the State of the Town event and on Town social media channels, as well as participating in the Town's Festival of Trees program, to raise awareness of the Commission.

Commission members routinely share ideas on how to help others. They also communicate among themselves via The Brief - a monthly publication developed by a Commission member. The Commission also collaborates with the Town's Communications Division to advertise its activities to the broader public.

Engagement
The Youth Commission organizes, plans and participates in service projects and other events aligned with its mission:

- Oct. 15, 2025, Spooktacular - helped young residents enjoy games and prizes
- Oct. 25, 2025, Countywide youth commission cleanup of Wilcox Building lawn
- Nov. 13, 2025, Project Linus - made fleece blankets for children in need
- December 2025, Adopt-A-Child and Giving Tree - commissioners shopped and provided gift cards for local children in need
- Upcoming: the Commission is planning a Spikeball fundraiser supporting Castle View High School DECA and Make-A-Wish

Recognition
To date, the Commission has recognized four local youth with an Outstanding Youth Leadership and Service in Castle Rock award. The Commission also has taken over implementation of the second-year Rising Star Scholarship program, which recognizes graduating high school seniors who demonstrate leadership, service and positive community impact.

The Commission will coordinate outreach, application review and selection processes, culminating in the presentation of four $1,000 scholarships to deserving students at the May 5 Town Council meeting.

Future work
The Youth Commission will continue to explore opportunities aligned with its mission. The four seniors on the Commission will graduate in May, and Council will be asked to appoint members to succeed them starting next fall.

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 5. **File #:** ID 2026-016

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Kristin Read, Assistant Town Manager

Update: Legislative Update

Executive Summary

Staff will be making a presentation and providing information, and request for Town Council direction on items, as needed.

LEGISLATIVE UPDATE

FEBRUARY 3, 2026
TOWN COUNCIL

TOWN OF CASTLE ROCK COLORADO

OVERVIEW

- General Assembly in session January-May
- Staff monitors, but does not take any positions on, legislation unless Council directs it
- Staff is presently tracking 60+ potential and introduced bills
- If Council is interested in information on any specific bills not addressed tonight, staff can provide an update at a future meeting

RECOMMENDED OPPOSE ITEMS

SB 5: RIGHTS VIOLATION IN IMMIGRATION ENFORCEMENT REMEDY
Creates a statutory cause of action for a person who is injured during a civil immigration enforcement action by another person who, whether or not under color of law, violates the United States constitution while participating in civil immigration enforcement. A person who violates the United States Constitution while participating in civil immigration enforcement is liable to the injured party for legal, equitable or any other appropriate relief.

SB 18: LEGAL PROTECTIONS FOR DIGNITY OF MINORS
Requires the court to suppress a record associated with a petition seeking to change the name of a petitioner who is less than 18 years old unless the petitioner was previously convicted of a felony. Authorizes the court to use the suppressed court record for administrative purposes, but prohibits publishing the petitioner's name or new name online. Authorizes an individual to access a suppressed court record without a court order with verbal consent from a party to the case and an affidavit to the court. In determining parenting time and the allocation of decision-making responsibility, requires the court to consider whether the parties recognize the child's identity as it relates to a protected class.

RECOMMENDED OPPOSE ITEMS

SB 24: STATE & LOCAL UNMANNED AIRCRAFT REGULATION

Would preempt local authority over drones by voiding existing local ordinances designed to protect communities by limiting how cities and towns can manage drone activity on public property. This bill goes beyond what is necessary to ensure consistency with existing federal regulations and restricts municipalities from ensuring the safety of their communities on matters unrelated to aviation, including management of public property, public safety and nuisances to wildlife.

SB 71: USE OF SURVEILLANCE TECHNOLOGY BY LAW ENFORCEMENT

Regulates how law enforcement agencies can use red light cameras, license plate reader systems, pole-mounted cameras, drones, facial recognition and other technology, requiring this technology to only be used for a “lawful purpose” without defining what this means. Requires a warrant to access data from facial recognition systems, going further than existing Fourth Amendment standards. Imposes on storing data unless it’s part of an active investigation. Requires log each time data is accessed and bill allows residents to request data to check compliance at no cost, placing a significant administrative burden and unfunded mandate on departments.

OPPOSED ITEMS UPDATES

SB 70: BAN GOVERNMENT ACCESS HISTORICAL LOCATION INFORMATION DATABASE (PEEPS ACT)
Aimed at creating guardrails on data-sharing of license plate reader technology among Colorado law enforcement agencies and other states and federal law enforcement. This would effectively ban the Flock system CRPD uses. *Assigned to Judiciary Committee – no hearing set*

HB 1001: HOUSING DEVELOPMENTS ON QUALIFYING PROPERTIES (HOME ACT)
Would preempt local zoning to allow schools, institutions of higher education, certain housing-related nonprofits and public housing authorities to develop residential properties on land they own, disregarding local governments' comprehensive planning. *Passed today out of Transportation, Housing & Local Government Committee?*

OPPOSED ITEMS UPDATES

HB 1037: Ban Government Purchase of Personal Data from Third Party
Would prohibit law enforcement agencies from accessing commercially available personal data from third parties without a warrant and would bar agencies from using data obtained indirectly from another agency if that data was originally acquired through a third party. Prevents any personal data acquired in violation of the act from being used as evidence in court proceedings.
Assigned to Judiciary Committee – no hearing set

SUPPORTED ITEMS UPDATES

HB 1021: SECOND AMENDMENT PROTECTION ACT (Brooks)
Would repeal various State laws related to firearms and other weapons. *Hearing in House Judiciary on Feb. 17*

SB 11: SEARCH WARRANTS PROVIDED TO COVERED PLATFORMS (Frizell)
Requires operators of online services to ensure that each covered platform provides a streamlined process to allow Colorado law enforcement agencies to contact them. *Assigned to Judiciary Committee – no hearing set*

PROPOSED MOTION

"I move to affirm staff's recommended positions on State legislation as presented and direct staff to communicate the positions to the Town's legislative delegation, CML and others."

OPPOSED ITEMS UPDATES

NOT YET INTRODUCED: FAIRNESS & TRANSPARENCY IN MUNICIPAL COURT

Would create an unfunded mandate by requiring the live streaming of all municipal court proceedings where jail is a possible penalty, regardless of existing staffing levels or technology, among other provisions.

SUPPORTED ITEMS UPDATES

NOT YET INTRODUCED: ENHANCED PENALTIES FOR STREET RACING

Enhances penalties for drivers, spectators and organizers of street racing and stunt driving.

Expected to include authorizing law enforcement to use livestreams and social media posts as evidence and to suspend licenses.

RECOMMENDED SUPPORT ITEMS

NOT YET INTRODUCED: ENHANCED PENALTIES FOR STREET RACING
Enhances penalties for drivers, spectators and organizers of street racing and stunt driving. Expected to include authorizing law enforcement to use livestreams and social media posts as evidence and to suspend licenses.

HB 1021: SECOND AMENDMENT PROTECTION ACT (Brooks)
Would repeal various State laws related to firearms and other weapons.

SB 11: SEARCH WARRANTS PROVIDED TO COVERED PLATFORMS (Frizell)
Requires operators of online services to ensure that each covered platform provides a streamlined process to allow Colorado law enforcement agencies to contact them.

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 6. **File #:** ID 2026-013

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, PE, Director, Development Services
Brad Boland, AICP, Long Range Project Manager

Update: Residential Unit Data (through December 31, 2025) With Potential Buildout Estimates

Executive Summary

The purpose of this quarterly residential unit data update is to provide an overview of development activity and estimated population projections. This update includes data through the fourth quarter of 2025, ending on December 31, 2025. The data outlines the maximum zoning entitlements and growth areas approved by Council and provides an update on the pace of activity in each area of Town. During the fourth quarter of 2025, there were 78 single family units completed and 221 multifamily units completed. The current estimates show an approximate population of 88,201 through December 31, 2025.

Staff continues to update the potential realistic buildout estimates as more information becomes available, and updates them with each quarterly report. The potential high and low buildout calculations provide more realistic unit and population estimates to aid in planning for future Town resources.

Attachments

Attachment A: Town of Castle Rock PD Zoning Map
Attachment B: Unit Data through December 31, 2025 with Potential Buildout Chart

Meeting Date: February 3, 2026

AGENDA MEMORANDUM

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, PE, Director, Development Services
Brad Boland, AICP, Long Range Project Manager

Title: **Update: Residential Unit Data (through December 31, 2025) with Potential Buildout Estimates**

Executive Summary

The purpose of this quarterly residential unit data update is to provide an overview of development activity and estimated population projections. This update includes data through the fourth quarter of 2025, ending on December 31, 2025. The data outlines the maximum zoning entitlements and growth areas approved by Council and provides an update on the pace of activity in each area of Town. During the fourth quarter of 2025, there were 78 single family units completed and 221 multifamily units completed. The current estimates show an approximate population of 88,201 through December 31, 2025.

Staff continues to update the potential realistic buildout estimates as more information becomes available, and updates them with each quarterly report. The potential high and low buildout calculations provide more realistic unit and population estimates to aid in planning for future Town resources.

Discussion

Castle Rock, through most of its history, is a growth community. The growth we are experiencing is consistent with residential and commercial building activity across the Front Range and throughout the State of Colorado. Therefore, the pace of growth is an ongoing discussion. Growth in Castle Rock remained generally steady for 100 years between its founding in 1881 and 1980 when it grew from an original population of 88 to approximately 4,000 residents. Castle Rock did not see significant residential growth after WWII, a trend common among other Front Range communities. Instead, the opening of the Outlet Mall in 1992 coincides with an increase in the residential growth rate that continues today. The population more than doubled between 1990 and 2000 when it grew from approximately 8,000 residents to more than 20,000 residents. The population doubled again through 2010 when it reached approximately 49,000 residents

and continues to grow with the current population estimated at approximately 88,201 residents as of December 31, 2025.

Castle Rock's growth rate over the past 20 years has generally exceeded the economic conditions regionally and nationally. Given the pace of growth to date, data shows that existing larger planned communities such as Meadows, Founders, Castle Oaks / Terrain, and Crystal Valley Ranch have taken decades to reach this point in development. Predicting the pace of growth is difficult because it is influenced by many factors, most notably the economy, interest rates, the homebuilding market, topography and soil conditions as well as political decisions related to development regulations.

The data outlined herein provides information through the fourth quarter of 2025. The analysis compares the maximum number of zoned residential units to the number of units that received a certificate of occupancy. Zoning entitlements can be amended and home building is on-going. Therefore, this report is updated quarterly to provide information to Town Council and our residents.

The 1,800 units within the Pine Canyon Planned Development Plan (PD), approved in May 2025, were included in this quarter's report, as the zoning amendment was recorded during the reporting period. Similarly, an amendment to the Canyons South PD increasing the number of units from 474 to 515 units was approved and recorded in December of 2025. Each project impacts both the total entitlements and the potential buildout estimates. This report does not yet reflect the approved downzoning of a portion of Memmen Young, as that amendment will be recorded concurrently with the approved Site Development Plan (SDP).

Staff continuously reconciles the data presented in this report. For the current reporting period, the number of homes completed had minor adjustments in two developments. As a result of this reconciliation, the fourth-quarter total for single-family homes reflects a net increase of 38 units compared to the third quarter. The population estimate for this quarter incorporates these adjustments.

Development Types and Impacts

The Town's existing zoning entitlements include approximately 130 planned developments (PD) and associated PD amendments. The Town consists of very few "straight" zoned areas such as R-1 Single-Family Residence District. Single family detached residential in PD's accounts for the majority of the Town's built environment. Areas within the planned developments that allowed for higher density attached or multi-family development were built with fewer homes than the maximum allowed within any section of a planned development. Therefore, some areas may not ever reach their maximum allowed number of residential units.

Unlike other communities in the Denver metro area, Castle Rock is not flat. Factors to consider regarding potential build-out include the Skyline-Ridgeline Ordinance, severe and moderate slopes, major drainage corridors and cap rock. Many of the planned

developments were zoned prior to the Skyline-Ridgeline Ordinance; therefore, parts of the Town that were zoned to allow homes now have building height and location restrictions to protect our skylines and ridgelines.

In staff's opinion, based upon discussions with the master planned community development teams and the information provided herein, staff suggests the likelihood of full buildout to reach the entitled number of units is highly unlikely.

Entitlement Data

Each planned development (PD) on **Table A** shows the PD's name, date of original zoning approval and corresponding PD number depicted on the Town's Zoning District Map to help identify the areas included with the unit counts. The map in **Attachment A** shows the geographic location of each PD area. **Table B** compares estimates since 2018.

Residential areas within the Town that are straight-zoned are primarily located within the downtown and Craig and Gould subdivision, denoted as "Central Castle Rock" in **Table A**. The "Maximum Zoned Units" and "Units Built (CO)" counts were further divided into single family (SF) or multi-family (MF) for each area. The SF numbers include single family detached and single family attached units, such as townhomes or paired homes. The multi-family numbers include single building attached units such as apartments or condominiums. In several cases, zoning for planned developments allows either single family or multi-family units within a specific planning area. In those situations, the units allowed were assigned to the multifamily category, as this represents the higher entitlement potential. If developed as single-family homes, the number of units actually developed would be less.

Table A: Comparison of Maximum Zoned Units to Built Units, through December 31, 2025

Please note that these are estimates, and numbers are subject to change due to factors listed in this memo, as well as any future zoning amendment approvals.

		MAXIMUM ZONED UNITS			UNITS BUILT (CO)		
PD #	Planned Developments (year initially zoned)	SF	MF	Total	SF	MF	Total
101	Alexander Place (2020)	26	99	**125**	0	0	**0**
109	Alexander Way (2023)	77	0	**77**	0	0	**0**
56	Arbors (2002)	0	80	**80**	0	0	**0**
81,95	Auburn Ridge (2013)	0	286	**286**	0	186	**186**
112	Brickyard (2025)	0	583	**583**	0	0	**0**

		MAXIMUM ZONED UNITS			UNITS BUILT (CO)		
PD #	**Planned Developments (year initially zoned)**	**SF**	**MF**	**Total**	**SF**	**MF**	**Total**
2	Brookwood (2003)	72	0	**72**	65	0	**65**
4	Cambridge Heights (2003)	0	100	**100**	0	0	**0**
107	Canyons Far South (2023)	515	0	**515**	0	0	**0**
5	Castle Highlands (1984)	132	200	**332**	127	200	**327**
6	Castle Meadows (1989)*	0	440	**440**	0	0	**0**
1,75,80,85,93	Castle Oaks /Terrain (2002)	1992	775	**2767**	2073	0	**2073**
8,10,39, 43,91,102	Castle Pines Commercial / Promenade (1987)	0	1410	**1410**	0	1362	**1362**
11	Castle Ridge East (1996)	30	0	**30**	28	0	**28**
12, 53	Castle Rock Estates - Diamond Ridge (1995)	126	0	**126**	126	0	**126**
27.28,71,74	Castleview Estates - The Oaks of Castle Rock (1985)	248	326	**574**	242	0	**242**
34	Castlewood Ranch (1998)	1300	0	**1300**	1287	0	**1287**
straight zones, downtown	Central Castle Rock (varies) NO maximum zoning**	1538	3462	**5000**	1536	1479	**3015**
62	Covenant At Castle Rock (2014)	58	0	**58**	58	0	**58**
55,70,72,98,99, 100	Crystal Valley Ranch (2000) and Ridge Estates (2020)	2722	753	**3475**	2928	0	**2928**
106	Dawson Trails (2023)	3450	2400	**5850**	0	0	**0**
63,92	Founders Village - Inc. Founders 24 and Bella Mesa (1985)	2776	2905	**5681**	2497	0	**2497**
45,86	Hazen Moore (2000)	243	0	**243**	161	0	**161**
17,83	Heckendorf Ranch (1985)	406	224	**630**	299	94	**393**
90	Hillside (2009)	120	0	**120**	22	0	**22**
19	Lanterns (2003)	1200	0	**1200**	788	0	**788**
41	Liberty Village (2004)	1245	0	**1245**	1197	0	**1197**
20,46,68	Maher Ranch (1988)	923	100	**1023**	773	96	**869**
70,38,82,89	Meadows (1985)	6867	4002	**10869**	7414	840	**8254**

		MAXIMUM ZONED UNITS			UNITS BUILT (CO)		
PD #	Planned Developments (year initially zoned)	SF	MF	Total	SF	MF	Total
22	Memmen Young Infill (1985)	559	476	**1035**	0	0	**0**
23,24,25,77,78	Metzler Ranch (1996)	1037	660	**1697**	747	580	**1327**
113	Pine Canyon (2025)	800	500	**1300**	0	0	**0**
49,50,65	Plum Creek (1983)	3028	0	**3028**	1189	360	**1549**
	Plum Creek Ridge (2006)	92	70	**162**	120	0	**120**
29	Plum Creek South (1985)	307	198	**505**	137	0	**137**
31,60,84	Red Hawk (1996)	660	268	**928**	821	0	**821**
47,48	Scott II (1987)	85	220	**305**	78	220	**298**
	Sellers Landing PD (1982)	0	94	**94**	0	77	**77**
42	Stanbro PD (1987)	32	92	**124**	0	0	**0**
21, 34	Villages at Castle Rock / Echelon (1981) ***	0	542	**542**	125	238	**363**
58	Wolfensberger - formerly Graham PD (1996)	0	56	**56**	0	56	**56**
33,35,40,96	Woodlands - Inc. Scott Ranch (1983) Woodlands Crossing (1987)	990	0	**990**	540	0	**540**
36,69	Young American (1983)	78	1138	**1216**	375	186	**561**
		TOTAL ZONED UNITS			**TOTAL UNITS BUILT (CO)**		
		SF	**MF**	**Total**	**SF**	**MF**	**Total**
TOTAL UNITS		**33,734**	**22,459**	**56,193**	**25,753**	**5,974**	**31,727**
POPULATION ESTIMATES		**93,781**	**62,436**	**156,217**	**71,593**	**16,608**	**88,201**

*Castle Meadows does not have a maximum cap in the zoning; however, 440 MF units was listed in the most recent traffic study for this property. This property could develop with more or less residential units.
**Central Castle Rock includes straight zoned land as R-1, R-2, R-3, and B zone areas in the Downtown Overlay that allow multifamily. There is no maximum cap in the zoning, so land area and typical densities have been used to estimate the area could develop out at 5,000 units.
***125 units platted as part of Villages, property later rezoned and included within Founders

Table B: Total Estimates Comparison

	MAXIMUM ZONED UNITS			UNITS BUILT (CO)		
End of Year	**SF**	**MF**	**Total**	**SF**	**MF**	**Total**
2018 units	31,744	22,800	54,544	20,498	3,828	24,326
2018 population estimates	96,502	45,600	142,102	61,106	7,656	68,762
2019 units	31,744	22,924	54,668	21,479	3,924	25,403
2019 population estimates	96,502	45,848	142,350	64,089	7,848	71,937
2020 units	31,770	23,162	54,932	22,438	4,001	26,439
2020 population estimates	96,581	46,324	142,905	67,004	8,002	75,006
2021 units	31,710	23,204	54,876	23,439	4,001	27,409
2021 population estimates	96,398	46,408	142,806	70,047	8,002	78,049
2022 units	31,386	24,429	55,777	24,469	4,766	29,235
2022 population estimates	95,413	48,858	144,271	73,178	9,532	82,710
2023 units	32,866	21,376	54,204	24,994	5,158	30,152
2023 population estimates	99,913	42,752	142,665	74,774	10,316	85,090
2024 units	32,893	21,376	54,269	25,412	5,668	31,080
2024 population estimates	92,100	59,853	151,953	71,154	15,870	87,024

	MAXIMUM ZONED UNITS			UNITS BUILT (CO)		
End of Quarter 2025	**SF**	**MF**	**Total**	**SF**	**MF**	**Total**
1st Quarter 2025 units	32,893	21,376	54,269	25,506	5,693	31,199
1st Q population estimates	92,100	59,853	151,953	71,417	15,940	87,357
2nd Quarter 2025 units	32,893	21,376	54,269	25,607	5,709	31,316
2nd Q population estimates	92,100	59,853	151,953	71,700	15,985	87,685
3rd Quarter 2025	32,893	21,959	54,852	25,715	5,753	31,468
3rd Q population estimates	92,100	61,485	153,586	71,809	16,029	87,838
4th Quarter 2025	33,734	22,459	56,193	25,753	5,974	31,727
	93,781	62,436	156,217	71,593	16,608	88,201

Qualifiers

The data contained within **Table A** includes qualifiers, which can sometimes be difficult to predict. In some developments there is no land available to construct additional units. Examples include:

- Castle Highlands was zoned/entitled for 490 residential units in 1984. The existing number of platted lots and constructed homes is 422 with little land remaining to build the remaining homes allowed per the zoning entitlement.
- Memmen Young Infill was zoned/entitled for 1,035 residential units in 1985. The site includes severe topography, cap rock and areas that are subject to the Skyline/Ridgeline Ordinance, making it unlikely to reach full buildout. A rezoning application which was recently approved by Town Council (not yet recorded), reduces the number of entitlements.

The timing of these and other developments is unknown. Market conditions and site conditions impact development which may result in a reduction of unit counts at final development.

Several of the master planned communities have vesting rights while others do not. Some of the planned communities have vesting rights that have expired, but that does not allow for a significant change because all developments include legal agreements with the Town, referred to as Development Agreements (DA's) that specifically outline required improvements and timing for those improvements. The agreements are a contract between the Town and the owner that would be difficult to eliminate even though the vesting expired.

Based upon review of historical data and updated data contained herein, staff noted that several themes emerged:

- Because changing market conditions result in adjustments throughout the lifetime of a development, we cannot predict a precise build-out number or year on larger planned developments or the community as a whole.
- We cannot show a reduction to the entitled number of units unless the development team requests a rezone to reduce the unit count.
- We can accurately outline known circumstances, meaning we can identify the difference between maximum entitled unit counts and the total platted lot counts, where no additional lots can be constructed, and make estimates for the "realistic" potential buildout.
- We can update the data with new information to determine how local trends are impacting the pace and location of growth in the community.

Potential Buildout Estimates

Because of the many qualifiers associated with the maximum zoned units versus units-built calculations, staff analyzed the zoning entitlements further for each planned development zoning area. Staff evaluated the potential buildout based on availability of land, site constraints, and overall feasibility of the development to realistically build the total amount of units allowed within each planned development. The high buildout and low buildout potential offers a more realistic range of units for each area when the planned development is fully built **(Attachment B)**. While the current maximum units allowed per the zoning entitlements equates to a future Town population of approximately 156,217 residents, a more realistic future population would be closer to 117,750 to 127,500 residents, or about 42,500 to 45,750 total homes.

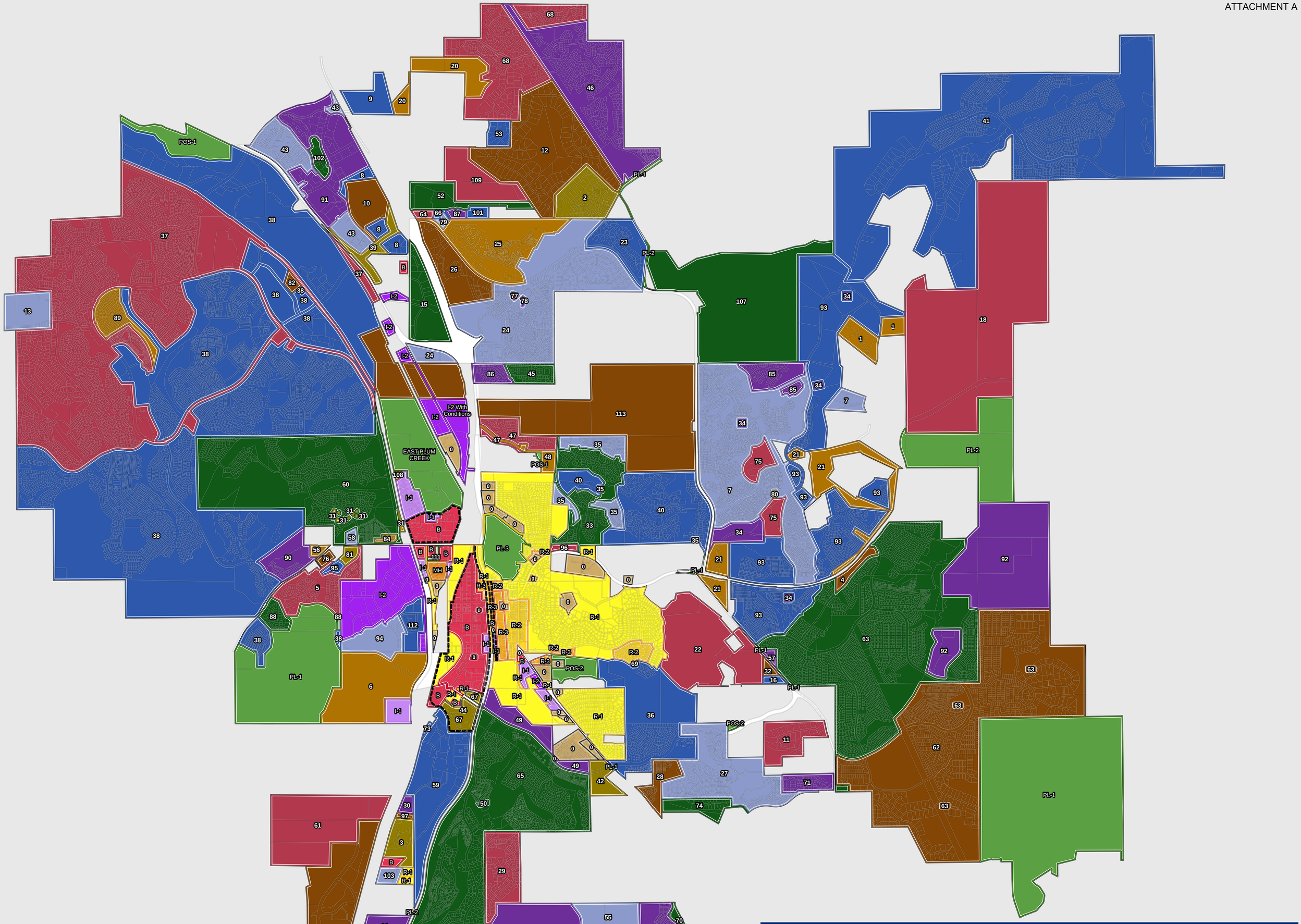
Findings

The data shows that the Comprehensive Master Plan adopted in 1999 and updated in 2002 and in 2017, was on track with projections that the Town may grow to an estimated 86,000 to 159,000 residents. The Town's current data, through December 31, 2025, is estimating a maximum zoned/entitled population of 156,217 residents. On average, given the amount of land available for development, the likelihood of the larger planned developments reaching the maximum density allowed through entitlements is low because there are a larger number of entitled units remaining than available land to build those units. Potential buildout analysis estimates a more realistic buildout population of 117,750 to 127,500 residents.

The Town of Castle Rock is an attractive community to live, work and play in, and we expect it will continue to attract residential and commercial growth for many years to come.

Attachments

Attachment A: Town of Castle Rock PD Zoning Map
Attachment B: Unit Data through December 31, 2025 with Potential Buildout Chart



Planned Development Zoning

An illustration of the names and boundaries of all Planned Developments and Amendments. There is no significance represented by the colors used except to delineate boundaries. Numbers in table do not represent chronological order of Planned Development approvals. There are two types of zoning mapped within the Town: Standard Zone districts and Planned Development (PD) districts. Standard Zoning consists of a series of pre-established districts. The criteria for these zone districts (permitted uses, setback requirements, and maximum building heights) remain the same, no matter where the zone is located. Standard Zoning is an historic approach to land use management and is still in effect for the core of Town, which refers to the older downtown area and nearby residential areas. Each Planned Development district is unique and relates to a development plan that was prepared specifically for that property (typically large properties). All "newer" communities situated within the Town are zoned PD. For a detailed explanation of zoning requirements, specific to either Standard or PD Zoning districts, refer to Title 17 of the Town of Castle Rock Municipal Code.

Map 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 or submit an accommodation request form at CRgov.com/A11yRequest.

The data presented has been compiled from various sources,each of which introduces varying degrees of inaccuraciesor inconsistencies. Such discrepancies in data are inherent and in supplying this product to the public the Town of Castle Rock assumes no liability for its use or accuracy.For questions orcomments regarding omissions, corrections, or updates please visit CRgov.com/directory for contact information.

Copyright 12/17/2025, Town of Castle Rock

Map Revised: 12/17/2025

0 0.25 0.5 1 Miles

1. 1ST AMD TO CASTLE OAKS PRELIM PD SITE PLAN AMD 1
2. BROOKWOOD PD
3. BURT AT CASTLE ROCK PD
4. CAMBRIDGE HEIGHTS PD
5. CASTLE HIGHLANDS MAJOR MODIFICATION
6. CASTLE MEADOWS INTERCHANGE OVERLAY PDP
7. CASTLE OAKS AMENDMENT NO. 1
8. CASTLE PINES COMMERCIAL AMENDMENT (1995)
9. CASTLE PINES COMMERCIAL MAJOR MODIFICATION
10. CASTLE PINES COMMERCIAL PD
11. CASTLE RIDGE PD
12. CASTLE ROCK ESTATES I AMENDMENT
13. CHURCH OF THE ROCK PD
14. CREEKSIDE PD
15. DOUGLAS COUNTY JUSTICE CENTER MAJOR MODIFICATION
16. FAITH LUTHERAN CHURCH PD
17. HECKENDORF RANCH AMENDMENT NO. 2
18. HERITAGE FARM PD
19. THE LANTERNS AMENDMENT NO. 4
20. MAHER RANCH PD
21. MALL AND OFFICE CENTER INFILL
22. MEMMEN YOUNG INFILL
23. METZLER RANCH 2ND MAJOR AMENDMENT
24. METZLER RANCH PD (1996)
25. METZLER RANCH THIRD MAJOR AMENDMENT
26. MILESTONE OFFICE CAMPUS AMENDED (1998)
27. OAKS OF CASTLE ROCK AMENDMENT NO.1
28. OAKS OF CASTLE ROCK PD
29. PLUM CREEK SOUTH PD
30. PLUM CREEK WEST PD
31. RED HAWK PD
32. RIDGE VIEW PD
33. SCOTT RANCH PD
34. VILLAGES AT CASTLE ROCK PD
35. WOODLANDS MINOR MODIFICATION
36. YOUNG AMERICAN PD
37. MEADOWS THIRD AMENDMENT
38. MEADOWS FOURTH AMENDMENT
39. MEADOWS PARKWAY PD
40. WOODLANDS SECOND AMENDMENT
41. LIBERTY VILLAGE 2ND AMENDMENT
42. STANBRO PD
43. CASTLE PINES COMMERCIAL AMENDMENT (2000)
44. CENTRE ON PLUM CREEK FLG 2 AMENDED
45. HAZEN MOORE AMENDMENT
46. MAHER RANCH MAJOR AMENDMENT (PHASE 1)
47. SCOTT II MAJOR MODIFICATION
48. SCOTT II AMENDED
49. PLUM CREEK FIRST AMENDMENT
50. PLUM CREEK SECOND AMENDMENT
51. PLUM CREEK POINTE AMENDMENT
52. COOPER-HOOK PD
53. CASTLE ROCK ESTATES II PD
54. DAWSON RIDGE AMENDMENT
55. CRYSTAL VALLEY RANCH MAJOR AMENDMENT
56. ARBORS PD
57. MT. ZION LUTHERAN CHURCH PD
58. WOLFENSBERGER PDP
59. BROOKSIDE BUSINESS CENTER AMENDED
60. RED HAWK AMENDMENT NO. 1
61. WESTFIELD TRADE CENTER 2ND AMENDMENT
62. CASTLEWOOD RANCH MINOR AMENDMENT
63. FOUNDERS VILLAGE AMENDED (1994)
64. I-25 AND FOUNDERS PKWY CONOCO PD
65. PLUM CREEK AMENDED
66. MAIN PLACE PD
67. MILLER RANCH PD
68. MAHER RANCH MAJOR AMENDMENT (PHASE 2)
69. YOUNG AMERICAN SECOND AMENDMENT
70. CRYSTAL VALLEY RANCH 2ND AMENDMENT
71. OAKS OF CASTLE ROCK AMENDMENT NO. 3
72. CRYSTAL VALLEY RANCH 4TH AMENDMENT
73. DEMIS PD
74. OAKS OF CASTLE ROCK AMENDMENT NO. 4
75. CASTLE OAKS AMEND NO. 1 PPD, 2ND
76. EPIPHANY EVANGELICAL LUTHERAN CHURCH
77. METZLER RANCH PPD 4TH AMENDMENT
78. METZLER RANCH PD 5TH AMENDMENT
79. SHOPPES ON FOUNDERS
80. CASTLE OAKS AMEND NO. 1 PPD, 3RD
81. AUBURN RIDGE PDP NO. 1
82. MEADOWS PDP NO.1
83. HECKENDORF RANCH PDP AMD NO.4
84. RED HAWK CROSSING PDP
85. CASTLE OAKS ESTATES PDP NO. 1
86. HAZEN MOORE PDP NO. 1
87. MONTANA VISTA PDP
88. COVENANT AT CASTLE ROCK PDP
89. MEADOWS PDP NO. 2
90. HILLSIDE PDP
91. PROMENADE AT CASTLE ROCK PDP
92. BELLA MESA PDP
93. TERRAIN PDP
94. MILLER'S LANDING INTERCHANGE OVERLAY PDP
95. AUBURN RIDGE PDP NO. 1 AMD 1
96. CALVARY CHAPEL PDP
97. YOUR STORAGE CENTER AT CASTLE ROCK PDP
98. CRYSTAL VALLEY RANCH PDP AMD NO. 5
99. CRYSTAL VALLEY RANCH PDP AMD NO. 6
100. RIDGE ESTATES PD
101. ALEXANDER PLACE PD
102. PROMENADE AT CASTLE ROCK PD AMD 1
103. SANDERS BUSINESS PARK PDP
106. DAWSON TRAILS
107. CANYONS FAR SOUTH
109. ALEXANDER WAY PD
110. PLUM CREEK PD 3RD AMENDMENT
111. 826 PARK STREET EXPANSION AND 200 WOLFENSBERGER ROAD
112. THE BRICKYARD DEVELOPMENT AGREEMENT
113. PINE CANYON PLANNED DEVELOPMENT PLAN AND ZONING REGULATIONS

Data through December 31, 2025, please note that these are estimates, and numbers are subject to change

		MAXIMUM ZONED UNITS			UNITS BUILT (CO)			Potential HIGH Buildout				Potential LOW Buildout				Realistic Notes:
PD #	Planned Developments (year initially zoned)	SF	MF	Total	SF	MF	Total	SF	MF	Total	delta from Max Zoned	SF	MF	Total	delta from Max Zoned	
101	Alexander Place (2020)	26	99	**125**	0	0	**0**	0	134	**134**	9	26	99	**125**	0	Low is existing zoning High is recent Preapp proposal - would need a Rezone.
109	Alexander Way (2023)	77	0	**77**	0	0	**0**	77	0	**0**	0	77	0	**0**	0	SDP approved for full buildout
56	Arbors (2002)	0	80	**80**	0	0	**0**	0	80	**80**	0	38	0	**38**	-42	Zoning allows either 80 MF or 38 SF
81,95	Auburn Ridge (2013)	0	286	**286**	0	186	**186**	0	286	**286**	0	0	266	**266**	-20	High includes approved Lot 2 100 Unit MF. Low assumes a 20 unit decrease
112	Brickyard (2025)	0	583	**583**	0	0	**0**	0	583	**583**	0	0	384	**384**	-199	High is build out at full entitlments. Low is approved SDP of 384 units.
2	Brookwood (2003)	72	0	**72**	65	0	**65**	72	0	**72**	0	72	0	**72**	0	All lots Platted, no more land to plat.
4	Cambridge Heights (2003)	0	100	**100**	0	0	**0**	0	63	**63**	-37	35	0	**35**	-65	High - Assumed MF at 9 units/acre (similar to Echelon Project) Low - Assumed SFA at 5 units/acre
107	Canyons Far South (2023)	515	0	**515**	0	0	**0**	515	0	**515**	0	515	0	**515**	0	SDP approved is for full build out
5	Castle Highlands (1984)	132	200	**332**	127	200	**327**	131	200	**331**	-1	131	200	**331**	-1	All lots Platted, no more land to plat.
6	Castle Meadows (1989)*	0	440	**440**	0	0	**0**	0	1500	**1500**	1060	0	400	**400**	-40	High - Property Builds out all MF at 12 du/acre Low - Property builds out with 400 MF, rest commercial.
1,75,80,85,93	Castle Oaks /Terrain (2002)	1992	775	**2767**	2073	0	**2073**	2180	0	**2180**	-587	2073	0	**2073**	-694	High Includes North Basin SDP Phase II for 105 units. Phase I already platted, Phase II under review.
8,10,39, 43,91,102	Castle Pines Commercial / Promenade (1987)	0	1410	**1410**	0	1362	**1362**	0	1362	**1362**	-48	0	1362	**1362**	-48	Includes approved Promenade multifamily zoning of 300 units
11	Castle Ridge East (1996)	30	0	**30**	28	0	**28**	28	0	**28**	-2	28	0	**28**	-2	All lots Platted, no more land to plat.
12, 53	Castle Rock Estates - Diamond Ridge (1995)	126	0	**126**	126	0	**126**	126	0	**126**	0	126	0	**126**	0	All lots Platted, no more land to plat.
27.28,71,74	Castleview Estates - The Oaks of Castle Rock (1985)	248	326	**574**	242	0	**242**	367	0	**367**	-207	367	0	**367**	-207	SDP approved for 128 units. Applicant has submitted a preapp to amend for a few additional units. Unclear if zoning would allow. Developers have indicated that they need every unit possible to make project pencil out.
34	Castlewood Ranch (1998)	1300	0	**1300**	1287	0	**1287**	1292	0	**1292**	-8	1292	0	**1292**	-8	All lots Platted, no more land to plat.
straight zones, downtown	Central Castle Rock (varies) NO maximum zoning**	1538	3462	**5000**	1536	1479	**3015**	1538	2237	**3775**	-1225	1538	2037	**3575**	-1425	Estimating potential development of Downtown to be 800 High and 600 Low for MF
62	Covenant At Castle Rock (2014)	58	0	**58**	58	0	**58**	58	0	**58**	0	58	0	**58**	0	All lots Platted, no more land to plat.
55,70,72,98,99, 100	Crystal Valley Ranch (2000) and Ridge Estates (2020)	2722	753	**3475**	2928	0	**2928**	3215	96	**3311**	-164	3164	0	**3164**	-311	Commercial area can have multi-family at 24 du per acre
106	Dawson Trails (2023)	3450	2400	**5850**	0	0	**0**	3450	2400	**5850**	0	3450	600	**4050**	-1800	High based off full build out, Low based off assumptions of 4000 units total

		MAXIMUM ZONED UNITS			UNITS BUILT (CO)			Potential HIGH Buildout				Potential LOW Buildout				Realistic Notes:
PD #	Planned Developments (year initially zoned)	SF	MF	Total	SF	MF	Total	SF	MF	Total	delta from Max Zoned	SF	MF	Total	delta from Max Zoned	
63,92	Founders Village - Inc. Founders 24 and Bella Mesa (1985)	2776	2905	**5681**	2497	0	**2497**	3007	105	**3112**	-2569	3082	105	**3187**	-2494	Bella Mesa North allows for 525 single family units. Bella Mesa South SDP for 105 units. Expect close to full build out to make project pencil out due to capstone.
45,86	Hazen Moore (2000)	243	0	**243**	161	0	**161**	161	0	**161**	-82	161	0	**161**	-82	All lots Platted, no more land to plat.
17,83	Heckendorf Ranch (1985)	406	224	**630**	299	94	**393**	300	102	**402**	-228	300	102	**402**	-228	Includes approved Canvas SDP. No other lots available for residential development
90	Hillside (2009)	120	0	**120**	22	0	**22**	120	0	**120**	0	120	0	**120**	0	Likely will build out to Zoning, SDP approved for 120 units
19	Lanterns (2003)	1200	0	**1200**	788	0	**788**	1200	0	**1200**	0	1200	0	**1200**	0	SDP approved for full development at 1200 units and is currently under construction
41	Liberty Village (2004)	1245	0	**1245**	1197	0	**1197**	1238	0	**1238**	-7	1238	0	**1238**	-7	All lots Platted, no more land to plat.
20,46,68	Maher Ranch (1988)	923	100	**1023**	773	96	**869**	768	96	**864**	-159	768	96	**864**	-159	All lots Platted, no more land to plat.
70,38,82,89	Meadows (1985)	6867	4002	**10869**	7414	840	**8254**	7434	1114	**8548**	-2321	7454	1014	**8468**	-2401	MF High is based off esimate of 100 mixed units in TC 174 units of Senior Housing in COI (Infinity) MF Low is based off 174 SH units in COI (Infinity) SF High is based off of SDP approvals SF low is based off of SDP approvals
22	Memmen Young Infill (1985)	559	476	**1035**	0	0	**0**	710	0	**710**	-325	600	0	**600**	-435	Realistic High includes proprosed units of rezone (Founders Vista) and max units of remaining use area not in rezone. Realistic low knocks out some units of Founders Vista and puts remaining parcel at a more nominal 5 units per acre
23,24,25,77,78	Metzler Ranch (1996)	1037	660	**1697**	747	580	**1327**	751	660	**1411**	-286	727	660	**1387**	-310	Remaining property with entitlement of 69 units donated to the Town .
113	Pine Canyon (2025)	800	500	**1300**	0	0	**0**	400	375	**775**	-525	800	500	**1300**	0	Low assumes 75 percent single family buildout and 50% multifamily buildout. High assumes full buildout
49,50,65	Plum Creek (1983)	3028	0	**3028**	1189	360	**1549**	1191	360	**1551**	-1477	1191	360	**1551**	-1477	Assumes no new construction. Only way to add more units is to rezone Golf Course or open space. Emeral Hills and Mount Royal still to be completed
	Plum Creek Ridge (2006)	92	70	**162**	120	0	**120**	120	0	**120**	-42	120	0	**120**	-42	All lots Platted, no more land to plat.
29	Plum Creek South (1985)	307	198	**505**	137	0	**137**	140	0	**140**	-365	140	0	**140**	-365	All lots Platted, no more land to plat.
31,60,84	Red Hawk (1996)	660	268	**928**	821	0	**821**	826	0	**826**	-102	826	0	**826**	-102	All lots Platted, no more land to plat.
47,48	Scott II (1987)	85	220	**305**	78	220	**298**	78	220	**298**	-7	78	220	**298**	-7	All lots Platted, no more land to plat.
	Sellers Landing PD (1982)	0	94	**94**	0	77	**77**	0	82	**82**	-12	0	82	**82**	-12	Includes recently approved 5 Unit SDP
42	Stanbro PD (1987)	32	92	**124**	0	0	**0**	32	92	**124**	0	16	46	**62**	-62	Low assumes significant flood plain issues impacting number of units significantly (estimate of 50%).

		MAXIMUM ZONED UNITS			UNITS BUILT (CO)			Potential HIGH Buildout				Potential LOW Buildout				Realistic Notes:
PD #	Planned Developments (year initially zoned)	SF	MF	Total	SF	MF	Total	SF	MF	Total	delta from Max Zoned	SF	MF	Total	delta from Max Zoned	
21, 34	Villages at Castle Rock / Echelon (1981) ***	0	542	**542**	125	238	**363**	125	238	**363**	-179	125	238	**363**	-179	Single property allows for 12 units of SF. May not be feasible to build on property
58	Wolfensberger - formerly Graham PD (1996)	0	56	**56**	0	56	**56**	0	56	**56**	0	0	56	**56**	0	All lots Platted, no more land to plat.
33,35,40,96	Woodlands - Inc. Scott Ranch (1983) Woodlands Crossing (1987)	990	0	**990**	540	0	**540**	605	0	**605**	-385	605	0	**605**	-385	All lots Platted in Scott Ranch, no more land to plat. 54 units available in Woodlands Crossing
36,69	Young American (1983)	78	1138	**1216**	375	186	**561**	1012	186	**1198**	-18	825	186	**1011**	-205	High includes maximum number of units zoned in undeveloped planning areas. Low is based off recent PREAPP received minus 30 lots
		ZONED UNITS			UNITS BUILT (CO)			Potential HIGH Buildout				Potential LOW Buildout				
		SF	MF	Total	SF	MF	Total	SF	MF	Total	delta from Max Zoned	SF	MF	Total	delta from Max Zoned	
TOTAL UNITS		33,734	22,459	56,193	25,753	5,974	31,727	33,267	12,627	45,817	(10,299)	33,366	9,013	42,302	(13,814)	
POPULATION ESTIMATES		93,781	62,436	156,217	71,593	16,608	88,201	92,482	35,103	127,585	(28,631)	92,757	25,056	117,814	(38,403)	

*Castle Meadows does not have a maximum cap in the zoning, however 440 MF units was listed in the most recent traffic study for this property. This property could develop with more or less residential units.

**Central Castle Rock includes straight zoned land as R-1, R-2, R-3, and B zone areas in the Downtown Overlay that allow multifamily. There is no maximum cap in the zoning, so land area and typical densities have been used to determine the area could develop out at 5,000 units.

***125 units platted as part of Villages, property later rezoned to be within Founders PD

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 7. **File #:** ID 2026-014

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, Director of Development Services

Development Services Project Updates

The high-growth nature of Castle Rock results in numerous and diverse questions from individuals seeking information about existing conditions and future plans. Information on community development activity and formal land use applications are located on the Town website under the Development Activity Map link.

Development activity continues to be strong, with continued interest for a variety of project types in Castle Rock. Permit activity remains steady, and homebuilders and commercial builders remain active.

Please see the attached Staff Memorandum for project details.

Meeting Date: February 3, 2026

AGENDA MEMORANDUM

To: David L. Corliss, Town Manager

From: Tara Vargish, PE, Director of Development Services

Title: **Town Manager Report – Development Project Updates**

This report contains development updates and new submittals or requests submitted to staff since the last update to Town Council. The high-growth nature of Castle Rock results in numerous and diverse questions from individuals seeking information about existing conditions and future plans and formal applications for development. More information on community development activity and formal land use applications are located on the Town website under the Development Activity Map link, which can be accessed at CRGov.com/DevelopmentActivityMap.

New Quasi-Judicial Applications Requiring Public Hearings

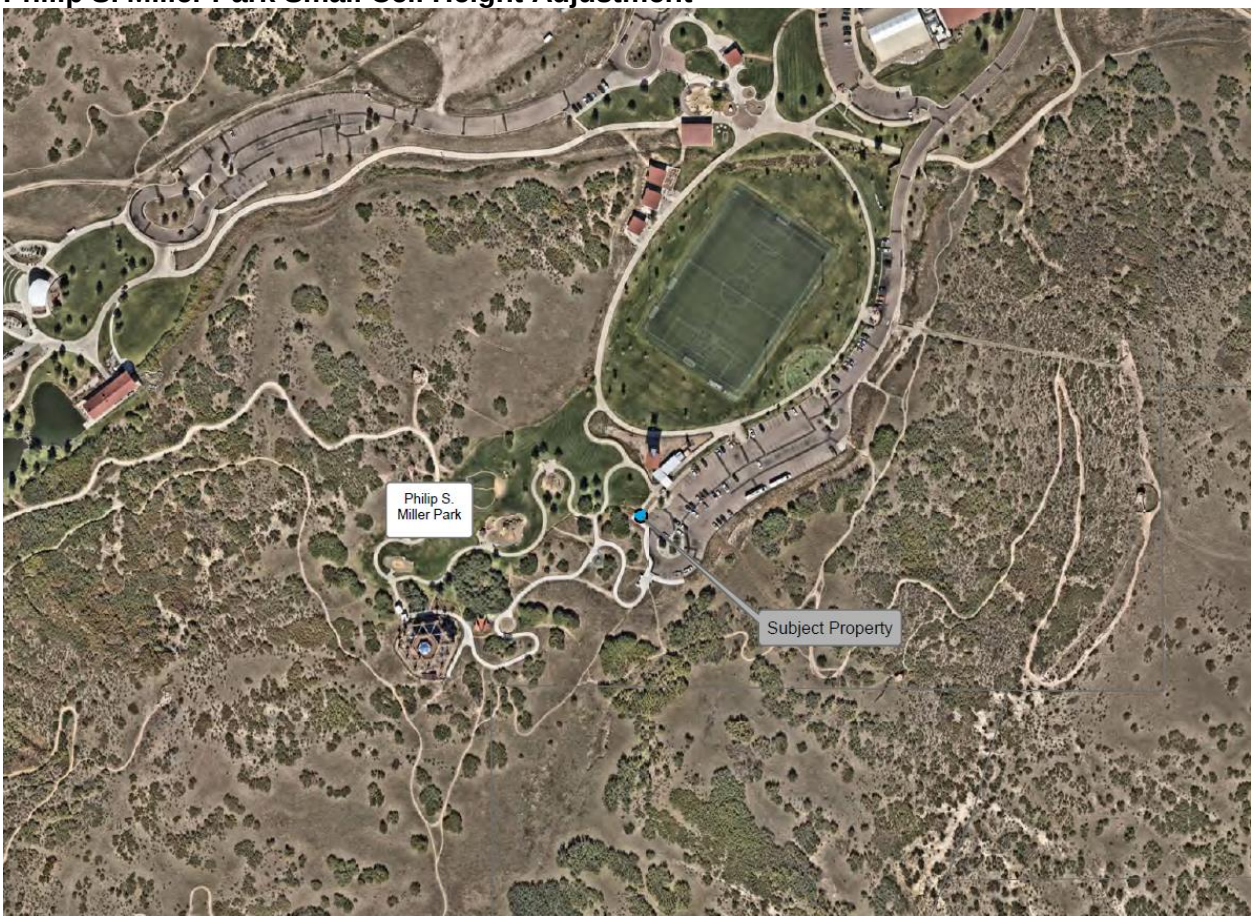
None

New Pre-Application Meeting Requests

Dawson Trails Chick-Fil-A

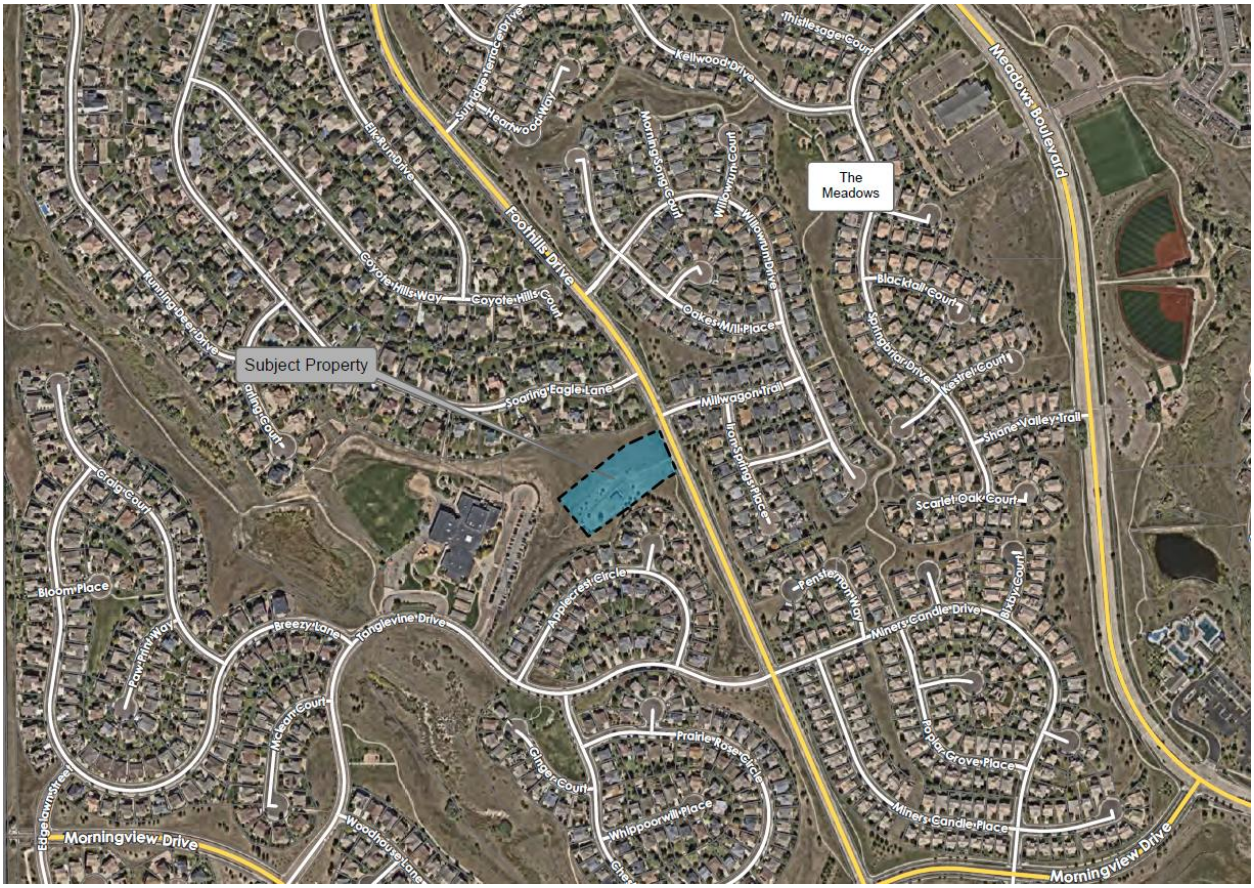
A pre-application meeting request was submitted seeking information on application and submittal to build a Chick-Fil-A restaurant in the Dawson Trails PD. The proposed 4,847-square-foot restaurant includes a dual-lane drive-thru. The proposed project is located northwest of the intersection of Quandary Peak Boulevard and Dawson Trails Boulevard, in Councilmember Dietz's district.

Philip S. Miller Park Small Cell Height Adjustment



A pre-application meeting request was submitted seeking information on application and submittal to replace and upgrade an existing small cell at Philip S. Miller Park with a new, taller pole built to accommodate an upgraded antenna configuration. The existing small cell pole currently houses wireless antennas and associated equipment, and the upgrade is meant to improve network capacity and reliability, in addition to maintaining required performance and safety standards. The proposed project is located at the southeast end of the park's parking lot, in Councilmember Bracken's district.

Verizon Stealth Water Tower



A pre-application meeting request was submitted seeking information on application and submittal to build a cell tower on a Town owned property currently being used by the Water Department for a pump house. The cell tower would be housed in a 47' stealth water tower silo. The proposed project is located southwest of the intersection of Foothills Drive and Millwagon Trail, in Councilmember Hollingshead's district.

<u>Ongoing Development Activity:</u>

Commercial Development Activity

- **Promenade:**
  - Lazy Dog Restaurant site and building construction for a new stand-alone restaurant, located on the northeast corner of Castlegate Drive West and Promenade Parkway.
- **Meadows:**
  - New Hope Church Rezoning, new PDP to allow for a medical office building, located south of the intersection of Prairie Hawk Drive and Meadows Boulevard.
  - StorHaus Garage Condos, site and building construction for 3 buildings and a clubhouse, consisting of 38 garage condo units, located on the northeast corner of Regent Street and Carnaby Lane.

- **Downtown:**
  - Circle K, site and building construction for a new 3,700-square-foot convenience

store to replace the existing building on the site, located at 310 S. Wilcox Street.
  - City Hotel, historic preservation and site plan approved for a 33-room hotel, located at 415 N. Perry Street.
  - Scileppi's 2nd Phase, site and building construction to demolish the 1980 addition and build a new addition, located at 210 Third Street.
  - The View, TCO issued for a 6-story building with mixed-uses including 221 residential units, located at Sixth Street and Jerry Street.

- **Dawson Trails Residential/Commercial**:
  - Costco, Dawson Trails, site plan amendment under review for 161,000-square-foot retail warehouse with fueling station on 18.4 acres, located east of Dawson Trails Boulevard, north of the future Crystal Valley Interchange.
  - Dawson Trails E2 Townhomes, 100 townhomes west of the proposed intersections of Quandary Peak Drive and Dawson Trails Boulevard.
  - Dawson Trails Filing No. 1 Infrastructure and Right-of-Way, construction plan approved for the northern segment of Dawson Trails Boulevard.
  - Dawson Trails Filing No. 2 Infrastructure, plat and construction plans approved for 97-acre area.
  - Dawson Trails Planning Area D, site plan approved for 256 single-family residential lots, and 13 acres of open space.
  - Dawson Trails Red Zone Tanks and Pump House, under construction for red zone water infrastructure in Dawson Trails.
  - Dawson Trails Planning area B-1, site plan approved and construction documents under review for 230 detached residential lots, a 1-acre neighborhood park, located in the north-central area of the Dawson Trails PD, adjacent to the Twin Oaks subdivision in Douglas County.
  - Dawson Trails South, construction for grading only for approximately 338 acres, located south of Territorial Road.
  - King Soopers, Dawson Trails, site plan review for a new 99,000-square-foot grocery store, fuel station, located south and east of Gambel Ridge Boulevard and west of Dawson Trails Boulevard.
  - Off-site Sanitary Sewer, Dawson Trails, under construction for 17,000+ feet of sanitary sewer main from south of Territorial Road to Plum Creek Parkway.
  - Off-site Water Line, Dawson Trails, under construction for approximately 3,100 linear feet of water main, extending north and west from the fire station on Crystal Valley Parkway across railroad properties and I-25.
  - Territorial Road Annexation, totaling 2.9 acres of land, to remain ROW.

- **Other Commercial Projects throughout Town:**
  - AdventHealth Medical Office Building, site and building construction for a new medical office building to include a freestanding emergency department, west of the intersection of Plum Creek Boulevard and Crystal Valley Parkway.
  - Castle Rock Auto Dealerships, site and building construction of 1st and 2nd phase for service center expansion, located at 1100 S. Wilcox Street.
  - Castle Rock Automotive Repair Shop, site construction for new 26,000-square-foot auto body shop, located at 1184 and 1288 Brookside Circle.
  - Discount Tire, site and building construction for 530-square-foot storage addition, located at 102 E. Allen Street.
  - Founders Marketplace, Dunkin Donuts, site plan approved for a new restaurant with drive-through, located at the northeast corner of Founders Parkway and Aloha

Court.
- Garage Condos, site and building construction, located on Liggett Road.
- Foundation auto dealership, site plan and plat review for use by special review for a new 33,000-square-foot building and sales lot, located at 550 S. Interstate 25.
- Murphy Express, site and building plans approved for a 2,800-square-foot convenience store and gas station, located at 186 Metzler Drive.
- Outlets at Castle Rock, site construction for two new pad sites on the mall's west side on Factory Shops Boulevard.
- Ridgeview Town Center, PD Zoning review for a 10-acre parcel located at 895 Ridge Road.
- Saint Francis of Assisi Annexation, annexation of the two lots the existing church is located on, along with the adjacent ROW, southeast of the intersection of N. Valley Drive and Fifth Street.
- Sanders Business Park, site construction for a 2.4-acre site, located south of The Plum Creek Community Church.
- The Brickyard, site plan approved and construction document review for a mixed-use development with a maximum of 600 multi-family dwelling units, located on the south end of Prairie Hawk Drive.
- Unity on Wolfensberger Planned Development Plan approved for zoning and parking changes, located at 200 Wolfensberger Road and 826 Park Street.

- Wellspring and Castle Oaks Covenant Church, annexation petition is to annex approximately 2.07 acres, and proposed zoning for church and Wellspring facility uses, located at 498 E. Wolfensberger Road, for future Wellspring and Castle Oaks Covenant Church facilities

Residential Development Activity:

- Auburn Heights Apartments, rezoning application to amend the zoning and the currently approved site development plan for Lot 2 of Auburn Ridge.
- Bella Mesa North, site plan approved for 525 single-family homes, located north of Mesa Middle School off Mitchell Street.
- Bella Mesa South, site plan review for 93 single-family homes, located at the northwest corner of Mikelson Boulevard and Mitchell Street.
- Canyons Far South, site plan approved and construction documents under review for a residential development with 515 single-family homes, located southeast of Crowfoot Valley Road and Founders Parkway.
- Castleton Heights multi-family, site plan review for new four-story multi-family building with 80 units, located southwest of the intersection of W. Castleton Road and Castleton Court.
- Chateau Valley, site plan review for 415 residential units, located north of East Plum Creek Parkway and east of Gilbert Street
- Crystal Valley Ranch Mixed-Use site plan review for 24 townhomes and a mixed-use building, located at the southeast corner of Crystal Valley Parkway and W. Loop Road.
- Crystal Valley Ranch, site construction, single-family subdivisions, located southeast and southwest of Crystal Valley Parkway and W. Loop Road. Also, in the southern interior portion of Loop Road, south of Loop Road, and between W. Loop Road and the Lanterns property.
- Founders Village Pool, site plan review for new pool pavilion, located at 4501 Enderud Boulevard.
- Hillside, building construction, single-family attached and detached age 55 and

older, located at the northeast corner of Coachline Road and Wolfensberger Road.

- Lanterns/Montaine, Subdivision construction for various phases for a total of 1,200 single-family residential lots, located off Montaine Circle.
- Liberty Village, site construction for amended lot layout due to floodplain for 42 single-family lots, located on the south side of Castle Oaks Drive and Pleasant View Drive.
- Meadows, home construction for 77 single-family detached homes on the west sides of Coachline Road north of Wolfensberger Road.
- Pine Canyon PDP, Annexation and Zoning, approved for a a maximum of 1,800 mixed residential units, to include single-family and multi-family, as well as commercial uses to include a hotel/resort with up to 225 rooms, and other business and industrial uses on the 535-acre site. The project area is generally located on both the east and west sides of I-25, west of Founders Parkway.
- The Oaks Filing 2A, site construction for 114 single-family lots on 165+/- acres, located south of Plum Creek Parkway and east of Eaton Circle.
- Ridge at Crystal Valley, site and home construction for 142 single-family home project, located southwest of Loop Road in Crystal Valley Ranch. SIA amendment submitted to address modification to phasing plan for lots to be Temporary Green Zone.
- Soleana, site plan approved and construction documents under review for 55 custom home sites and 22 live/work units on 77.96 acres, located east of the Silver Heights neighborhood and west of the Diamond Ridge Estates neighborhood.
- Terrain North Basin, Phase 1, building construction for approximately 96 single-family home project, located along Castle Oaks Drive.
- Terrain North Basin, Phase 2, site plan, plat and construction document review for approximately 29 single-family home project, located along Castle Oaks Drive.
- Unity on Wolfensberger site plan approved to convert the existing 70-unit Quality Inn Hotel into a 50-unit “for sale” condominiums facility for adults with Intellectual and Development Disabilities at 200 Wolfensberger Road.

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 8. **File #:** ID 2026-015

To: Honorable Mayor and Members of Town Council

Through: Tara Vargish, Director of Development Services

From: TJ Kucewesky, Assistant Director of Development Services

Update: Quasi-Judicial Projects

Executive Summary

The purpose and intent of this report is to provide Town Council with a summary of quasi-judicial projects. In order to provide all parties with due process under law, decision makers must be fair and impartial when considering quasi-judicial applications such as those included in this memorandum. Many of these projects do not have public hearing dates yet, but Town Council could be asked to consider them in the future.

New Applications

No new formal applications.

On-going Quasi-Judicial Applications (currently under review)

The full list of on-going quasi-judicial projects along with vicinity maps can be found on the attached Staff Memorandum.

Meeting Date: February 3, 2026

AGENDA MEMORANDUM

To: David L. Corliss, Town Manager

Through: Tara Vargish, Director Development Services

From: TJ Kucewesky, Assistant Director Development Services

Title: Update: Quasi-Judicial Projects

Executive Summary

The purpose and intent of this report is to provide Town Council with a summary of quasi-judicial projects. In order to provide all parties with due process under law, decision makers must be fair and impartial when considering quasi-judicial applications such as those included in this memorandum. Many of these projects do not have public hearing dates yet, but Town Council could be asked to consider them in the future.

New Quasi-Judicial Applications:

None

On-going Quasi-Judicial Applications (currently under review)

Auburn Heights Apartments Planned Development Plan Zoning Major Amendment and Site Development Plan Major Amendment

The property owner has submitted an application to amend the zoning and the currently approved site development plan for lot 2 of Auburn Ridge and is generally located in the southwest quadrant of E. Wolfensberger Road and Auburn Drive, southwest of the Auburn Ridge Senior Apartments. Currently, the zoning permits 100 multi-family units for seniors. The zoning amendment seeks to permit 104 multi-family units for people of all ages. The proposed parking is a combination of attached garages, detached garages, and surface parking. Both the PDP Amendment and the SDP Amendment will require public hearings before the Planning Commission for review and recommendation and Town Council for review and final decision. The project is in Councilmember Bracken's district.

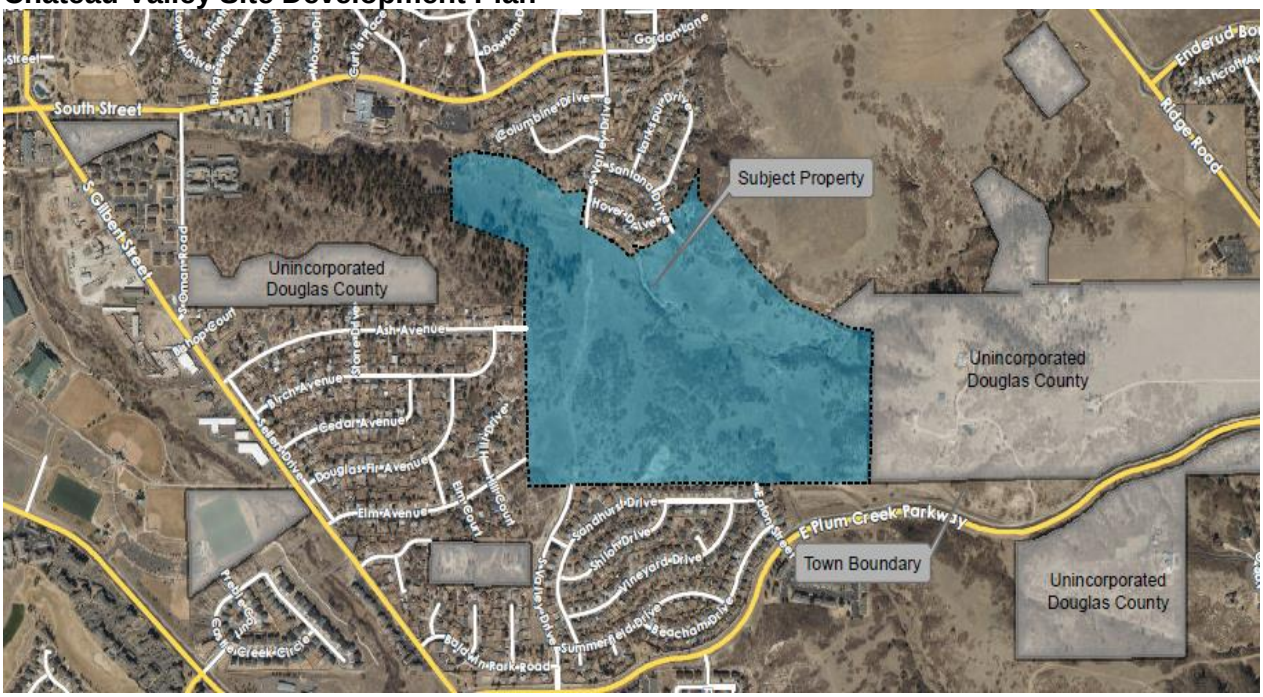
Bella Mesa South Site Development Plan

Fourth Investment USA, LLC, property owner, has submitted a quasi-judicial Site Development Plan on behalf of Cardel Homes for development of 93 single-family townhomes on approximately 9.3 acres located at the northwest corner of Mikelson Boulevard and Mitchell Street. The building height is 35 feet, and 200 parking spaces are proposed. Internal pedestrian walkways provide links to public sidewalks on Mitchell Street and Mikelson Boulevard. The property is zoned under the Bella Mesa Planned Development and is within a use area that allows single-family attached and multi-family dwelling units to a maximum of 186 dwelling units and a maximum building height of 50 feet. Vehicle access to the townhomes will be from two entry points on Mitchell Street. The Site Development Plan will require public hearings before the Planning Commission and Town Council. The proposed development is in Councilmember Brooks' district.

Castleton Heights Multifamily Site Development Plan

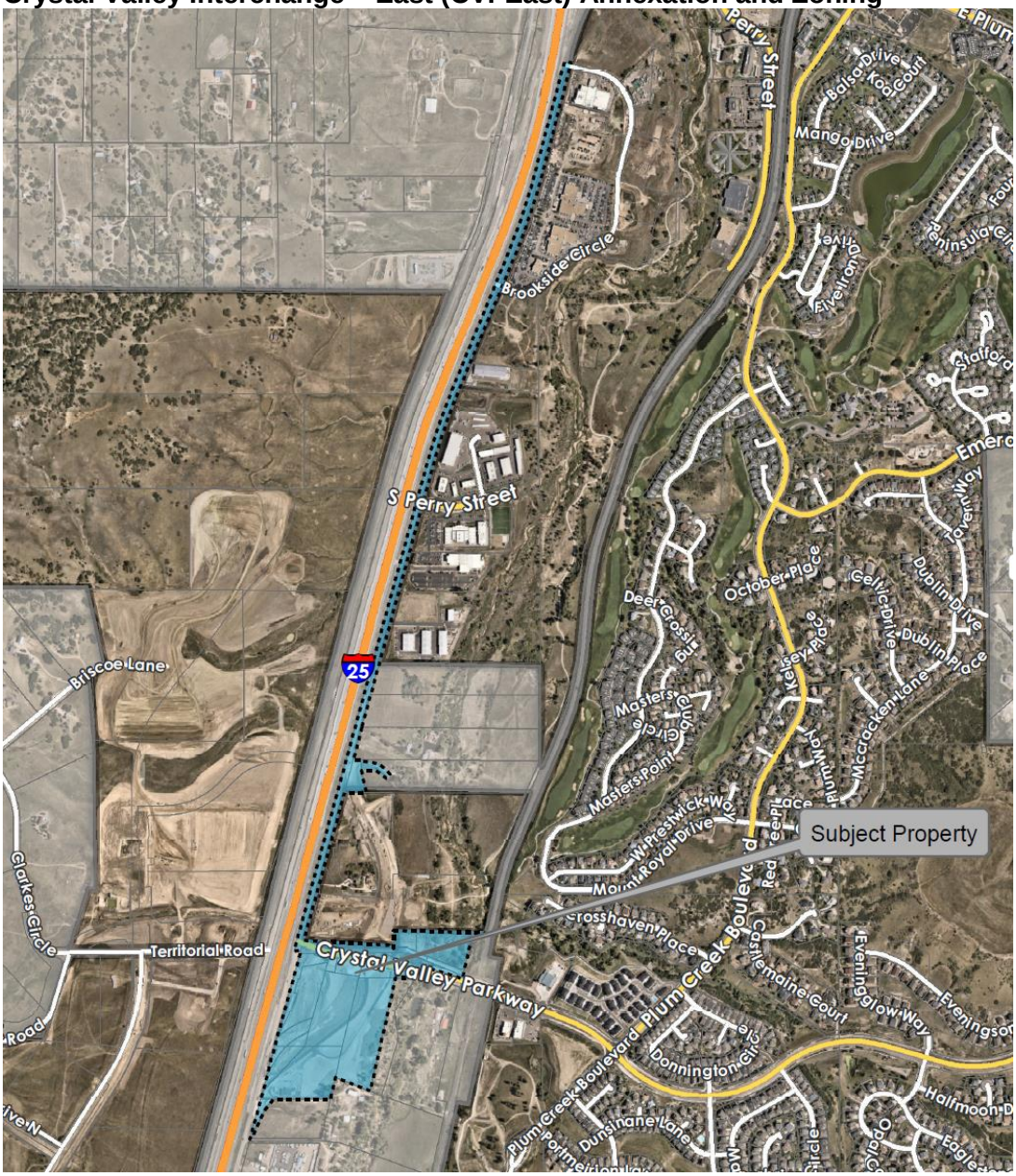
TWG Development has submitted a quasi-judicial application for a Site Development Plan/ Use by Special Review for Castleton Heights Multi-Family. The applicant is proposing to construct a new four-story multifamily building with 80 units on a 3.11-acre site. The proposed project is located southwest of the intersection of W Castleton Road and Castleton Court. The Site Development Plan/Use by Special Review will require public hearings before the Planning Commission for review and recommendation and Town Council for review and final decision. This project is in Councilmember Davis' district.

Chateau Valley Site Development Plan



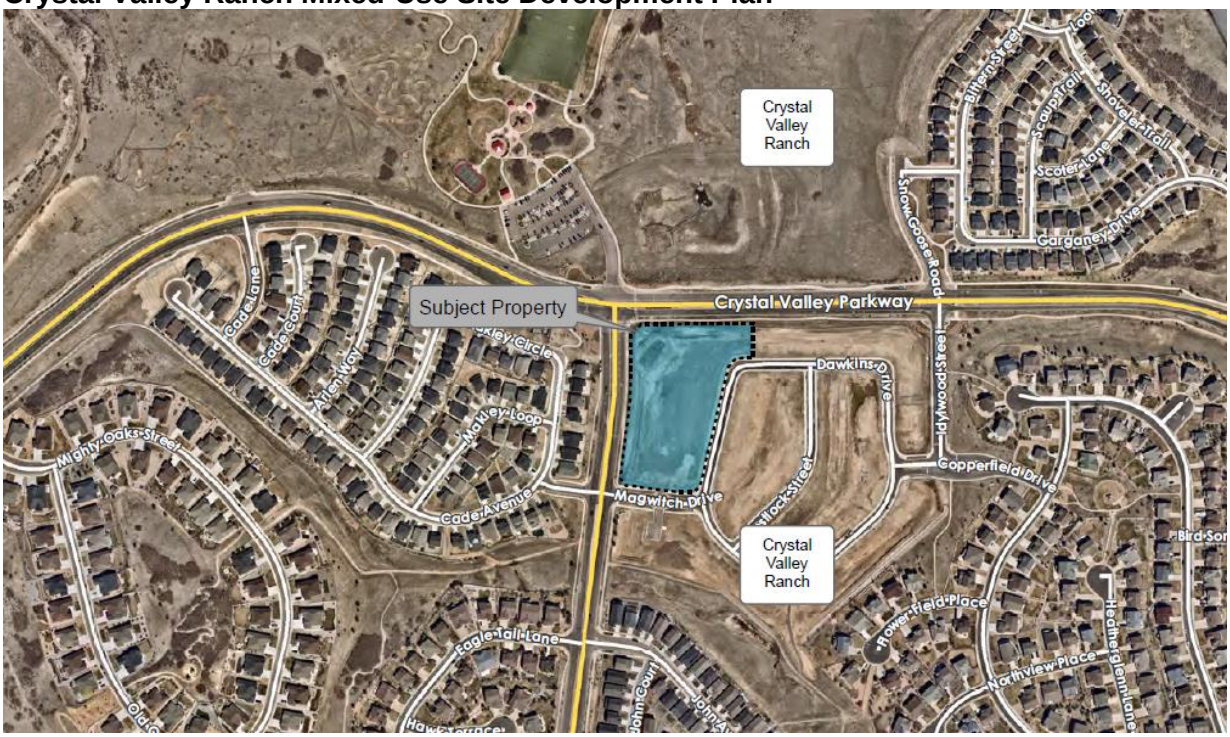
Highline Engineering & Surveying has submitted an application for the Chateau Valley Site Development Plan (SDP) proposing a 403-unit residential subdivision on 112 acres. The 403 units are composed of 255 single family detached homes and 148 attached homes. The property, which is within the Young American Planned Development, is generally located east of Memmen Park, north of the Baldwin Park subdivision, and south of the Southridge Townhome subdivision. The Site Development Plan includes a total of 42.2 acres of open space. The SDP will require public hearings before the Planning Commission for review and recommendation and Town Council for review and final decision. The property is in Councilmember Brooks' district.

Crystal Valley Interchange – East (CVI-East) Annexation and Zoning



The Town of Castle Rock has submitted an annexation application for several Town-owned parcels located at the new Crystal Valley Interchange and including the east frontage road from the new interchange north to Brookside Circle. The total area is approximately 37 acres. The parcels are proposed to be zoned PL-1 and used as Town right-of-way. The parcels are adjacent to Councilmember Deitz's district.

Crystal Valley Ranch Mixed-Use Site Development Plan



Henry Design Group on behalf of Dan Kauffman, Pinnacle View Development, LLC, has submitted an application for a Site Development Plan. The applicant is proposing a mixed-use development on the 4-acre property located at the southeast corner of Crystal Valley Parkway and West Loop Road. The proposal includes 24 townhomes, with two car garages attached, and a single two-story building with 7,376 square feet of commercial space on the 1st floor and seven condominium units on the 2nd floor. The Site Development Plan will require public hearings before the Planning Commission for review and recommendation and Town Council for review and final decision. The project is in Councilmember Dietz's district.

Dawson Trails E2 Townhomes Site Development Plan

Norris Design has a new Quasi-judicial application for a Site Development Plan for Dawson Trails E2 Townhomes. The applicant is proposing to construct 100 townhomes within the Dawson Trails PD. The townhomes would vary between two and three stories in height. The general location is west of the proposed intersections of Quandary Peak Drive and Dawson Trails Boulevard. The site development plan will require public hearings before the Planning Commission for review and recommendation and Town Council for review and final decision. This project is in Councilmember Dietz's district.

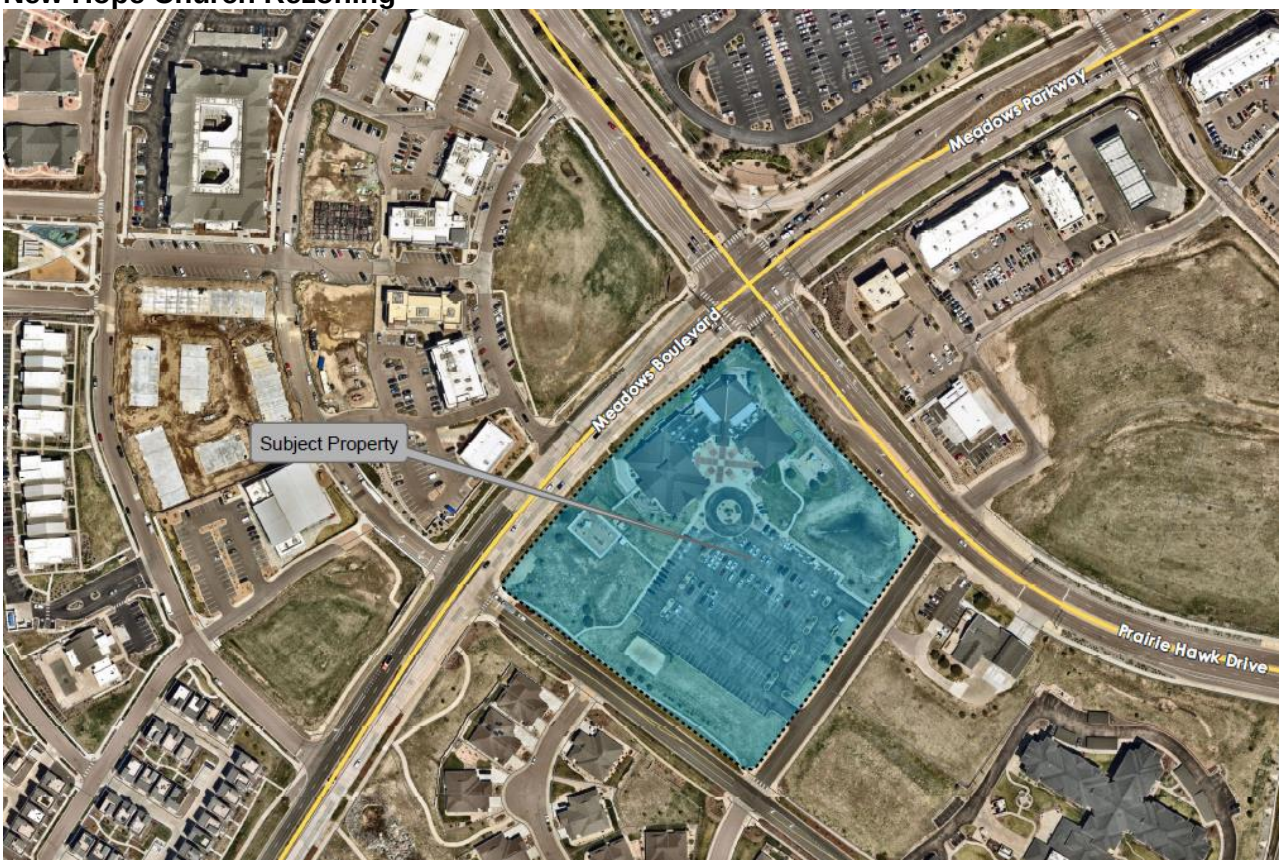
Dawson Trails Major PD Amendment, 3

A Quasi-Judicial application from ACM Dawson Trails VIII JV LLC for a Major PD Amendment to the Dawson Trails PD was received. With the finalization of the Crystal Valley Interchange alignment, sections of the existing Territorial Road right-of-way (ROW) are no longer needed as ROW. The Town and Dawson Trails developer have exchanged portions of the Territorial Road ROW and portions of Dawson Trails property, in order to provide ROW sufficient for the CVI project. Concurrent with the Territorial Road ROW Annexation, this proposed PD amendment will zone the annexed parcels as part of Dawson Trails PD (open space, right-of-way or as mixed-use, depending on the adjacent uses). The parcels total 2.2 acres. The Major PD Amendment requires public hearings before the Planning Commission for review and recommendation and Town Council for review and a final decision. This project is in Councilmember Dietz's district.

King Soopers Dawson Trails Site Development Plan

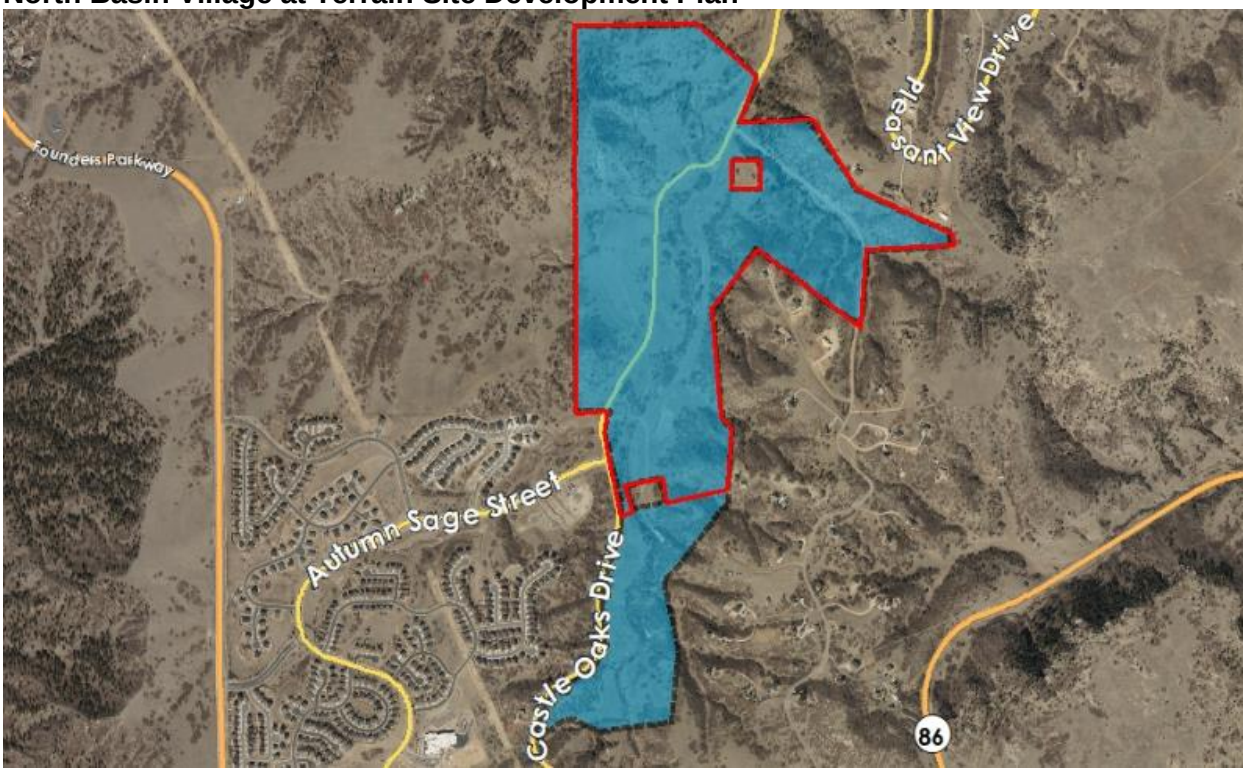
Galloway & Company, Inc, on behalf of the property owner ACM Dawson Trails VIII JV LLC, and property developer King Soopers, has submitted a Site Development Plan application. The applicant is proposing a King Soopers grocery store and fueling station on 12.2 acres within the Dawson Trails Planned Development, Planning Area E-2. The site location is south and east of Gambel Ridge Boulevard and west of Dawson Trails Boulevard. The site plan proposes a 99,000 square foot grocery store, 403 parking spaces, an online grocery order pick-up area, and a fueling station with a 245 square foot kiosk and 7 fuel pumps. The building height is approximately 35 feet; 50 feet is the maximum height allowed. Access to the site is from Gambel Ridge Boulevard and Dawson Trails Boulevard. The project is in Councilmember Dietz's district.

New Hope Church Rezoning



YOW Architects has submitted an application for a rezoning for New Hope Church. The applicant is proposing a new Planned Development Plan to allow for a medical office building on 1.5 acres in the northwest corner of the New Hope Church property. The proposed project is located south of the intersection of Prairie Hawk Drive and Meadows Boulevard. The rezoning will require public hearings before the Planning Commission for review and recommendation and Town Council for review and final decision. This project is located in Councilmember Bracken's district.

North Basin Village at Terrain Site Development Plan

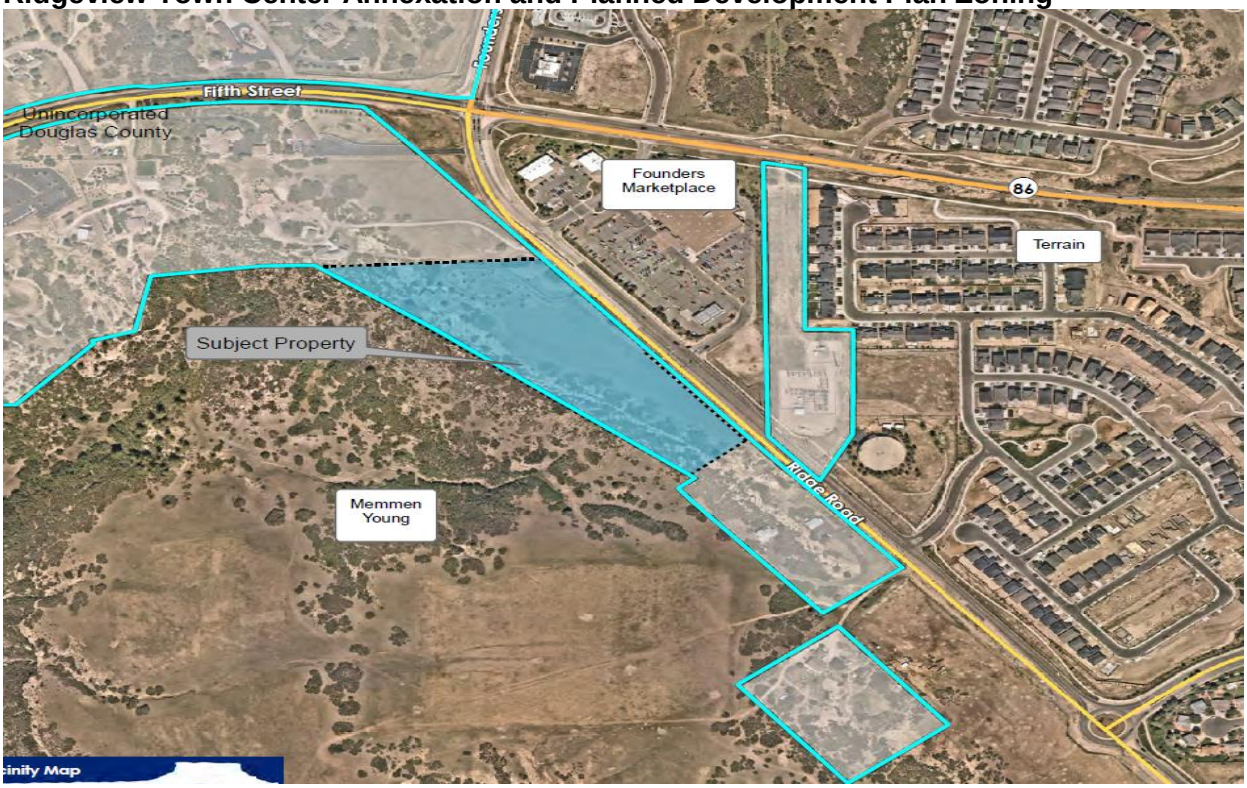


The property owner has submitted an application for a Site Development Plan (SDP) for 29 single family homes on approximately 42 acres within the Terrain North Basin Phase 2 development. The proposed development also includes approximately 35.6 acres of open space dedication. The project is located along Castle Oaks Drive. The SDP will require public hearings before the Planning Commission for review and recommendation, and Town Council for review and final decision. The project is located within Mayor Pro Tem Cavey's district.

Pioneer Ranch Annexation and Planned Development Plan Zoning

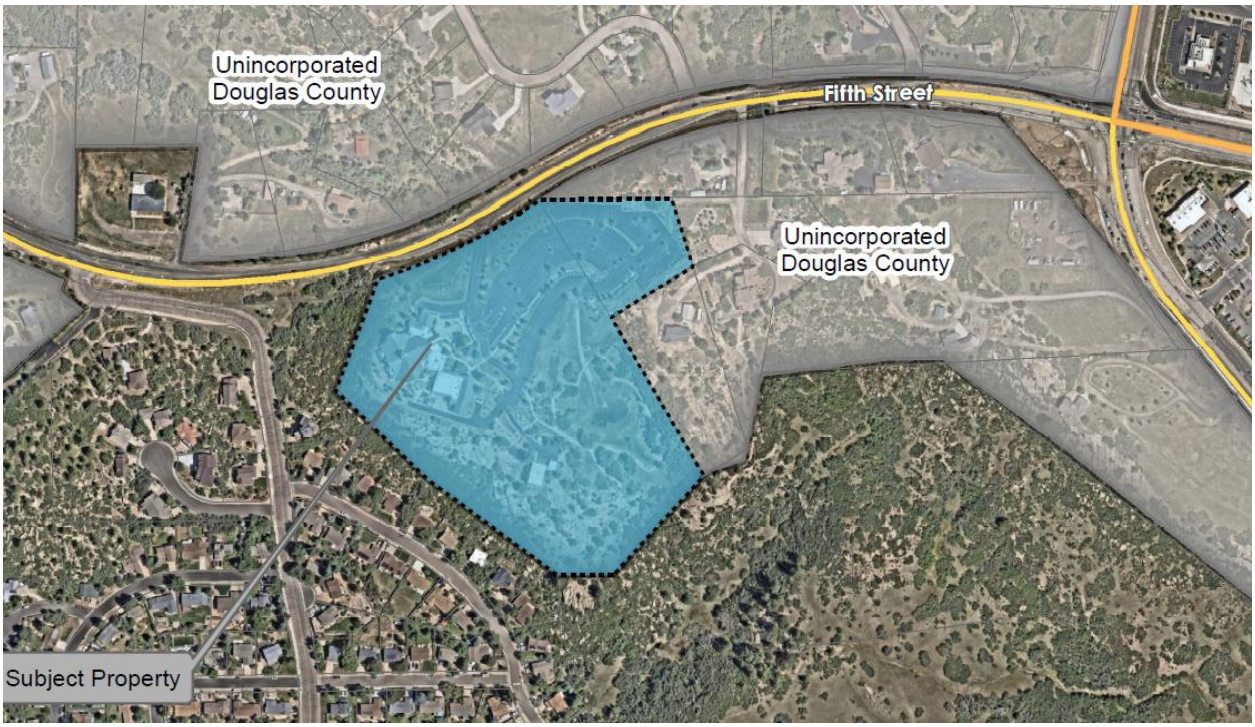
The property owner has submitted an annexation petition to annex a 388-acre site located west of Founders Parkway and east of Front Street into the Town of Castle Rock. The applicant is proposing the Pioneer Ranch Planned Development Plan zoning to allow 1,123 dwelling units (a mix of single-family and multi-family), 78 acres of open space, and 39 acres dedicated for public uses, such as schools and parks. The annexation and planned development plan require public hearings before Planning Commission for review and recommendation and Town Council for review and final decision. The property is adjacent to Councilmember Davis' and Mayor Pro Tem Cavey's districts.

Ridgeview Town Center Annexation and Planned Development Plan Zoning



The property owner has submitted an application for annexation and zoning for a 10-acre parcel located at 895 N. Ridge Road, southwest of the intersection of State Highway 86 and N. Ridge Road. The owner proposes to zone the property to allow commercial uses, such as retail, office, restaurant, clinic and personal services. Uses by special review include day care, fast food with drive-thru, and doggy day care. Prohibited uses include fueling stations, vehicle storage, and auto repair. Approximately 29% of the site is designated open space. The property is adjacent to Mayor Pro Tem Cavey's and Councilmember Brooks' districts.

Saint Francis of Assisi Annexation



St Francis Church has submitted a new Quasi-judicial application for an Annexation. The applicant is proposing an annexation of the two lots that the existing church is located on, along with the adjacent right-of-way. The general location is southeast of the intersection of N Valley Drive and Fifth Street. The Annexation will require public hearings before the Planning Commission for review and recommendation and Town Council for review and final decision. This project is located adjacent to Councilmember Davis' and Brooks' districts.

Territorial Road Annexation

ACM Dawson Trails VIII JV LLC and the Town of Castle Rock have submitted an application for the annexation and zoning of several parcels of land, totaling 2.9 acres, that are within, or adjacent to, the current Territorial Road right-of-way. Most of the parcels will be zoned for mixed use development within the Dawson Trails Planned Development and will be assimilated into the adjacent planning area. Parcels remaining in future right-of-way will be zoned as public land. The property is adjacent to Councilmember Dietz's district.

Wellspring and Castle Oaks Covenant Church Annexation and Planned Development Plan Zoning

The property owner has submitted an application for annexation and zoning of a parcel of land for Wellspring Community Center. The annexation petition is to annex approximately 2.07 acres located at 498 E. Wolfensberger Road, for future Wellspring facilities. The Planned Development (PD) zoning application is proposing to allow for operation of the Wellspring Community Center Monday through Friday and the Castle Oaks Covenant Church on Sundays. The annexation and planned development zoning will require public hearings before the Planning Commission for review and recommendation and Town Council for review and final decision. This property is located adjacent to Councilmember Bracken's district.

The Town's Development Activity map provides additional information on these quasi-judicial applications, as well as projects that are under administrative (non-quasi-judicial) review. This map is available at: CRgov.com/developmentactivity.

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 9. **File #:** ORD 2026-003

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, P.E., Director, Development Services

Ordinance Approving the First Amendment to the Dawson Trails Development Agreement (Second Reading - Approved on First Reading on January 20, 2026, by a vote 7-0) *[property located west of Interstate 25 and north and south of Territorial Road]*

Executive Summary

ACM Dawson Trails VIII JV LLC (the "Master Developer") requests approval of a First Amendment to the Dawson Trails Development Agreement originally dated September 6, 2022 (recorded February 8, 2023). The Amendment updates select provisions related to rear yard landscaping installation responsibilities within the Water Efficiency Plan and the timing of building permits and certificates of occupancy (COs) relative to completion of the Castle Valley Interchange (CVI).

Specifically, the Amendment:

1. Allows rear yard landscaping in residential areas to be installed either by the builder or the homeowner, provided Town water efficiency standards are met;

2. Allows up to 1,500 residential units to receive vertical building permits and COs prior to CVI opening; and

3. Allows commercial building permits to be issued prior to CVI opening, while continuing to prohibit commercial COs until CVI is open to the public.

CVI is currently expected to be substantially complete in 2027. Residential and commercial vertical construction in Dawson Trails is tracking on a similar timeline. As of this date, two Site Development Plans (SDPs) totaling 485 residential units have been approved, with an additional SDP for 100 townhomes under review. The Costco SDP has been approved, and the King Soopers SDP is currently under review. Additional commercial SDPs are anticipated in the coming months.

Staff review of anticipated construction schedules indicates that most early-release residential units are unlikely to be ready for occupancy prior to the current CVI completion date; however, schedule shifts could result in limited early occupancy. The proposed Amendment provides flexibility and

certainty for development while maintaining public safety and transportation objectives.

Budget Impact

No direct budget impact is anticipated. The Amendment clarifies phasing, permitting, and developer responsibilities already associated with public safety access and transportation infrastructure timing.

Staff Recommendation

Staff recommends approval of the First Amendment to the Dawson Trails Development Agreement, which:

1. Removes the requirement that residential rear yard landscaping be installed only by the builder;

2. Allows building permits and certificates of occupancy for up to 1,500 residential units prior to CVI opening; and

3. Allows commercial building permits to be issued prior to CVI opening, while withholding certificates of occupancy for commercial uses until CVI is open to the public.

Proposed Motion

Option 1: Approval

“I move to approve the Ordinance as introduced by title.”

Option 2: Approval with Conditions

“I move to approve Ordinance as introduced by title, with the following conditions:” (list conditions)

Option 3: Continue item to next hearing (need more information to make decision)

“I move to continue this item to the Town Council meeting on [date], 2026, at [time].”

Attachments

Attachment A: Dawson Trails DA Amendment 1
Attachment B: Ordinance
Attachment C: Dawson Trails Development Agr

Meeting Date: January 20, 2026

AGENDA MEMORANDUM

To: Honorable Mayor and Members of Town Council

Through: Dave Corliss, Town Manager

From: Tara Vargish, P.E., Director, Development Services

Title: **Ordinance Approving the First Amendment to the Dawson Trails Development Agreement (First Reading)**

Executive Summary

ACM Dawson Trails VIII JV LLC (the "Master Developer") requests approval of a First Amendment to the Dawson Trails Development Agreement originally dated September 6, 2022 (recorded February 8, 2023). The Amendment updates select provisions related to rear yard landscaping installation responsibilities within the Water Efficiency Plan and the timing of building permits and certificates of occupancy (COs) relative to completion of the Castle Valley Interchange (CVI).

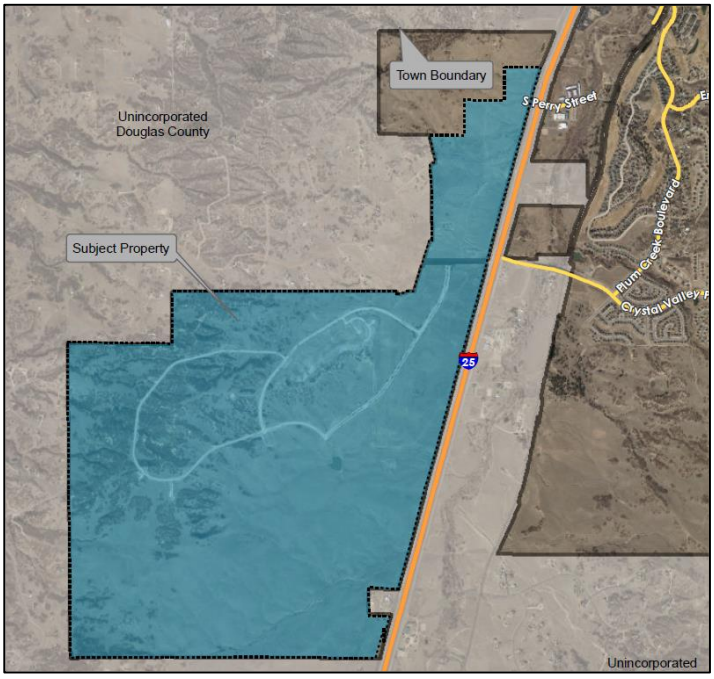


Figure 1: Site Vicinity Map

Specifically, the Amendment:

1. Allows rear yard landscaping in residential areas to be installed either by the builder or the homeowner, provided Town water efficiency standards are met;

2. Allows up to 1,500 residential units to receive vertical building permits and COs prior to CVI opening; and

3. Allows commercial building permits to be issued prior to CVI opening, while continuing to prohibit commercial COs until CVI is open to the public.

CVI is currently expected to be substantially complete in 2027. Residential and commercial vertical construction in Dawson Trails is tracking on a similar timeline. As of this date, two Site Development Plans (SDPs) totaling 485 residential units have been approved, with an additional SDP for 100 townhomes under review. The Costco SDP has been approved, and the King Soopers SDP is currently under review. Additional commercial SDPs are anticipated in the coming months.

Staff review of anticipated construction schedules indicates that most early-release residential units are unlikely to be ready for occupancy prior to the current CVI completion date; however, schedule shifts could result in limited early occupancy. The proposed Amendment provides flexibility and certainty for development while maintaining public safety and transportation objectives.

Proposed Development Agreement

The current Dawson Trails Development Agreement addresses infrastructure improvements, development phasing, open space conveyances, water rights conveyances, Town service obligations, and related matters. These obligations are intended to be mutually beneficial and to promote public health, safety, and welfare.

The First Amendment refines implementation requirements while maintaining the Town's overarching objectives related to water efficiency, emergency access, and transportation infrastructure concurrency.

Water Efficiency Plan Update

The Amendment removes the requirement in the Dawson Trails Water Efficiency Plan that rear yard landscaping for single-family homes be designed and installed solely by the builder. Castle Rock Water has determined that measurable water savings can still be achieved whether rear yards are installed by the builder or completed later by the homeowner, provided applicable water efficiency standards are met. This change removes a prescriptive builder-level requirement specific for Dawson Trails, while retaining the Town's broader water efficiency policies and the intent of the original Development Agreement.

Building Permit and Occupancy Limitations - Residential

The Amendment replaces Section 8.01 (Fire Apparatus Access Road) in its entirety. The revised section maintains the requirement that fire apparatus access roads are the responsibility of the Master Developer and must be constructed in accordance with Town standards and the International Fire Code, as amended. At least one approved access point must be maintained at all times.

Once an approved water supply for fire protection is in place, the Amendment allows vertical building permits and COs for up to 1,500 residential units prior to CVI being substantially complete. This provision provides flexibility should CVI construction

schedules change, ensuring that residential occupancy is not unnecessarily delayed due to factors outside of the builders' control.

Residential site construction typically takes 18 months or longer before vertical building can begin. Based on current schedules, residential vertical construction may begin in early 2027, with COs anticipated in mid-2027—generally aligning with CVI opening. Staff anticipates that only a small portion of units could be ready for occupancy before CVI opens; however, the higher cap provides the certainty needed to support continued investment in infrastructure and neighborhood development.

Building Permit and Occupancy Limitations - Commercial

The Amendment replaces Section 8.04(d) in its entirety. The existing Development Agreement allows only the Costco building to proceed with vertical construction prior to CVI opening and restricts Costco's CO until CVI is open.

The Amendment expands this allowance by permitting all commercial building permits to be issued prior to CVI opening, while maintaining the restriction that no commercial building may receive a CO or open to the public until CVI is complete. Because commercial uses will generate a different volume than residential vehicle trips, commercial occupancy is appropriately tied to completion of the interchange.

Several proposed commercial buildings are large-format projects that may require nine months or more of construction. Allowing building permits to be issued in advance will better align commercial openings to shortly follow CVI completion.

Other Provisions

The Amendment retains the Master Developer's responsibility for the design, construction, and agency approvals of Plum Creek Parkway interchange improvements if Northern Dawson Trails Boulevard opens between CVI and Plum Creek Parkway prior to CVI completion.

All other provisions of the Dawson Trails Development Agreement remain in full force and effect.

Budget Impact

No direct budget impact is anticipated. The Amendment clarifies phasing, permitting, and developer responsibilities already associated with public safety access and transportation infrastructure timing.

Finding

Staff finds that the proposed Amendment provides clarity and updated implementation provisions related to water efficiency and CVI-related timing for vertical building

construction and occupancy, while maintaining the Town's core public health, safety, and welfare objectives.

Recommendation

Staff recommends approval of the First Amendment to the Dawson Trails Development Agreement, which:

1. Removes the requirement that residential rear yard landscaping be installed only by the builder;

2. Allows building permits and certificates of occupancy for up to 1,500 residential units prior to CVI opening; and

3. Allows commercial building permits to be issued prior to CVI opening, while withholding certificates of occupancy for commercial uses until CVI is open to the public.

Proposed Motions

Option 1: Approval

"I move to approve the Ordinance as introduced by title."

Option 2: Approval with Conditions

"I move to approve Ordinance as introduced by title, with the following conditions:" (list conditions)

Option 3: Continue item to next hearing (need more information to make decision)

"I move to continue this item to the Town Council meeting on [date], 2026, at [time]."

Attachments

Attachment A: Dawson Trails DA Amendment 1
Attachment B: Ordinance

FIRST AMENDMENT TO
DAWSON TRAILS DEVELOPMENT AGREEMENT

THIS FIRST AMENDMENT TO DAWSON TRAILS DEVELOPMENT AGREEMENT (this "Amendment") is made effective as of January 20, 2026, by and between TOWN OF CASTLE ROCK, a home rule municipal corporation (the "Town"), and ACM DAWSON TRAILS VIII JV LLC, a Delaware limited liability company ("Dawson Trails"). Each of the Town and Dawson Trails may be individually referred to herein as a "Party" and collectively as the "Parties."

RECITALS:

A. The Town and Dawson Trails Metropolitan District Nos. 1-5, each a political subdivision of the State of Colorado, Westfield Trade Center Metropolitan Districts Nos. 1 and 2, each a political subdivision of the State of Colorado, Dawson Trails I, LLC, a Colorado limited liability company ("DT1"), and Dawson Trails II, LLC, a Colorado limited liability company ("DT2"), entered into that certain Dawson Trails Development Agreement dated September 6, 2022 and recorded at the Douglas County, Colorado Clerk and Recorder's Office on February 8, 2023 at Reference No. 2023005661 (the "Development Agreement"). All capitalized terms used but not defined herein shall have the same meaning ascribed to them in the Development Agreement. Dawson Trails is the successor in interest to DT1 and DT2, and is the Master Developer.

B. Pursuant to Section 12.1 of the Development Agreement, the Development Agreement may be amended by a writing duly executed by the Town and the Master Developer.

C. The Town and the Master Developer desire to amend the Development Agreement as set forth below.

AGREEMENT:

NOW THEREFORE, the undersigned, constituting the Town and Master Developer, hereby amend the Development Agreement as follows:

1. Water Efficiency Plan. The Water Efficiency Plan is hereby amended to provide that single family residential builders shall be required to design, but not install rear yards, and that all references to such obligation in the Water Efficiency Plan are hereby deleted and of no further force or effect.

2. Fire Apparatus Access Roads. Section 8.01 of the Development Agreement is hereby deleted in its entirety and replaced with the following provision, which shall read in its entirety as follows:

8.01 Fire Apparatus Access Roads. All fire apparatus access roads shall be completed by Master Developer in accordance with the Town Transportation Design Manual and/or the International Fire Code, as amended from time to time. Any roads that are outside the Property may be subject to state and/or federal standards. Fire apparatus access roads shall be completed throughout phasing of the Project, at intervals that are appropriate to meet the required amount of access points for the level of development that is being constructed. At no time shall there be less than one fire apparatus access point into the Property. Infrastructure, at-grade and below-grade foundation work and construction work may take place with approved fire apparatus access points that meet the minimum standards set forth by the Town for fire apparatus access into such areas.

From and after the date that a water supply for fire protection approved by the Fire Code Official, either temporary or permanent, is present on the Project, vertical building construction will be allowed; provided, however, that in no event shall building permits for vertical construction of more than 1,500 residential units and Certificates of Occupancy be issued until substantial completion of CVI.

3. **Crystal Valley Interchange**. Section 8.04(d) of the Development Agreement is hereby deleted in its entirety and replaced with the following provision, which shall read in its entirety as follows:

(d) Prior to substantial completion of the CVI, non-residential building permits may be issued, and vertical construction allowed, subject to fire apparatus access routes approved by the Fire Department. A Certificate of Occupancy for non-residential buildings will not be issued until CVI is substantially completed and open to the public. If, but only if, Northern Dawson Trails Boulevard is open to the public between CVI and Plum Creek Parkway prior to substantial completion of CVI, Master

Developer shall be solely responsible for the design and construction of, and acquiring any necessary approvals from the Colorado Department of Transportation (CDOT) and/or the Federal Highway Administration (FHWA) for, any improvements to the Plum Creek Parkway interchange that are necessary to support the additional Project traffic impact.

4. Recitals. The recitals set forth above are true and correct and are incorporated herein in their entirety by this reference.

5. Construction. Each of the Parties acknowledges that they, and their respective counsel, substantially participated in the negotiation, drafting and editing of this Amendment. Accordingly, the Parties agree that the provisions of this Amendment shall not be construed or interpreted for or against any Party hereto based on authorship.

6. Authority. Each Party represents and warrants that it has the power and authority to execute this Amendment and that there are no third-party approvals required to execute this Amendment or to comply with the terms or provisions contained herein.

7. Headings. The section headings used herein shall have absolutely no legal significance and are used solely for convenience of reference.

8. Ratified and Confirmed. The Development Agreement is hereby ratified and confirmed and shall remain in full force and effect in accordance with its original terms and provisions, except as modified by this Amendment.

9. Counterparts; Facsimile/Electronic Signatures. This Amendment may be executed in counterparts, each of which shall be deemed to be an original, and both of which together shall be deemed to constitute one and the same instrument. Each of the Parties shall be entitled to rely upon a counterpart of this Amendment executed by the other Party and sent via facsimile or electronic transmission.

[Signature pages follows]

IN WITNESS WHEREOF the Parties have executed this Amendment as of the date first written above.

TOWN:

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 David L. Corliss, Town Manager

STATE OF COLORADO)
)ss.
COUNTY OF DOUGLAS)

The foregoing instrument was acknowledged before me this _____ day of _____, 20___ by Lisa Anderson as Town Clerk and Jason Gray as Mayor of the Town of Castle Rock, Colorado.

Witness my official hand and seal.

My commission expires: _____

_____
Notary Public

DAWSON TRAILS:

ACM Dawson Trails VIII JV LLC,
a Delaware limited liability company

By: _____
Andrew R. Klein, Authorized Signatory

STATE OF COLORADO)
)ss.
COUNTY OF ARAPAHOE)

The foregoing instrument was acknowledged before me this _____ day of _____, 20___ by Andrew R. Klein as Authorized Signatory of ACM Dawson Trails VIII JV LLC, a Delaware limited liability company.

Witness my official hand and seal.

My commission expires: _____

_____
Notary Public

ORDINANCE NO. 2026-003

AN ORDINANCE APPROVING THE FIRST AMENDMENT TO THE DAWSON TRAILS DEVELOPMENT AGREEMENT

WHEREAS, on September 6, 2022, the Town Council (the "Town Council") of the Town of Castle Rock (the "Town") adopted Ordinance No. 2022-018 approving the execution of the Dawson Trails Development Agreement by and between the Town, Dawson Trails Metropolitan District Nos. 1-5, Westfield Trade Center Metropolitan Districts Nos. 1 and 2, Dawson Trails I, LLC, and Dawson Trails II, LLC (the "Development Agreement"); and

WHEREAS, ACM Dawson Trails VIII JV LLC, the successor in interest to Dawson Trails I, LLC, and Dawson Trails II, LLC, is the Master Developer of Dawson Trails, a residential/commercial mixed-use community, the development of which is governed by the terms and conditions of the Development Agreement; and

WHEREAS, pursuant to Section 12.1 of the Development Agreement, the Development Agreement may be amended by a writing duly executed by the Town and the Master Developer; and

WHEREAS, the Town and the Master Developer desire to amend the Development Agreement for purposes of clarifying the timing with respect to the issuance of residential and non-residential building permits and amending the water efficiency plan for the community to conform to current Town water policies; and

WHEREAS, the Town Council finds and determines that it is appropriate for the Town to enter into the First Amendment to the Development Agreement for these purposes.

NOW, THEREFORE, IT IS ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO:

Section 1. **Approval**. is hereby approved in the form presented at tonight's meeting. The Mayor and the other proper Town officials are hereby authorized to execute the Development Agreement by and on behalf of the Town.

Section 2. **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 3. **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 to the legislative object sought to be obtained.

APPROVED ON FIRST READING this 20th day of January, 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:

_____
Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK

_____
Jason Gray, Mayor

Approved as to form:

_____
Michael J. Hyman, Town Attorney

Approved as to content:

_____
Tara Vargish, Director of Development Services

Ref #2023005661, Date: 2/8/2023 2:41 PM, Pages: 1 of 90 ,RECORDING $458.00
Electronically Recorded Douglas County, CO. Sheri Davis, Clerk and Recorder

APPROVAL OF THIS AGREEMENT CREATES A VESTED PROPERTY RIGHT PURSUANT TO C.R.S. § 24-68-103, AS AMENDED

DAWSON TRAILS

DEVELOPMENT AGREEMENT

DATE: September 6, 2022.

PARTIES: **TOWN OF CASTLE ROCK**, a home rule municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104.

DAWSON TRAILS I, LLC, a Colorado Limited Liability Company, **DAWSON TRAILS II, LLC,** a Colorado Limited Liability Company.

DAWSON TRAILS METROPOLITAN DISTRICT NOS. 1-5 and **WESTFIELD TRADE CENTER METROPOLITAN DISTRICTS NOS. 1 AND 2**, each a political subdivision of the State of Colorado.

RECITALS:

A. The Parties have determined that it is in their mutual interest to enter into this Agreement governing the development of the Property in conjunction with the concurrent approval of the PDP.

B. The Parties intend that this Agreement will amend and supersede all prior annexation and development agreements encumbering the Property, as more fully set forth in Section 2.02 below.

C. The Parties acknowledge that this Agreement contains reasonable conditions and requirements on the development of the Property, and that these restrictions are imposed to protect and enhance the public health, safety and welfare of future residents of the Town.

D. Each Party has taken the requisite corporate action as may be required under its respective governance instruments to authorize such Party's execution of this Agreement and to legally bind such Party to perform its obligations under this Agreement.

E. Initially capitalized words and phrases used in this Agreement have the meanings stated in Article I, or as indicated elsewhere in the Agreement.

COVENANTS:

NOW, THEREFORE, in consideration of these mutual promises, the Parties agree and covenant as follows:

ARTICLE I
DEFINITIONS

1.01 Defined Terms. Unless the context expressly indicates to the contrary, the following words, when capitalized in the text, shall have the meanings indicated:

Agreement: this Dawson Trails Development Agreement, as the same may be amended from time to time.

Charter: the Home Rule Charter of the Town, as amended.

Code: the Castle Rock Municipal Code, as amended.

Costco: the Costco Wholesale warehouse and related improvements, which are planned to be constructed within the Project.

County: Douglas County, Colorado.

C.R.S.: the Colorado Revised Statutes, as amended.

CVI: the future interchange between Interstate 25 and Crystal Valley Parkway, which is described in greater detail in Section **8.04**.

Development Exactions: the capital recovery fees and charges imposed by the Town under the Town Regulations on development and building, including the System Development Fees, as the same may be amended from time to time, and applied uniformly throughout the Town.

District or Districts: individually or collectively, the Dawson Ridge Metropolitan District Nos. 1-5, inclusive, and the Westfield Metropolitan District Nos. 1-2, inclusive, individually and collectively, as appropriate.

District Agreements: the Service Plan for the District(s), the District IGA, and such other agreements entered into by the Town and the Districts after the date of this Agreement, all as the same may be amended from time to time.

District IGA: the Intergovernmental Agreement among the Town and District(s) dated 10/19 2022, as the same may be amended from time to time.

Effective Date: the date when the ordinance(s) approving this Agreement and the PDP are effective pursuant to the Town Charter.

Force Majeure: An act of God, war, civil commotion, act of federal or state government, riot, strike, picketing, or other labor dispute, supply chain disruption, damage to work in progress by casualty, epidemic, or by other cause beyond the reasonable control of a party (financial inability, imprudent management and negligence excepted).

Full Buildout: The completion of Project as evidenced by either (1) the issuance of the certificate of occupancy for the last dwelling unit of the maximum number of dwelling units and total amount of commercial square feet, as are permitted under the PDP to be constructed within the Property, or (2) the Master Developer's issuance of written notice to the Town indicating that it has completed the Project, whichever occurs first.

Groundwater Rights: the right to and interest of Owner in the Denver Basin groundwater underlying the Property, including, but not limited to, the Denver Basin groundwater adjudicated

in Case Nos. (1) W-285; (2) W-4765; (3) W-9496-78; (4) 80CW365; and (5) 83CW356, all in Water Division No. 1 (collectively, the "**Decrees**").

Legal Challenge: any action initiated by a third party to challenge the validity of the Town's approval of this Agreement, the PDP, a Plat, or any other approval issued relating in any way to the Property. The term Legal Challenge includes, but is not limited to, an action pursuant to Colorado Rules of Civil Procedure Rule 106(a)(4) or a referendum.

Master Developer: Dawson Trails I, LLC, and Dawson Trails II, LLC, or to the extent specifically identified as such in a writing delivered to the Town as contemplated in this Agreement, their designated successors or assigns. To the extent desired by the Master Developer, the Master Developer may assign its obligations to one or more parties in accordance with Section 2.01, with respect to one or more portions of the Property, so long as such party holds fee simple title to all or a portion of the Property.

Municipal Services: public safety, water and wastewater, stormwater drainage and detention, parks and recreation, transportation and street maintenance, general administrative services including code enforcement and any other service provided by Town within its municipal boundaries under its police powers.

Owner or Owners: the person(s) or entity(ies), individually or collectively, that hold fee simple title to any portion of the Property, according to the records of the County Clerk and Recorder. The use of the singular "Owner" shall refer to all owners of the Property, unless the context of the Agreement otherwise limits the reference and subject to Section 2.01 of this Agreement. As of the date of execution of this Agreement, Master Developer is the Owner of the Property.

Party(ies): individually or collectively, as applicable, the entities first referenced above, including the Town, Dawson Trails I, LLC, a Colorado limited liability company, Dawson Trails II, LLC, a Colorado limited liability company, the Districts and their respective successors and assigns.

PDP: the Dawson Trails Planned Development Plan approved by Ordinance No. 2022-017 and recorded in the Records, as amended from time to time in accordance with Town Regulations.

Phasing Plan: the matrix and notes on the PDP designating development thresholds and timing of when Public Improvements must be developed and Public Lands conveyed to the Town.

Plat: a subdivision plat of any portion of the Property approved under the Town Regulations.

Project: the residential/commercial mixed-use community anticipated to be developed within the Property, including parks, open space, and other such public amenities as set forth in the PDP and this Agreement.

Property: the real property described in ***Exhibit 1***.

Public Improvements: the infrastructure prescribed by Town Regulations or expressly prescribed under this Agreement necessary to furnish Municipal Services and Public Utilities to the Property, including the infrastructure required to extend or connect such on-site infrastructure to complementary infrastructure off-site of the Property and necessary to serve Public Lands. Public Improvements include, without limitation, the infrastructure necessary to serve the Property with water, wastewater, stormwater and/or drainage, park and recreation, fire protection, and transportation improvements including, but not limited to, streets, roads, sidewalks and trails.

Public Lands: those portions of the Property designated on the PDP for dedication to the Town or other public entities for parks, recreational areas, public open space, well sites, utilities, public safety and other public purposes.

Public Utilities: the infrastructure necessary to extend services (other than Municipal Services) to the Property, which are provided by public or quasi-public utilities, including natural gas, electricity and cable television.

Records: the real property records of the Clerk and Recorder of the County.

Regional Mill Levy: a property tax of five (5) mills, subject to future changes made in the method of calculating assessed valuation, to be imposed by the Districts pursuant to the Service Plan and remitted to the Town on an annual basis for the purpose of defraying costs incurred by the Town in providing such services and improvements as the Town, in its sole and reasonable discretion, believes are: (i) public in nature; (ii) for the benefit of the residents and taxpayers of the Districts; and (iii) permitted by State law to be paid for from taxes imposed by the Districts.

SDP: a site development plan for the Property, or any portion of the Property, as required and approved under Title 17 of the Code.

Service Plan: the Amended and Restated Consolidated Service Plan for the Dawson Ridge Metropolitan District No. 1, Dawson Ridge Metropolitan District No. 2, Dawson Ridge Metropolitan District No. 3, Dawson Ridge Metropolitan District No. 4, Dawson Ridge Metropolitan District No. 5, Westfield Metropolitan District No. 1, and the Westfield Metropolitan District No. 2, approved by the Town Council on 9/6, 2022, by adoption of Resolution No. 2022-100.

SIA: a Subdivision Improvements Agreement entered into between the Town and subdivider as identified on a Plat, as required under the Code.

System Development Fees: the capital-recovery charges for the Town water, wastewater, and stormwater systems and renewable water fees imposed under the Code, as the same may be amended from time to time, and applied uniformly throughout the Town.

TIA: the traffic impact analysis prepared by Fox Tuttle Transportation Group, LLC, and dated June 7, 2022, prepared with the PDP, and submitted to and accepted by the Town; and future traffic impact analyses or updates as may be required with future land development applications.

Town: Town of Castle Rock, Colorado.

Town Council: the governing body of the Town, constituted under Article II of the Charter.

Town Regulations: the Charter, Code, ordinances, resolutions, rules and regulations of the Town, technical criteria, and the provisions of all zoning, subdivision and building codes, as the same may be amended from time to time and applied uniformly throughout the Town.

Urban Services: Municipal Services and services provided through Public Utilities.

Vested Property Rights Statute: C.R.S. § 24-68-101 *et seq.*

Certain other terms are defined in the text of the Agreement and shall have the meaning indicated.

1.02 Cross-reference. Any reference to a section or article number, without further description, shall mean such section or article in this Agreement.

ARTICLE II
APPLICATION AND EFFECT

2.01 Binding Effect. The Property is both benefited and burdened by the mutual covenants of this Agreement, and such covenants shall constitute real covenants binding upon successors in interest to the Property, including any mortgagees or lienholders subsequently acquiring title to the Property, irrespective of whether specific reference to this Agreement is made in any instrument affecting title to the Property. Except as expressly provided in this Agreement to the contrary, upon assignment of all or a portion of its interest in this Agreement, the Master Developer, as assignor, respectively shall be relieved of all obligations imposed by this Agreement upon the Master Developer, applicable to the portion of the Property designated in the instrument assigning such obligation(s), provided that: (i) the assignee expressly assumes such obligation; (ii) the Master Developer, as assignor, shall not be relieved of any default under this Agreement attributable to the action or inaction of the Master Developer, while the Master Developer was so designated for such portion of the Property; and (iii) the assignee, if other than the Districts, meets the definition of Master Developer as set forth in Section 1.01. Except as expressly provided in this Agreement to the contrary, upon conveyance of all, or a portion of, the Property, an Owner, as grantor, respectively shall be relieved of all obligations imposed by this Agreement applicable to the portion of the Property conveyed.

2.02 Supersession. This Agreement supersedes all prior Town agreements or contracts encumbering the Property including, but not limited to, the Annexation and Development Contracts between the Town and Bellamah Community Development (Bellamah Annexations [Southern Portion] and MSP Investment Co. [Bellamah Annexations-Northern Portion] dated November 1984 [the "1984 Contracts"]), and the Suspension Agreement dated October 8, 1992, insofar as those documents affect the Property. Accordingly, neither the 1984 Contracts nor the Suspension Agreement shall have any force or effect with respect to the Property as of the Effective Date.

2.03 Mortgagee Obligation. No mortgagee or lienholder shall have an affirmative obligation hereunder, nor shall Town have the right to seek performance of this Agreement from mortgagees or lienholders, except in the event that a mortgagee or lienholder acquires fee simple title to all or a portion of the Property, in which event the mortgagee or lienholder shall be bound by the terms, conditions and restrictions of this Agreement.

2.04 Owner/Districts Responsibility. Town shall accept the District(s)' performance of Master Developer's obligations under this Agreement upon the Districts' compliance with Article III. However, the Master Developer retains the ultimate responsibility for performance of the covenants and obligations of this Agreement should the Districts fail to discharge such obligations. To the extent the Districts discharge the obligation of Master Developer under this Agreement, and to the extent permitted by Colorado law as further provided in Article III, the Districts shall have the same contractual rights and responsibilities as Master Developer under this Agreement with respect to such obligation.

2.05 Town Regulations. Subject and subordinate to any provisions to the contrary contained in this Agreement, (i) the Town Regulations shall apply to the Property in the same manner and effect as within other areas of the Town, and (ii) this Agreement shall not in any manner restrict or impair the lawful exercise by the Town Council of its legislative or police powers as applied to the Property, including specifically the amendment, modification or addition to the Town Regulations, subsequent to the execution of this Agreement. Provided, Owner does not waive its right to oppose or challenge the legality or validity of any amendment to the Town Regulations that it could maintain absent this Agreement.

When this Agreement calls for compliance with the Town Regulations, the operative Town Regulations in effect at the time such compliance is required shall govern, unless the provisions of this Agreement expressly provide to the contrary.

2.06 Commencement of Development. Except as provided otherwise herein, execution of this Agreement by Owner does not create any obligation upon Owner or Master Developer to commence or complete development of the Property within any particular timeframe. The Parties, however, understand and agree that this Agreement imposes certain financial obligations on Master Developer which are time-sensitive after the commencement of

development on the Property. Accordingly, subject to day-for-day extension in the event of any Force Majeure, in the event that Owner has not completed the construction of at least $500,000 in Public Improvements, excluding soft costs, and has not obtained the first building permit for a single-family residential structure by December 31, 2032, then the right of Owner under this Agreement and the Town Regulations to undertake further development of the Property, or to obtain permits for the construction of private improvements, shall be suspended (the "**Development Suspension**"). The Development Suspension may be released by Town Council, in its discretion, upon a showing of good cause for the delay, and the demonstration by Owner of its ability to commence and complete development of the Property in accordance with the PDP. If the Town Council determines that the Development Suspension should not be released, thereafter, the Town may initiate modifications to the PDP through the Town Regulations.

ARTICLE III
DISTRICT PARTICIPATION

3.01 **Authorization**. The Parties anticipate that the Districts will finance and construct a significant portion of the Public Improvements on behalf of Master Developer, or in the alternative, fund the Master Developer construction costs, either directly or as a reimbursement of costs incurred. It is the Parties' intention that the Districts comply with the Special District Oversight Ordinance of the Town Regulations ("**SDO**"), except as specifically set forth in the Districts' Service Plan approved by the Town Council, prior to and as a condition of undertaking any of Master Developer's obligation under this Agreement.

Accordingly, as of the Effective Date, Owner has submitted to the Town for approval the Service Plan, and upon the Town Council's approval of the Service Plan, the Town and Districts shall enter into the District IGA. The District Agreements, as applicable, shall require the Districts to impose and remit to the Town the Regional Mill Levy, beginning upon a District's first imposition of a debt service mill levy and continuing until such time as all of the Districts no longer impose a mill levy for any purpose or are otherwise dissolved, whichever is later.

Subject to Town Council approval of the District Agreements ("**District Approvals**") and the assignment of the Master Developer's obligations to fund and construct Public Improvements under this Agreement to the Districts, the Districts shall have the same contractual rights and

responsibilities as the Master Developer with respect to such obligations. Town shall accept the performance by the Districts, to the extent that the Districts discharge the obligations imposed on Master Developer under this Agreement. When undertaking development of Public Improvements, references in this Agreement to "Master Developer" shall mean "District(s)" unless the context clearly indicates otherwise. Nothing in this Agreement shall relieve the Districts from obtaining Town approval of Service Plan amendments, as may be required under the Special District Act and the SDO. Notwithstanding anything herein to the contrary, the Parties agree that the Districts may only undertake the construction and financing of Public Improvements authorized by State law or the Districts' Service Plan, and any other improvements or utilities, such as dry utilities, may not be financed or constructed by the Districts, and such responsibilities shall remain the responsibility of the Master Developer.

3.02 Default and Remedies as Between Town and Districts.

(a) As between the Town and any District which is or may become a Party to this Agreement, this Agreement constitutes a legislatively adopted intergovernmental agreement and mutually binding and enforceable comprehensive development plan for the Property and the Project pursuant to C.R.S. §§ 29-1-203 and 29-20-105(2)(g) and, as the General Assembly has expressly authorized pursuant thereto, such Parties intend that their respective obligations under this Agreement are to be enforceable by specific performance and/or injunctive relief or other equitable remedies, in addition to any remedies otherwise available at law.

(b) A "breach" or "default" by a District will be defined as the District's failure to fulfill or perform (a) any express material obligation of the District stated in this Agreement, or (b) any obligation which the District has expressly assumed pursuant to Section 3.01.

(c) In addition to those remedies otherwise available pursuant to Section 10.03, as between the Town and a District, the non-breaching Party will be entitled to enforce the breaching Party's performance of the terms of this Agreement and the PDP, pursuant to, without limitation, C.R.S. § 29-20-105(2)(g), which remedies the General Assembly has expressly authorized, to include the equitable remedies of specific performance and

injunctive relief pursuant to an expedited hearing to enforce such Party's obligations under this Agreement.

3.03 **Surety**. In recognition of the quasi-governmental nature of the Districts and their financial and taxing powers, Districts may satisfy the requirements under this Agreement or the Town Regulations for posting of financial guarantees to assure the construction and warranty obligations for Public Improvements the Districts have constructed by establishing a cash construction escrow (the "**Escrow**") in accordance with the following:

(a) the Escrow shall be established with a title insurance company or financial institution;

(b) the Escrow deposit shall be in the amount prescribed by the Town Regulations;

(c) Districts may make progress payments to their contractors from the Escrow deposit, provided the Town approves the payment request, which approval shall be prompt and not unreasonably withheld;

(d) the Escrow deposit may not be drawn down below the amount required for the warranty surety under the Town Regulations;

(e) the Escrow agreement shall authorize the Town to access the Escrow deposit in the event of a default by Districts, for the purpose of undertaking completion or remediation work on the Public Improvements, as more specifically provided under the applicable SIA; and

(f) the Escrow deposit remaining after completion of the Public Improvements and the posting of the required warranty surety shall be returned to the Districts.

In lieu of establishing an Escrow (for construction or warranty), the Districts may, at their discretion, post any other form of financial surety authorized under the Town Regulations.

In the event of a default by the Districts in their obligation to construct the Public Improvements, Town shall have the right to withhold approvals and permits for the applicable portion of the Project until the default is cured.

3.04 Annual Appropriation and Budget. The Districts do not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever. The Parties expressly understand and agree that the Districts' obligations under this Agreement shall extend only to monies appropriated for the purposes of this Agreement by the Board(s) of the Districts and shall not constitute a mandatory charge, requirement or liability in any ensuing fiscal year beyond the then-current fiscal year. No provision of this Agreement shall be construed or interpreted as a delegation of governmental powers by the District, or as creating a multiple-fiscal year direct or indirect debt or other financial obligation whatsoever of the District or statutory debt limitation, including, without limitation, Article X, Section 20 or Article XI, Section 6 of the Constitution of the State of Colorado. No provision of this Agreement shall be construed to pledge or to create a lien on any class or source of District funds. The Districts' obligations under this Agreement exist subject to annual budgeting and appropriations and shall remain subject to the same for the entire term of this Agreement, unless otherwise specified in writing by the Parties thereto.

ARTICLE IV
GENERAL OBLIGATIONS

4.01 Municipal Services. Except as specifically set forth to the contrary in this Agreement, and so long as Master Developer has satisfied its obligation to develop the necessary Public Improvements under this Agreement and the Town Regulations for the applicable portion of the Project, the Town shall provide the Property with Municipal Services at an equivalent service level, and on the same terms and conditions, including non-discriminatory fees and charges, as provided elsewhere within its municipal boundaries. Town reserves the right to contract with other governmental or private entities for delivery of Municipal Services to the Property, provided such service level is comparable to that provided by the Town in its proprietary capacity, and such Municipal Services are provided on similar terms and conditions as provided to similar developments in other portions of the Town. The respective obligations of the Parties for development of the infrastructure necessary for provision of Municipal Services to the Property are addressed in Article VI.

4.02 Permitted Development. Master Developer shall develop the Property in accordance with this Agreement and Town Regulations, and applicable state and federal law and regulations. Town shall allow and permit the development of the Property in accordance with the Town Regulations, the PDP, and this Agreement upon submission of proper applications; payment of fees, exactions and charges imposed by the Town Regulations; and compliance with conditions precedent to permitting imposed by this Agreement, the PDP, or Town Regulations.

The Town agrees that it shall review and process all applications for land use approvals including, but not limited to, Plats and SDPs, and any approvals of aspects thereof, and building and construction permits required in connection with the Property, in a prompt and efficient manner, in accordance with applicable Town Regulations, the PDP, and this Agreement. Town shall not unreasonably delay, condition, withhold or deny consent to or approval of any development request or permit relating to the Property and/or the Project.

4.03 Coordination. Subject to prior review, Town shall coordinate with, and affirmatively support, the Owner or Master Developer in any filings or applications before other governmental jurisdictions necessary for Owner or Master Developer to fulfill its obligations under this Agreement, or to allow development of the Property in accordance with the PDP and this Agreement.

4.04 Required Easements. To the extent necessary to provide access to or Municipal Services to the Property, Owner shall provide any easements on the Property or, if Owner has a legal right to do so, adjacent to the Property, to the Town as reasonably requested by the same prior to the issuance of the applicable Plat.

ARTICLE V
GROUNDWATER RIGHTS

5.01 Requirement. In accordance with the Charter and Code, it is the obligation of Owner to convey to the Town the Groundwater Rights (together with additional water resources, if required under this Agreement) to support the Town's obligation to provide a municipal water supply to the Property. The Town shall have no obligation to issue Plat, SDP, building permit, or other construction permit approvals, or any other approvals for development on the Property, unless Owner is in compliance with the provisions of this Article V.

5.02 **Conveyance**. The Town and Master Developer acknowledge that Master Developer has provided to the Town, at Master Developer's sole expense, an opinion of a qualified Colorado attorney (the "**Title Opinion**") that: (i) Owner owns the Groundwater Rights and (ii) upon recordation of the special warranty deed conveying the Groundwater Rights to the Town, Town will have good and marketable title to the Groundwater Rights, free of liens, encumbrances or other title defects (the "**Title Opinion Requirements**"). The Town and Master Developer further acknowledge that the Town has not accepted the Title Opinion and is in the process of assessing the Groundwater Rights with respect to the satisfaction of the Title Opinion Requirements. Owner shall reimburse Town for all reasonable actual third-party costs incurred by Town in retaining legal counsel to review and assess the Title Opinion and Title Opinion Requirements with respect to the Groundwater Rights. The Parties acknowledge and agree that, once the Town accepts and concurs with the Title Opinion, the Town shall rely upon such opinion in accepting conveyance of the Groundwater Rights. Within ten (10) days after the Effective Date, the Owner shall convey to the Town title to the Groundwater Rights by special warranty deed. Subject to the terms and conditions of the Decrees, the conveyance of the Groundwater Rights shall transfer to the Town the right to use, reuse, lease or sell the water withdrawn under the Groundwater Rights.

After conveyance of the Groundwater Rights, Owner shall execute such further reasonable and additional instruments of conveyance and other documents which Town reasonably determines necessary to grant to the Town the exclusive ownership, management and control of the Groundwater Rights. Should it be subsequently determined that marketable title to any portion of the Groundwater Rights did not vest in the Town with the conveyance of same, and such defect cannot be cured by Owner or Master Developer, the Water Credit established in Section 5.03 below shall be reduced accordingly, and the Water Bank debited in an amount equal to the SFE equivalent of the Groundwater Rights for which marketable title did not vest.

5.03 **Water Credit**. Under the Town Regulations, the Groundwater Rights are converted into development entitlements, referred to as a "Water Credit." The Water Credit is expressed as a single-family equivalent ("**SFE**"). An SFE is the measure of average annual wholesale water production that must be developed to meet the imputed demand from a single-family residence under the Town Regulations. Consequently, one (1) SFE of Water Credit represents that the holder has satisfied the Town's water dedication requirement for one single-

family residence or the equivalent demand attributable to commercial or irrigation uses under the Town Regulations. SFEs are assigned to residential, commercial and irrigation uses under the Town Regulations.

The Title Opinion is currently being assessed for 2,290.35 acre feet of Groundwater Rights for the Property, which includes 2,032.24 acre feet of the Groundwater that was adjudicated under the Decrees (the "**Adjudicated Water Rights**"). Town and Master Developer acknowledge that additional water rights other than the Adjudicated Water Rights may exist within the Groundwater Rights conveyed to the Town. With conveyance of the Groundwater Rights to the Town, a Water Credit for the Property will be established in SFE's for the Adjudicated Water Rights, to the extent then accepted by the Town. Town shall determine whether the Title Opinion Requirements have been satisfied for the Groundwater Rights, as the same may be presented by, or on behalf of, Master Developer to the Town from time to time. At no time will the Property be platted into developable lots, unless the Property has available Water Credits accepted by the Town, or otherwise provided for in Section 5.06, for such lots. Master Developer will adjudicate all of the unadjudicated Groundwater Rights that do not constitute a part of the Adjudicated Water Rights and, subject to the terms and conditions set forth above, receive an additional Water Credit with respect to such Groundwater Rights. Town shall be named as a co-applicant in the adjudication application. If Master Developer does not complete the adjudication within three (3) years from the Effective Date, the Town may pursue the adjudication and charge the Master Developer for the actual costs of said adjudication. Upon the acceptance of all or any portion of the Title Opinion by the Town, the Town will calculate the initial Water Credit for the portion of the Property related to such accepted portion of the Title Opinion. The Master Developer believes the total initial Water Credit related to the Title Opinion will be approximately as follows:

Aquifer	Adjudicated Groundwater AF/Year	Equivalent SFE Credit "Water Credits"
Lower Dawson	0	0
Denver	553.91	503.55

Arapahoe	1182.66	1075.16
Laramie Fox	295.67	89.60
Totals	2032.24	1668.31

The final Water Credit calculated by the Town in SFEs may be subject to adjustment over time, pursuant to the Water Efficiency Plan under Section 5.08 below; however, except as set forth in this Agreement, such SFE calculation shall not be affected by changes in the conversion rate of Groundwater Rights into SFEs that the Town may implement through modifications to the Town Regulations after the date of this Agreement, including any future changes in the current non-renewable dedication requirement under the Town Regulations.

5.04 Application of Water Credit. Unless otherwise directed by the Owner in accordance with Section 5.06 below, the Water Credit shall be reduced (i.e. applied):

(a) Initially, at the time of Plat approval, by the total SFE assigned to all approved development with such Plat (private and public) to the extent the water demand for such use can be determined at Plat approval;

(b) Subsequently adjusted at the time of SDP approval within the Property, or at building/irrigation permit issuance within the Property, for those uses not accounted for at the time of Plat approval, or as necessary to reflect specific SFE assignment determined at building permit; and

(c) At the time all potable and irrigation tap sizes are known, the Water Credit in the Water Bank, as defined in Section 5.05 below, shall be adjusted to reflect the SFE assignment in accordance with the Town Regulations.

5.05 Water Bank. In order to properly account for the Water Credit, Town shall administratively maintain an account designated as the Dawson Trails Water Bank ("**Water Bank**"). The Water Bank shall be debited or credited from time to time upon the Owner's application of any portion of the Water Credit in accordance with this Article V.

The Owner may request in writing an accounting of all entries made to the Water Bank and the current balance. Any objections raised by the Owner regarding an entry shall be reviewed by the Town, provided, however, that the Town's determination after such review shall be final and binding if reasonably made in accordance with this Agreement.

5.06 Required Water Sources. If the Water Bank is exhausted prior to full development of the Property, or if a specific portion of the Property has insufficient Water Credit(s), the Owner of such portion of the Property shall be required, and shall have the right to provide, in addition to those Groundwater Rights referenced in Section 5.03 above, additional water resources acceptable to the Town. At the sole discretion of the Town, cash-in-lieu of water rights in accordance with Town Regulations then in effect may be approved but, because water rights may or may not be available for purchase, will be subject to review and approval by the Town Council for each request to utilize cash-in-lieu. Absent provision of such additional water resources, the Town shall not be obligated to approve any additional Plat(s) or issue building permits for that portion of the Property for which sufficient Water Credits are not allocated, or for which a cash-in-lieu payment has not been made.

5.07 Water Efficiency Plan. Owner shall implement the Water Efficiency Plan attached as ***Exhibit 2*** ("**Water Efficiency Plan**") for all development within the Property. The Water Efficiency Plan shall be incorporated into all conveyance documents for the Property and private covenants and restrictions. All builders of residential and non-residential construction on the Property shall be required to implement and follow all requirements of the Water Efficiency Plan.

Minor modifications and clarifications or changes that are more restrictive or net neutral to the Water Efficiency Plan may be made administratively, without requiring an amendment to this Agreement, as reasonably determined by the Town. In the event more restrictive modifications are made to the Water Efficiency Plan, the corresponding credits to the Water Bank for each SFE shall be calculated based on estimated actual use of the related improvement. In the event that more restrictive water use conservation measures than are contained in the Water Efficiency Plan are subsequently adopted by Town Regulations and applied uniformly throughout the Town, the Water Efficiency Plan shall remain in full force and effect with respect to, and only with respect to, the

aspects of the Water Efficiency Plan that are more restrictive than such adopted conservation measures, and the Town-adopted more restrictive measures shall otherwise govern all future Plat approvals. In the event that the use of system development fee credits programs, as set forth in the Code in Section 13.12.080, are eliminated or amended to reduce or eliminate these programs, the Project shall be subject to such regulations, and any such credits that the Project may have qualified for will be eliminated or amended in accordance with such amendments to the Code. Except as expressly set forth herein, nothing in this Agreement shall obligate the Town to any future credits or programs that may exist at the time of this Agreement, if said credits or programs are eliminated or amended by any Code amendment.

ARTICLE VI
PUBLIC IMPROVEMENTS DEVELOPMENT

6.01 Generally. Master Developer shall develop the Property in accordance with this Agreement, the PDP, and applicable Town Regulations and state and federal laws and regulations. Except for the Town Improvements defined in 6.04 below, and except as set forth in Section 3.01, development of the Public Improvements shall be the exclusive obligation of Master Developer, and Master Developer shall bear the cost of planning, design, construction and financing of the Public Improvements and all other related and incidental activities, including off-site property or easement acquisition, if such off-site property interests are necessary to construct the Public Improvements or to connect the Public Improvements to existing infrastructure, and are located in the general vicinity of the Property and contained in the applicable Plat, SIA and/or SDP. Town may, at the Town's discretion, exercise its eminent domain powers to acquire such off-site property interests if Master Developer or District reasonably determine that they are unable to secure them, provided that Master Developer bears all costs of condemnation including appraisal, expert witness and attorney's fees and just compensation for the property acquired, if compensation is required.

The Public Improvements shall be developed in strict accordance with Town Regulations, the PDP, this Agreement, the Phasing Plan and the applicable SDP, Plat and SIA. Except as otherwise expressly provided in this Agreement, or the applicable SDP, Plat or SIA, Town shall have no obligation to develop Public Improvements.

6.02 Oversizing. In the event Master Developer independently develops Public Improvements which are sized to serve, or otherwise directly benefit adjacent, third-party developments, the Town and Master Developer shall prescribe in the applicable SIA for said adjacent third-party developments the method by which Master Developer may recover a fair and equitable portion of the cost of development of such Public Improvements from such adjacent third-party developments. The Town shall make diligent and best efforts to obtain such recoupment, subject to applicable legal limitations on its authority to effect such recoupment and pre-existing contractual provisions with such other development interests.

6.03 Cooperation in Public Improvement Development. The Town and Master Developer shall cooperate in obtaining necessary permits and approvals required by other governmental agencies in order to develop the Public Improvements. The Town shall apply for any such permits or approvals in its name, or in the joint names of the Town and Master Developer, if so required by the governmental agencies. The Town shall incur no liability to Master Developer if such governmental agencies do not issue necessary permits and approvals.

6.04 Town Water and Wastewater Improvements. The Town has the obligation to construct, acquire or otherwise develop raw water production, treatment and storage and wastewater treatment of sufficient capacity to serve the Property through Full Buildout ("**Town Water and Wastewater Improvements**"). Unless a portion of the cost of the Town Water and Wastewater Improvements is allocated to Master Developer by mutual agreement, the Town shall have the exclusive obligation to design, engineer and construct the particular component of the Town Water and Wastewater Improvements, such that adequate capacity in the Town Water and Wastewater Improvement is available for service to development within the Property. If Master Developer has the obligation to jointly fund a Town Water and Wastewater Improvement, the Town's obligation to develop such Town Improvement is dependent on Master Developer providing financial guarantees and tendering funds when reasonably required by the Town.

6.05 Public Improvements Control. Upon dedication of Public Improvements by Master Developer and acceptance of the same by Town, Town shall have the exclusive ownership, management, and maintenance rights and obligations with respect to the Public Improvements, and neither Master Developer nor Owner shall have any further responsibility for ownership or

maintenance of the same. Town may use or allow others to use the capacities in the Public Improvements, provided that the capacities developed by Master Developer at Master Developer's cost shall be reserved for the benefit of the Property, or if used by Town to serve other properties, Town shall provide replacement or alternative capacities in such a manner as to not impede the amount or timing of development on the Property and so as to maintain adequate service to existing development on the Property.

6.06 Subdivision Improvements Agreement. The Town Regulations require that a subdivider enter into a SIA at the time of approval of a Plat. The SIA addresses the engineering requirements for the Public Improvements to be constructed to serve the Plat and the financial guarantees to assure construction of the Public Improvements. Unless modified in the SIA, the provisions of this Article VI will apply to the development of such Public Improvements, irrespective of whether or not reference to this Article VI is made in the SIA.

ARTICLE VII
WATER, WASTEWATER AND STORMWATER

7.01 Removal of Existing Infrastructure. Master Developer, at its sole expense, shall remove any existing on-site or off-site water, wastewater, and drainage infrastructure previously built to support this development including, but not limited to, any existing water and wastewater pipes and wells and related facilities. To the extent that existing infrastructure is located within open space area(s), Town reserves the right to determine whether the removal of the existing infrastructure would result in damage to the open space area(s). If the Town determines that removal would cause damage to the open space area(s), the Town, in its sole discretion, may relieve the Master Developer of its obligation to remove it; however, if the existing infrastructure is permitted to remain, at no time shall the Master Developer be allowed to connect to and/or use the existing infrastructure as part of the development. If Town agrees to leave any existing infrastructure in place, it will be documented in the SIA, and the Master Developer shall provide engineering locates of the infrastructure to the Town. All existing wells that must be removed shall be removed and abandoned in accordance with the rules of the State Engineer's Office. When the existing water tank is no longer utilized for on-site development purposes, the Master Developer shall, at its sole expense, remove or fill in the existing tank and revegetate the area. While the existing water tank remains in place, it shall remain privately owned and at no time shall be

connected to public infrastructure. After removal of any existing infrastructure, Master Developer shall, at its sole expense, design and construct the necessary water and wastewater infrastructure to serve the Property, per Town Regulations.

7.02 Water System Improvements. Master Developer, at its sole expense, shall design and construct the necessary water system improvements ("**Water System Improvements**") required to serve the Property as set forth in the applicable Plats, SIAs and SDPs. These Water System Improvements may include, but are not limited to, water storage tanks, pump stations ("**Pump Station**"), back-up power sources, distribution pipes, valves and related appurtenances. In the event that a water storage tank ("**Green Zone Tank**") is included in any Water System Improvements and said Green Zone Tank is to be located outside of the jurisdictional limits of the Town, the Master Developer shall be responsible for acquiring a fee simple interest in the Green Zone Tank site, as well as any land or permanent easements required to connect any associated transmission line(s) with the Property. If it is determined that a Green Zone Tank is needed, except for roadway connectivity and associated infrastructure as expressly set forth in the PDP, Plat, SIA or SDP, no overlot grading permits for residential development within the area to be served by the Green Zone Tank will be issued until such time as the Master Developer acquires the necessary land for the potential Green Zone Tank and associated transmission line(s) and begins construction of the Green Zone Tank. Master Developer shall convey to the Town the land the Green Zone Tank is on, at time of conveyance and acceptance of the Green Zone Water System and Green Zone Tank to the Town.

7.03 Wastewater. Master Developer, at its sole expense, shall design and construct the necessary on-site and off-site wastewater improvements ("**Wastewater Improvements**") required to serve the Property, with the exception of Section 7.04 below. The Master Developer shall also replace any off-site wastewater mains and sanitary sewer lines that require upsizing, which shall be determined through the final utility reports. Concurrently with, and as a condition to recordation of the first Plat on the Property, Master Developer shall pay to the Town $300,000.00, which is its proportional share (80%) of the cost for the Town-completed upsizing of the Malibu Sewer Interceptor. Additionally, it is estimated that the Project will contribute eighty percent (80%) of the wastewater flow to the Prairie Hawk Interceptor. The final contribution percentage will be reviewed and confirmed based upon the actual and reasonably projected wastewater flows at the

time construction of the Prairie Hawk Interceptor is scheduled to begin. The Prairie Hawk Interceptor is in the Town's Capital Improvement Projects list and is currently scheduled to be upsized in the year 2028, in order to support this Project. The Prairie Hawk Interceptor upsizing is currently estimated, at the time of the execution of this Agreement, to cost $810,313.00; provided, however, these costs will likely increase prior to construction. Therefore, Master Developer or Owner shall pay to the Town its proportional share of the actual costs of upsizing the Prairie Hawk Interceptor, which amount is to be determined by the Town at the time of construction, as set forth above. The Master Developer shall have sixty (60) days after receiving notice of its proportional share of the actual costs to pay the Town. The Town will notify the Master Developer if the Prairie Hawk Interceptor upsizing project is scheduled to be completed in a different year. The Town will make best efforts to complete the Prairie Hawk Interceptor in a timely manner so as to not unreasonably hinder or delay the development of the Project.

7.04 Plum Creek Parkway Sanitary Sewer Interceptor. Town shall be responsible for replacing, or funding the replacement of, the missing segment of the Plum Creek Parkway Sanitary Sewer Interceptor in a manner as to not cause unreasonable delay in the development of the Project. To allow for time for any necessary funding approvals, the Master Developer shall provide the Town with notice at least twelve (12) months in advance of making a connection to the sewer interceptor for the Project.

7.05 Water and Wastewater Service. Upon final acceptance by the Town of the Water System Improvements and Wastewater Improvements, constructed by the Master Developer to the Town specifications, the Town will own, manage, and maintain the Water System Improvements and Wastewater Improvements at Town expense; provided, however, that Owner or its successor will retain ownership and the responsibility to maintain that portion of: (i) each water service line from the curb stop to the building, and (ii) each sanitary sewer service line from the sanitary sewer main to the building. Water and wastewater service will be billed and collected by the Town pursuant to the terms and conditions of the Town Regulations.

7.06 Lift and Pump Stations. In the event wastewater lift and/or potable water pump stations are necessary within the Property, in order to provide adequate water and wastewater service to the Property, Master Developer shall pay to Town an operation and maintenance fee

("**O&M Fee**") for each lift and/or pump station. The amount of the O&M Fee payment shall be determined at the time the lift and/or pump station is designed, based on actual costs necessary to operate and maintain said lift and/or pump station(s), and payment shall be due concurrently with recordation of the SIA for the parcel utilizing the lift and/or pump station.

7.07 **Drainageway Improvements**. Master Developer shall be responsible for preserving and fully stabilizing all major drainageways within the Project boundaries having a watershed area greater than 130 acres, in accordance with Town Regulations. In particular, Master Developer, at its sole expense, shall be responsible for the design and construction of drainage improvements, required pursuant to Town Regulations, to the North Dawson and South Dawson drainageway and the Gamble Ridge and Gamble Ridge North drainageway, in accordance with the approved North and South Dawson Tributaries Master Plan Report dated February 2011, the Gamble Ridge and Gamble Ridge North Tributary Master Plan dated October 2014, and the local governing jurisdiction and state and federal regulations (the "**Drainageway Improvements**"). The Drainageway Improvements include, but are not limited to, (a) all major drainageways and floodplain improvements within Town limits on the west side of Interstate 25; provided, however, that there shall be no reimbursement to the Town for major drainageway improvements completed by the Town as part of the CVI, except, and to the extent such drainageway improvements are oversized in order to accommodate anticipated drainage flows generated by the Project; and (b) major drainageway and floodplain improvements at the outfall points from the Property discharging east of Interstate 25 to the confluence with East Plum Creek (the "**East Drainageway Improvements**") .

The Drainageway Improvements shall be constructed and completed concurrently with any adjacent subdivision improvements and as part of the Public Improvements necessary to serve the Property. The Drainageway Improvements located within the Town boundaries shall be dedicated to the Town in a separate floodplain tract. Portions of Drainageway Improvements on private property, or outside of the Town boundaries, shall be dedicated to the appropriate District or owner's association for ownership and maintenance. Drainageway Improvements shall be constructed consistent with Town Regulations including, but not limited to, the Town Storm Drainage Design and Technical Criteria Manual, as amended. At the Town's sole discretion, if Master Developer is unable, for any reason, to obtain the necessary permit(s) for all required

Drainageway Improvements, Master Developer shall deposit with Town an amount equivalent to the estimated cost, as reasonably determined by the Town, of completing such improvements.

ARTICLE VIII
TRANSPORTATION IMPROVEMENTS

8.01 **Fire Apparatus Access Roads**. All fire apparatus access roads shall be completed by Master Developer in accordance with the Town Transportation Design Manual and/or the International Fire Code, as amended from time to time. Any roads that are outside the Property may be subject to state and/or federal standards. Fire apparatus access roads shall be completed throughout phasing of the Project, at intervals that are appropriate to meet the required amount of access points for the level of development that is being constructed. At no time shall there be less than one fire apparatus access point into the Property. Infrastructure and below-grade foundation work may take place with approved fire apparatus access points that meet the minimum standards set forth by the Town for fire apparatus access into below-grade foundation areas.

Town will allow for at-grade and below-grade construction work to occur onsite with the current at-grade railroad crossing or similar approved fire apparatus access. No vertical building construction will be allowed, except for the Costco building site, without a Town-approved grade-separated railroad crossing for a fire apparatus access point. Unless prior approval is given by the Fire Code Official, or as allowed by this Section, at-grade railroad crossings for fire apparatus access points are prohibited. Requests for an at-grade railroad crossing must be in writing to the Fire Code Official and include all extenuating circumstances for the waiver. Any above-grade construction without prior Fire Code Official approval shall immediately be issued a stop work order, and no further work may commence at said site without written approval from the Fire Code Official.

8.02 **Emergency Vehicle Access.** Owner, at its sole cost and expense, shall design, construct and, to the extent it is within the Property, maintain permanent emergency vehicle access roads (each, an "**EVA**") through the Property to provide access to the Keene Ranch subdivision, at approximately the location referenced in the PDP. In addition, provided that the Twin Oaks subdivision approves same via a written instrument reasonably acceptable to Owner and the Town, Owner shall, at its sole cost and expense, design and construct a permanent emergency vehicle

access for the Twin Oaks subdivision at or near the existing Clarkes Circle as it will intersect with Crystal Valley Parkway. The final location of the EVAs, will be determined by the Town at time of SDP, and EVAs shall be constructed with the adjacent Public Improvements on the Property. EVAs shall be designed and constructed to meet the requirements as set forth in the International Fire Code, as amended from time to time, pertaining to weight support and grade specifications, to allow for the movement of vehicles in both directions. The EVAs will require bollards and chains at each end, with Town-approved Knox locks at both sides.

8.03 Dawson Trails Boulevard. The Project's projected traffic demand at Full Buildout requires Dawson Trails Boulevard to be a major arterial from Plum Creek Parkway to the southern Property boundary, as set forth below. Other than as required by the CVI project, the cost of which shall be borne by Town, Master Developer, at its sole cost and expense, shall design the full width of Dawson Trails Boulevard in accordance with the Town's standard street cross sections, and consistent with the approved TIA for a "major arterial" class street, from Plum Creek Parkway to the southern Property boundary. The Parties acknowledge and agree that portions of Dawson Trails Boulevard are expected to be designed and constructed by Town as part of the CVI project, and that Owner's design of same may be incorporated into the Town's design.

(a) **Northern Dawson Trails Boulevard**. Master Developer, at its sole cost and expense, shall construct, at a minimum, two (2) lanes of Dawson Trails Boulevard, to be referred to as "Northern Dawson Trails Boulevard," from the northern terminus of the CVI project north to Plum Creek Parkway. Northern Dawson Trails Boulevard shall be open to the public from CVI to Plum Creek Parkway prior to traffic volumes reaching 25,000 vehicle trips per day (vpd) on the west side of CVI. Once traffic volumes reach 25,000 vpd on the segment of road between the I-25 southbound ramps and the first intersection to the west of these ramps, then no further building permits will be issued until Northern Dawson Trails Boulevard is open to the public from CVI to Plum Creek Parkway. Construction of the first two (2) lanes of Northern Dawson Trails Boulevard may begin earlier, however, it shall not begin until notice to proceed has been given by the Town for the construction of the CVI. Master Developer, at its sole cost and expense, shall construct, when warranted based upon an approved TIA, auxiliary turn lanes at the Plum Creek Parkway and Northern Dawson Trails Boulevard intersection.

The remaining two (2) lanes of the Northern Dawson Trails Boulevard shall be constructed by the Master Developer when traffic volumes reach 12,000 vehicle trips per day north of the Project or per the Phasing Plan, whichever occurs first. In the event Town constructs Northern Dawson Trails Boulevard or portions thereof, Master Developer shall reimburse Town for the Town's design, construction and right-of-way costs. Such payment to Town shall be a condition to recordation of the first Plat of developable property that creates more than 25,000 vpd (proposed and existing traffic) on the west side of CVI.

Town shall make diligent and best efforts to recoup costs, subject to applicable legal limitations on its authority to effect such recoupment and pre-existing contractual provisions with such other development interests, from directly benefited adjacent properties as they are developed. If the District(s) or Master Developer pays for the design and construction of Northern Dawson Trails Boulevard, the Town will not seek recoupment and/or reimbursement of said costs from any properties within the District(s) at the time the District(s) issues debt for such improvements.

(b) **Southern Dawson Trails Boulevard**. Town shall be responsible for the entire cost to design and construct a portion of Dawson Trails Boulevard, to be referred to as "**Southern Dawson Trails Boulevard**," as same is required pursuant to the CVI project; provided, however, except, and to the extent that, Southern Dawson Trails Boulevard is oversized or otherwise amended in order to accommodate Master Developer's design and construction of the Project in excess of the requirements of the CVI project, said costs shall be borne by Master Developer. Except as set forth herein regarding the Town's responsibility for the design and cost of Southern Dawson Trails Boulevard as a part of the CVI project, Master Developer, at its sole cost and expense, shall construct Southern Dawson Trails Boulevard, from CVI south to the southern Property boundary, in accordance with approved plans. Except as set forth herein regarding the Town's responsibility for the design and cost of Southern Dawson Trails Boulevard as a part of the CVI project, Southern Dawson Trails Boulevard shall be constructed by the Master Developer at the time required by the Phasing Plan or the TIA, whichever occurs first. The Town will agree to construction of a transition down to two (2) lanes based on forecasted

Project volumes being less than 12,000 vehicles per day on average, and to allow a transition to two (2) lanes prior to the southern Property boundary to align with the County design, which the Parties acknowledge and agree calls for two (2) lanes commencing at the southern boundary of the Property. Town shall make diligent and best efforts to recoup costs, subject to applicable legal limitations on its authority to effect such recoupment and pre-existing contractual provisions with such other development interests, from directly benefited adjacent properties that are outside of the District boundaries at the time the District(s) issue debt for such improvements, as they are developed.

8.04 Crystal Valley Interchange (CVI).

(a) Unless otherwise expressly provided in this Agreement, no building permits shall be issued until the completion of the Crystal Valley Interchange (CVI) Project and the Master Developer has paid their required contribution, as set forth below. At the time of execution of this Agreement, the estimated cost of the Crystal Valley Interchange (CVI) project is $118,000,000.00 ("**Total CVI Project Cost**"). The parties have agreed to cost sharing for the CVI project as set forth below.

(b) Subject to the terms herein, the Master Developer shall be responsible for contributing fifty million dollars ($50,000,000.00) (the "**Developer CVI Contribution**") to the cost of building the CVI project. Subject to the terms herein, the remaining cost for the CVI project will be funded by contributions from (1) the Town and the County ("**Town and County CVI Contribution**"), estimated to total approximately $50,000,000.00 and (2) other funding sources including, but not limited to, grants ("**Other CVI Contribution**"), currently estimated to total approximately $18,000,000.00. At the time Town has an approved Construction Agreed Price ("**CAP**") for the CVI with the Town's contractor, Town will notify Master Developer of the Developer CVI Contribution amount. Subject to Force Majeure and the terms herein, Master Developer shall have twenty-one (21) days from the time the Town notifies the Master Developer to pay the Developer CVI Contribution. The Developer CVI Contribution shall be deposited in the CVI Escrow pursuant to the terms set forth below.

As of the Effective Date, the Town is actively pursuing additional grant and other funding for the CVI project. If the Town successfully obtains additional funding, it will first be used to cover the Other CVI Contribution. If the Town successfully obtains additional funding in excess of the remaining costs for the CVI project not covered by the Developer CVI Contribution and the Town and County CVI Contributions, these funds shall be used to reduce the CVI contributions as follows: twenty-five percent (25%) to the Town, twenty-five percent (25%) to the County, and fifty percent (50%) to the Master Developer. If the Total CVI Project Cost is less than $118,000,000.00, the Other CVI Contribution will be reduced before any reduction in either the Town and County CVI Contribution or the Developer CVI Contribution. If the estimated costs for the CVI project exceed the Total CVI Project Cost set forth above (a "**CVI Project Overage**"), the Town and Master Developer agree to use good faith and commercially reasonable efforts to fund the CVI Project Overage. If the Master Developer does not provide the funding for the Developer CVI Contribution by either March 1, 2023, or twenty-one (21) days from the date the Town has an approved CAP, whichever is later, the Town shall have the right, but not the obligation, to proceed with the CVI project and the Master Developer, or the District(s), shall reimburse the Town for all costs exceeding the Town and County CVI Contribution, but under no circumstances shall these costs exceed sixty-eight million dollars ($68,000,000.00).

Town shall make diligent and best efforts to recoup costs, subject to applicable legal limitations on its authority to effect such recoupment and pre-existing contractual provisions with such other development interests, from properties that are outside of the District(s) boundaries at the time the District(s) issue debt for such improvements, which will benefit from the CVI project.

(c) Town and Master Developer agree that the funding for the CVI project shall be managed and distributed using a cash construction escrow (the "**CVI Escrow**") and Escrow Agreement in accordance with the following:

(i) the CVI Escrow shall be established with a title insurance company or financial institution;

(ii) the CVI Escrow deposits shall be in the amounts prescribed in Section 8.04(a) above; and

(iii) the Town shall make progress payments to their contractors from the CVI Escrow, provided the Town approves the payment request, which approval shall be prompt and not unreasonably withheld.

(d) Prior to substantial completion of the CVI, but not before commencement of construction of CVI, a building permit for Costco may be issued, and vertical construction allowed, subject to fire apparatus access routes approved by the Fire Department. A Certificate of Occupancy for Costco will not be issued until CVI is open to the public. The Town will not issue more than five hundred (500) building permits for residential development within the Property, until such time as (i) Northern Dawson Trails Boulevard is open to the public between CVI and Plum Creek Parkway; and (ii) CVI construction has commenced. Once any of these five hundred (500) residential building permits are issued, the Town will issue Certificates of Occupancy once each building has met any and all Town building code and site compliance requirements. Master Developer is solely responsible for the design and construction of, and acquiring any necessary approvals from the Colorado Department of Transportation (CDOT) and/or the Federal Highway Administration (FHWA) for, any improvements to the Plum Creek Parkway interchange that are necessary to support the additional Project traffic impact prior to opening of the CVI.

8.05 Construction Traffic Access. All construction traffic shall only access the Property by a Town-approved construction route.

8.06 Twin Oaks Entrance. Master Developer, at its sole cost and expense, shall design and construct the Twin Oaks Entrance and the entry street located within the Town of Castle Rock, serving the County properties located on Twin Oaks Road and Clarkes Circle. Any maintenance responsibilities shall not be the responsibility of the Town and shall be determined pursuant to a private agreement between the Owner or Master Developer and the property owner's association for Twin Oaks, or such other entities as may be appropriate.

8.07 Public Improvements Participation. Concurrently with, and as a condition to recordation of the first Plat on the Property, Master Developer shall pay to the Town the Property's total pro rata share of the total estimated cost of the following improvements, which improvements will be constructed by Town or others when warranted:

(a) Thirty-four point nine percent (34.9%) of the total cost of a traffic signal at the intersection of Plum Creek Parkway and Northern Dawson Trails Boulevard; and

(b) Twenty-four percent (24%) of the total cost of right-turn lanes at the southbound entrance ramp from Plum Creek Parkway to Interstate 25.

8.08 Pedestrian and Bicycle Crossings. Master Developer, at its sole cost and expense, shall design and construct grade-separated crossings at all major collector and arterial roadways for pedestrian and bicycle paths as shown on the PDP.

8.09 Transportation Demand Management Requirements. Master Developer is obligated to implement certain CDOT-approved Transportation Demand Management ("**TDM**") strategies, as determined necessary to meet the State's 1601 TDM Standards for approval of the CVI. Town acknowledges that Master Developer has agreed to take, or has already taken, certain TDM measures including reducing the density on the Property through the PDP; reducing the density of residential uses in the Project by approximately twenty-six percent (26%); and reducing the square footage of non-residential uses in the Project by over eighty (80%), thereby reducing vehicle trips to the CVI. In addition, Owner is dedicating land, per Section 9.08, for use as a Mobility Hub. Unless required by CDOT as a condition of CVI approval, Master Developer shall not be required to implement any further TDM measures. Notwithstanding the foregoing, the TDM measures will not include requiring the creation of a transportation management agency nor requirements for indoor employee shower/locker rooms and showers in buildings.

8.10 Future Transportation Improvements. As the Project is developed, the Town reserves the ability to require the Master Developer or Owner, as appropriate, to provide transportation improvements as determined necessary by future TIAs, SDPs, or construction documents, in accordance with the Town Regulations.

ARTICLE IX
PUBLIC LANDS AND IMPROVEMENTS

9.01 Required Dedication. All Public Lands shall be offered for dedication and, upon acceptance, conveyed to Town, at no cost to Town (i) with the first Plat in which the Public Land tract lies, or (ii) with the first Plat adjacent to the Public Land tract, whichever occurs first; provided, however, that with respect to the Public Land tract(s) described in the map and legal description attached as ***Exhibit 3***, said tract(s) shall be conveyed to the Town upon the execution of this Agreement (the "**Initial PLD Tracts**"). In addition, if the Town reasonably requires any other Public Land tract prior to the first Plat that such tract lies within, or the first Plat adjacent to such tract, the Owner shall convey the tract to the Town at such time. All conveyances shall be in accordance with 9.03 below. Notwithstanding the conveyance to the Town of the Initial PLD Tracts, subsequent to such conveyance Master Developer, subject to the Town's prior consent, which consent shall not be unreasonably withheld, conditioned or delayed, is hereby granted: (a) access in, to, over, through, upon, across and under the Initial PLD Tracts for the purposes of: (I) designing, creating, constructing, installing, maintaining, repairing and replacing slopes by cuts and fills of soil adjacent to public sidewalks and/or public rights-of-way, and the maintenance and re-creation thereof, which shall specifically include the right, in accordance with generally accepted engineering practices, to excavate, slope, cut, fill, install stormwater drainage pipes, open channels and/or facilities, and grade or otherwise change the natural contour of the Initial PLD Tracts to support and accommodate the adjacent public street, roadway or sidewalk; and (II) grading, excavating and/or sloping the Initial PLD Tracts. Town and Master Developer agree to work collaboratively and in good faith on the location of any utility alignment(s). The Parties agree that the preferred location of any utility alignment(s) is along the boundaries of any parcel(s).

9.02 Development Costs. Master Developer, at its sole cost and expense, shall extend water, wastewater, and stormwater utilities and streets of sufficient capacity and/or quantity as necessary to serve Public Lands to the property boundaries of such Public Lands as part of the applicable Phase improvements. Master Developer shall pay to the Town the applicable water and wastewater System Development Fees, renewable water resource fees, and meter set fees in accordance with the Town Regulations ("**Tap Fees**"), to the extent the Town utilizes water for Town parks or buildings developed on Public Lands. The Tap Fees shall be paid to the Town prior to recordation of the Plat which includes the applicable Public Land, or if the number and size of

the Water Tap Fees for the platted Public Land is not known at the time of Plat recordation, within 60 days after notice from the Town that the park or building Tap Fees have been determined based on the Town's development plan for the Public Land. Master Developer shall not be required to pay any Tap Fees for water and/or wastewater service exclusively benefitting school development on Public Lands.

9.03 Conveyance. All Public Lands and other parcels to be conveyed to the Town shall be conveyed to the Town, at no cost to the Town, by special warranty deed, free and clear of monetary liens, but subject to matters of record that would not preclude the Town from utilizing the property for its intended purposes, as reasonably determined by the Town. Unless otherwise provided in the Town Regulations to the contrary, the Owner, as grantor, shall furnish the Town with a policy of title insurance, issued by a title company licensed to do business in the State of Colorado, in the amount of $10,000 per acre. If so requested by the Town or required by the Town Regulations, Master Developer shall complete and deliver a Phase I environmental audit of all Public Lands prior to conveyance and acceptance by the Town. Should the Phase I identify the need for a Phase II audit, then Master Developer shall deliver such Phase II to Town and shall be solely responsible for any remedial environmental measures of hazards identified in the Phase II audit reasonably imposed by Town, as a condition to Town's acceptance of such Public Lands.

9.04 Wildland Urban Interface Mitigation. All Public Lands and other parcels to be conveyed to the Town shall be assessed, at no cost to the Town, by a professional that is familiar with Wildland Urban Interface (WUI) mitigation. This assessment shall be provided to the Life Safety Division of the Fire Department for review to determine if any treatments are necessary to meet the current Community Wildfire Protection Plan that has been approved by the State and Town. Unless otherwise provided in the Town Regulations to the contrary, the Master Developer, shall furnish the Town with the review letter from the Fire Department, stating that no treatments are required at the time of conveyance. If so requested by the Town or required by Town Regulations, the Master Developer shall contract with a competent contractor that is familiar with WUI mitigation to perform all identified treatments for all Public Lands prior to conveyance and acceptance by the Town. All mitigation treatments shall be completed by the Master Developer as a condition to Town's acceptance of such Public Lands, except for those Public Lands identified as PL 1.07 and PL 1.10, which shall be conveyed to the Town at the time of the Effective Date of

this Agreement, per Section 9.01. All mitigation treatments required pursuant to this Section 9.04 for PL 1.07 and PL 1.1 shall be completed by the Master Developer prior to the first residential building permit for the Project, or within two (2) years of these Public Lands being conveyed to the Town, whichever comes first. Once the initial mitigation is completed by the Master Developer and the Public Land is conveyed to the Town, it shall be the responsibility of the Town to maintain the level of treatment that is appropriate as identified in the reviewed assessment and any subsequent updates.

Any Public Lands being conveyed to another public entity besides the Town shall also be assessed as set forth above, and the results of said assessment shall be provided to the Life Safety Division of the Fire Department for review and determination if any treatments are necessary to meet the current Community Wildfire Protection Plan that has been approved by the State and the Town. If any treatments are required, unless agreed to by such public entity, they shall be the responsibility of the Master Developer. Once the Public Land is conveyed to another public entity, it shall be the responsibility of said other public entity to maintain the level of treatment that is appropriate as identified in the reviewed assessment and any subsequent updates.

9.05 Exclusion of Covenants. Master Developer shall cause the exclusion of all Public Lands from application and effect of restrictive covenants, which may otherwise be imposed on the Property. If any Public Lands are inadvertently made subject to such covenants, this Agreement shall constitute the irrevocable consent of the Master Developer, the Owner and the board of directors of any owner's association to the exclusion of the Public Lands from the application of such covenants. Prior to constructing or placing any structures on Public Land, the Town shall give the Master Developer and the applicable association a reasonable opportunity to review and comment on the design and plans for any such improvements, but the Town shall retain the ultimate authority to determine what improvements are placed on Public Lands.

9.06 Landscape Maintenance. Owner shall have the responsibility for the maintenance of landscaping within any public street right-of-way dedicated by Owner to the Town, including water, irrigation system, features, plantings, etc., for the landscaping between the right-of-way and street curbing, as well as within street medians and roundabout islands. Such maintenance shall be at the sole expense of Owner and to the standard for maintenance established by the Town of

Castle Rock Landscape and Irrigation Criteria Manual. Owner's maintenance obligation includes procurement of water services from the Town and payment of applicable water service charges under the Town Regulations. Owner may delegate its maintenance obligation to the District or a property owner's association, and the Town shall accept performance by the District or property owner's association of such maintenance obligations, provided that the District or property owners association is so authorized under the District Agreements. Upon acceptance of such maintenance obligations by the District or property owner's association, the Town agrees to release Owner from further maintenance obligations under this Agreement, with respect to those improvements accepted.

9.07 Fire Station Conveyance and Funding. Owner shall dedicate, as provided in Section 9.01, Public Land to the Town for a fire station site as shown on the PDP. Such dedicated Public Land must be suitable for fire station facilities in terms of topography, size and location, as consistent with the Town's current fire safety master plan and related policies.

At the time that the 1,400th residential building permit, or a lesser unit amount as determined at the sole discretion of the Fire Department, if the development has permits issued for age-restricted, assisted living or skilled nursing beds, is to be issued, the Master Developer shall remit to the Town two million dollars ($2,000,000.00) to be used for the design, construction and equipping of the fire station.

At the time that the 2,500th residential permit is to be issued, the Master Developer shall at its sole expense, extend to the applicable Public Land's boundary, water, wastewater, and stormwater utilities and streets (provided that such fire station is situated adjacent to a street required to be constructed by Master Developer as part of the applicable Plat, SDP, or SIA) of sufficient capacity and/or quantity as necessary to serve Public Lands for a fire station as part of the applicable Phase improvements. The Master Developer shall at this time also remit to the Town an additional two million dollars ($2,000,000.00) to be used for the design, construction and equipping of the fire station.

Once construction of the foregoing infrastructure is completed and the Master Developer has remitted all monies owed, it shall have no further responsibility regarding said fire station,

except that the Owner or Master Developer shall be responsible for payment of any capital impact fees relating to fire service.

9.08 Mobility Hub. Owner shall dedicate no less than five (5) acres of Public Land to the Town for a Mobility Hub, as located and described on the PDP. As part of the applicable Phase improvements, Master Developer shall, at its sole expense, extend water, wastewater, stormwater utilities, and streets (provided that such Mobility Hub is situated adjacent to a street required to be constructed by Master Developer as part of the applicable Plat, SDP, or SIA) of sufficient capacity and/or quantity as necessary to serve such Mobility Hub, to the applicable Public Land's boundary.

9.09 Public Works Maintenance Yard. Owner shall dedicate Public Land to the Town for a Public Works maintenance yard, as included in the overall Public Land dedications as shown on the PDP. Master Developer shall, at its sole cost and expense, extend to the applicable Public Land's boundary, water, wastewater, and stormwater utilities and streets (provided that such Public Works Maintenance Yard is situated adjacent to a street required to be constructed by Master Developer as part of the applicable Plat, SDP, or SIA) of sufficient capacity and/or quantity as necessary to serve Public Lands to be a Public Works maintenance yard as part of the applicable Phase. Master Developer shall, at its sole cost and expense, rough grade the site for the Public Maintenance Yard.

9.10 Water Treatment. Owner shall dedicate Public Land to the Town for two (2) well sites. Owner shall dedicate Public Land to the Town for a water treatment plant site. The well sites and water treatment plant site acreages are included in the overall Public Land dedications as shown on the PDP.

9.11 Trails. Master Developer shall, at its sole cost and expense, design and construct all on-site soft-surface and hard-surface trails, in conformance with the PDP. Final trail alignments and surface material will be determined by the Town at time of SDP. Trails within drainage ways shall be constructed concurrently with construction of Drainageway Improvements.

ARTICLE X
DEFAULT AND REMEDIES

10.01 Event of Default. Failure of any Party to perform any covenant, agreement, obligation or provision of this Agreement constitutes an event of default under this Agreement.

10.02 Default Notice. In the event either Party alleges that the other is in default, the non-defaulting Party shall first notify the defaulting Party in writing of such default and specify the exact nature of the default in such notice. Except as otherwise provided herein, the defaulting Party shall have twenty (20) business days from receipt of such notice within which to cure such default before the non-defaulting party may exercise any of its remedies hereunder. If such default is not of a type which can be cured within such twenty (20)-day period and the defaulting Party commenced the cure within the twenty (20)-day period and is actively and diligently pursuing such cure, the defaulting Party shall have a reasonable period of time, given the nature of the default, following the end of the twenty (20)-day period to cure such default, provided that such defaulting Party is at all times within such additional time period actively and diligently pursuing such cure in good faith.

10.03 Remedies. In addition to specific remedies provided elsewhere in this Agreement (including the Town's right to withhold development approvals on portions of the Property burdened with the unperformed obligation), upon notice of default and failure to cure in accordance with Section 10.02, the non-defaulting Party shall have the right to take whatever action, at law or in equity, which appears necessary or desirable to enforce performance and observation of any obligation, agreement or covenant of the defaulting party under this Agreement, or to collect the monies then due and thereafter to become due. In any such legal action, the prevailing Party shall be entitled to recover its reasonable attorney's fees and litigation costs from the other Party.

The Parties acknowledge and agree that any mortgagee has a right, but not the obligation, to remedy or cure any event of default or breach by Owner or Master Developer under this Agreement, and that the Town will accept such remedy or cure if properly and timely carried out by a mortgagee, provided that any remedy or cure by a mortgagee shall not be construed as an assumption by the mortgagee of, or create any liability to, mortgagee with respect to the obligations

of Owner or Master Developer under this Agreement, unless the mortgagee acquires ownership of the Property.

ARTICLE XI
VESTING

11.01 Vested Property Rights. Owner has demonstrated that the PDP meets the criteria under Chapter 17.08 of the Code and the Vested Property Rights Statute for vesting of property rights by agreement for a term in excess of three years. The PDP and this Agreement each constitute a "site specific development plan" as defined in Section 104 of the Vested Property Rights Statute and Chapter 17.08 of the Code and, accordingly, vested property rights are established with respect to the PDP and this Agreement in accordance with statute and applicable Code provisions. Pursuant to Section 17.08.080 of the Code, the following provision shall be placed on the PDP:

> This Planned Development Plan, inclusive of the embedded PD Zoning Regulations, constitutes a site-specific development plan pursuant to Chapter 17.08 of the Castle Rock Municipal Code and §24-68-101, *et seq.*, C.R.S., and establishes vested property rights that may extend through October 6, 2052, with the option of, upon Town Council approval, a single ten (10)-year extension, to undertake and complete the development and use of the property according with this Planned Development Plan.

11.02 Duration. Development of the Property requires Owner and the Master Developer to make substantial up-front capital investment in Public Improvements, as well as off-site infrastructure mandated by this Agreement. Given the scale of the Project, much of such infrastructure will serve multiple phases of the Project, and the recoupment of such investment by Owner and the Master Developer will occur incrementally as development of the Project progresses. The ability of the Owner and the Master Developer to finance development of the Property is dependent on demonstration to the capital markets that there is an extended period of time in which the Project may be developed and marketed as currently envisioned, and that material modifications to the vested PDP will not be unilaterally imposed by the Town.

Accordingly, the Parties find that the Vesting Term, as provided in this Section 11.02, is necessary and appropriate.

Property rights in the PDP and this Agreement are vested pursuant to Chapter 17.08 of the Code and the Vested Property Rights Statute until October 6, 2052, however, such term shall be extended by one day for each day during which the PDP or this Agreement are subject to any Legal Challenge. In addition, such term may be extended, upon Town Council approval, for a single ten (10)-year extension ("**Vesting Term**").

11.03 Vesting Term Restrictions. During the Vesting Term, the Town shall not take any zoning or land use action (whether by action of the Town Council or pursuant to an initiated ordinance), which would alter, impair, prevent, diminish, impose a moratorium on development, or otherwise delay development or the use of the Property in accordance with the PDP and this Agreement, nor shall the Town unilaterally amend the PDP, except the following actions shall not be precluded during the Vesting Term ("**Permitted Actions**"):

(a) The enforcement and application of the Town Regulations in effect as of the Effective Date, except as expressly provided in the PDP or this Agreement; or

(b) The enforcement and application of Town Regulations in effect at any point in time during the Vesting Term which are generally applicable to all similarly situated property, development, or construction within the Town; or

(c) The enforcement and application of Town Regulations to which Owner consents; or

(d) Any action with respect to the PDP or this Agreement for which the Town pays just compensation as prescribed under §24-68-105(c), C.R.S.; or

(e) The imposition of regional, state or federal regulations which are beyond the control of the Town as reasonably determined by the Town.

11.04 Reservation of Rights. Although Owner will not have a claim against the Town for the occurrence of a Permitted Action, Owner reserves the right to challenge the legality of such

action on any basis other than contractual breach of this Agreement, subject to the limitation and remedies under Section 11.05.

11.05 Limitation of Remedies. During the Vesting Term, and provided that Town is not in breach of its obligations under Article XI of this Agreement, Owner shall not assert estoppel or "common law vesting," or any other legal or equitable cause of action or claim against the Town, as a result of Owner's investment in Public Improvements or other expenditures in furtherance of development of the Property under the vested PDP. Upon expiration of the Vesting Term, or in the event the Town is in breach of Article XI of this Agreement, (i.e. the Town has failed to timely cure a noticed default), this Section 11.05 shall no longer restrict Owner's legal remedies. Owner acknowledges that the limitation of its remedies during the Vesting Term is a material factor and an inducement to the Town in granting vested property rights pursuant to this Article XI.

11.06 Rights Which Are Vested. Prior to expiration of the Vesting Term, Master Developer or Owner(s) shall have the right to undertake and complete the development and use of the Property in accordance with this Article XI, including, without limitation, (1) the right to develop the Project as described in this Agreement and in the PDP, including the uses, density and intensity of use; (2) the right to submit, and for the Town to process, development applications and applications for grading permits, building permits, water taps, sewer taps, certificates of occupancy, and other permits in accordance with the procedures set forth in Town Regulations, the PDP, and this Agreement; and (3) in the event of any adverse action as contemplated in C.R.S. § 24-68-105(1), the rights and remedies as set forth in C.R.S. § 24-68-105, and subject to the requirements in Section 11.10. After expiration of the Vesting Term, the PDP shall remain valid and effective; however, the vested property rights in the PDP shall then terminate. The termination of such vested property rights shall not affect any equitable right or entitlement, if any, Owner or Master Developer may have to complete the PDP under law.

11.07 Effective Date. The effective date of the vested property rights in the PDP is the Effective Date. The public notice of vesting required under C.R.S. §24-68-103 shall be included in the publication of the ordinance approving the PDP ("**Ordinance**"). The Town shall publish the Ordinance within 14 days of approval of the Ordinance on second reading.

11.08 Natural and Manmade Hazards. Nothing in this Agreement or otherwise shall require the Town to approve development or use of any portion of the Property where there exist natural or manmade hazards on, or in the immediate vicinity of, the proposed area of use, provided that such natural or manmade hazards could not reasonably have been discovered as of the Effective Date but such hazards, if uncorrected, would pose a serious threat to the public health, safety and welfare.

11.09 Effect of Referendum. Any referendum filed pursuant to Section 104(2) of the Vested Property Rights Statute and approved by the voters of the Town, which purports to invalidate the vested property rights established pursuant to this Article XI of this Agreement, shall not, except as may be expressly set forth therein, have the effect of invalidating the PDP. or any other Town approvals pertaining to the Property.

11.10 Remedy for Breach or Impairment of Vested Property Rights.

(a) In consideration of the establishment of the vested property rights, together with the benefits to the Parties that this Agreement otherwise assures, the Parties, on behalf of themselves and their respective successors and assigns as applicable, have determined that it is in their respective interests to address and to waive certain potential claims, rights and remedies that might otherwise be construed to apply in a manner contrary to the Parties' intent in entering into, and performing their respective obligations pursuant to, this Agreement.

(b) The Town Council has established in its legislative capacity as the legislative governing body of the Town that, although the Vested Property Rights Statute provides for the payment of certain monetary damages upon a deprivation, impairment, violation or other divestment of the vested property rights, the Town desires not to be subject to liability for monetary damages pursuant to the Vested Property Rights Statute as a remedy for breach or default with respect to the vested property rights. Accordingly:

(i) In implementation of the foregoing policy to protect the Town from potential monetary liability under the Vested Property Rights Statute, while

securing to Master Developer and other Owners, as applicable, the benefits of the vested property rights under and pursuant to the Vested Property Rights Statute:

(A) Owner hereby knowingly, intentionally, voluntarily and irrevocably waives, for itself and for its successors and assigns (including but not limited to any successor Master Developer or Owner), any remedial right it or they, as applicable, may have pursuant to Section 105(1)(c) of the Vested Property Rights Statute to be paid money damages as just compensation upon a deprivation, impairment, violation or other divestment of the vested property rights.

(B) The Town hereby knowingly, intentionally, voluntarily and irrevocably waives, for itself and for its successors and assigns, any right the Town may have pursuant to Section 105(1)(c) of the Vested Property Rights Statute to pay money damages to any Landowner as just compensation upon a deprivation, impairment, violation or other divestment of the vested property rights.

(C) The Parties have executed and entered into the foregoing mutual waivers, with the express intent that such waivers will be mutually binding and enforceable as to each them and their respective successors and assigns, having been given in consideration of the mutual benefits accruing to each of them as a result of such mutual waivers, and otherwise accruing to each of them pursuant to this Agreement, and with the intent and mutual understanding that the effect of such mutual waivers will be that the Town is precluded from taking such actions as are set forth in C.R.S. § 24-68-105(1).

(ii) The Town Council, acting in its legislative capacity as the legislative governing body of the Town, expressly authorizes, determines and directs that

Master Developer and other Owners will be entitled to seek and to be awarded, and the Town will be subject to, such mandatory or prohibitory equitable remedies as may be required to secure to the Parties the remedies, limitations on remedies, and enforcement of the other terms and conditions set forth in this Section 11.10(b).

(c) Contingent Remedy. Only if, notwithstanding the foregoing mutual waivers and the Parties' express intent as to the enforceability and remedial effect of such waivers, it is judicially determined that the terms and conditions (either in whole or in part) set forth in Section 11.10(b) will not be enforced against the Town as written, Master Developer and other Landowners will be entitled to pursue and be awarded just compensation pursuant to Section 105(1)(c) of the Vested Property Rights Statute to the extent the Town takes any action which has the effect of divesting, depriving, impairing or violating the vested property rights under any circumstances other than those stated in Section 11.10(b) and such action constitutes a compensable action under the Vested Property Rights Statute.

ARTICLE XII
GENERAL PROVISIONS

12.01 Amendment. Any and all changes to this Agreement, in order to be mutually effective and binding upon the parties and their successors, must be in writing and duly executed by the Town and the Master Developer. To the extent any such amendment has the effect of changing an obligation of an Owner as set forth herein, the prior written consent of the Owner shall be required in addition to the consent of the Town and the Master Developer.

12.02 Interpretation. In this Agreement, unless the context otherwise requires:

(a) all definitions, terms and words shall include both the singular and the plural;

(b) words of the masculine gender include correlative words of the feminine and neuter genders, and words importing singular number include the plural number and vice versa; and

(c) the captions or headings of this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provision, article or section of this Agreement.

12.03 Notice. The addresses of the parties to this Agreement are listed below. Any and all notices allowed, or required to be given, in accordance with this Agreement may be given personally, sent via nationally recognized overnight carrier service, or by registered or certified mail, return receipt requested. If given by registered or certified mail, the same will be deemed to have been given and received three days after a registered or certified letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail. If personally delivered or sent via nationally recognized overnight courier service, a notice will be deemed to have been given and received, the first to occur of, one business day after being deposited with a nationally recognized overnight air courier service, or upon delivery to the party to whom it is addressed. In the event of transfer of the Property, notice shall be sent to the address of such grantee as indicated in the recorded instrument whereby such grantee acquired an interest in the Property.

If to Town:	Town Attorney Town of Castle Rock 100 NWilcox Street Castle Rock, CO 80104
If to Owner:	Dawson Trails I, LLC and Dawson Trails II, LLC 4100 East Mississippi Avenue, Suite 500 Glendale, CO 80246 Attn: Andrew R. Klein, Lawrence P. Jacobson, Jake Schroeder
If to Districts:	Dawson Trails Metropolitan Districts Nos. 1-5 Westfield Trade Center Metropolitan Districts Nos. 1-2 c/o White Bear Ankele Tanaka & Waldron 2154 East Commons Avenue, Suite D1 Centennial, CO 80122 Attn: Jennifer Gruber Tanaka, Esq.

12.04 Severability. It is understood and agreed by the parties hereto that, if any part, term, or provision of this Agreement is found by final judicial decree to be illegal or in conflict with any law of the State of Colorado, the validity of the remaining portions or provisions shall

not be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

12.05 Conflicts. If the terms and provisions of this Agreement are in conflict with any prior agreement between the Town and the Owner or the Town Regulations, the terms and provisions of this Agreement, as it may be amended from time to time, shall control.

12.06 Verification. The Town and the Owner shall provide the other written verification regarding the status, performance or completion of any action required of the Town or the Owner under the Agreement, or by the terms of any other agreement.

12.07 Additional Documents or Action. The Parties agree to execute any additional documents or take any additional action including, but not limited to, estoppel documents requested or required by lenders or the parties hereto, that is necessary to carry out this Agreement or is reasonably requested by any Party to confirm or clarify the intent of the provisions of this Agreement, and to effectuate the agreements and the intent. If all or any portion of this Agreement, or other agreements approved in connection with this Agreement, are asserted or determined to be invalid, illegal or are otherwise precluded, the Parties, within the scope of their powers and duties, will cooperate in the joint defense of such documents and, if such defense is unsuccessful, the Parties will use reasonable, diligent, good faith efforts to amend, reform or replace such precluded items to assure, to the extent legally permissible, that each Party substantially receives the benefit that it would have received under this Agreement.

12.08 Entire Agreement. This instrument embodies the whole agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein; and this Agreement shall supersede all previous communications, representations or agreements, either verbal or written.

12.09 Days. If the day for any performance or event provided for herein is a Saturday, Sunday or a day on which national banks are not open for regular transactions of business, or a legal holiday pursuant to Section 24-11-101(1), C.R.S, such day will be extended until the next day on which such banks and state offices are open for the transaction of business.

12.10 Recording. This agreement will be recorded in the Records after mutual execution by the Parties following the Effective Date.

12.11 Cooperation in Defending Legal Challenges. In the event of a third-party action challenging the validity of this Agreement or PDP approval, the Parties agree to cooperate in good faith with one another in the performance of their respective rights and obligations hereunder, in order that each may reasonably realize their respective benefits hereunder.

12.12 Relationship Between Owner and Master Developer. As of the date of execution of this Agreement, the Owner and Master Developer are the same entities. However, it is the Parties' intent that this Agreement will not create any obligation to construct Public Improvements, make certain payments as contemplated herein, or otherwise develop the Project, on individual lot owners that may become Owners of lots following the Town's approval of one or more Plats for the Property. Thus, unless expressly set forth otherwise in this Agreement, it is the Parties' intent that the obligations established herein are the obligations of the Master Developer.

12.13 Governmental Immunity. Nothing in this Agreement shall be construed to waive, limit, or otherwise modify, in whole or in part, any governmental immunity that may be available by law to the Town or to the Districts, their respective officials, employees, contractors, or agents, or any other person acting on behalf of the Town or the Districts and, in particular, governmental immunity afforded or available to the District pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, *et seq.*, C.R.S.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

ATTEST:

Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK

Jason Gray, Mayor

Approved as to form:

Michael J. Hyman, Town Attorney

TOWN OF CASTLE ROCK SEAL APRIL 14, 1881 COLORADO

COUNTY OF DOUGLAS)
) **ss.**
STATE OF COLORADO)

The foregoing instrument was acknowledged before me this 7TH day of September, 2022, by Lisa Anderson as Town Clerk and Jason Gray as Mayor for the Town of Castle Rock, Colorado.

Witness my official hand and seal.
My commission expires: 9/30/2024

(SEAL)

SHANNON EKLUND
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20084033388
MY COMMISSION EXPIRES SEPTEMBER 30, 2024

Notary Public

OWNER:

ACM DAWSON TRAILS VIII JV, LLC
a Delaware limited liability company

OWNER

STATE OF Colorado)
) **ss.**
COUNTY OF Arapahoe)

The foregoing instrument was acknowledged before me this 30th day of November, 2022 by Andrew R. Klein, as Authorized Signatory of ACM Dawson Trails VIII JV LLC, a Delaware limited liability company.

Witness my official hand and seal.
My commission expires: May 24, 2025

(SEAL)

Notary Public

CLAYTON GREENE
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20214020219
MY COMMISSION EXPIRES MAY 24, 2025

DISTRICTS:

DAWSON TRAILS METROPOLITAN DISTRICTS NOS. 1-5

By: _____

Its: President

STATE OF Colorado)
) **ss.**
COUNTY OF Arapahoe)

The foregoing instrument was acknowledged before me this 29 day of November, 2022 by Lawrence P. Jacobson, as President of Dawson Trails Metropolitan District Nos. 1-5.

Witness my official hand and seal.
My commission expires: 8/12/24

(SEAL)

BLAKE AMEN
Notary Public
State of Colorado
Notary ID # 20204027915
My Commission Expires 08-12-2024

_____
Notary Public

WESTFIELD TRADE CENTER METROPOLITAN DISTRICTS NOS. 1-2

By: _____

Its: President

STATE OF Colorado)
) **ss.**
COUNTY OF Arapahoe)

The foregoing instrument was acknowledged before me this 29 day of November, 2022 by Lawrence P. Jacobson, as President of Westfield Trade Center Metropolitan District Nos. 1-2.

Witness my official hand and seal.
My commission expires: 8/12/24

(SEAL)

_____
Notary Public

BLAKE AMEN
Notary Public
State of Colorado
Notary ID # 20204027915
My Commission Expires 08-12-2024

EXHIBIT 1

DAWSON RIDGE PROJECT PERIMETER DESCRIPTION:

TWO (2) PARCELS OF LAND PORTIONS OF SECTIONS 15, 21, 22, 27, 28, 29, 32, 33 & 34, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE BEARINGS FOR THIS DESCRIPTION ARE BASED ON THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF SECTION 21, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH P.M., BEING ASSUMED TO BEAR S89°55'56"E, FROM THE SOUTH 1/16TH CORNER OF SAID SECTIONS 21 & 22, BEING MONUMENTED BY A PIPE WITH A 2" ALUMINUM CAP STAMPED "LS 6935" TO THE SOUTH 1/16TH CORNER OF SAID SECTIONS 20 & 21, BEING MONUMENTED BY A PIPE WITH A 2 INCH ALUMINUM CAP, STAMPED "LS 6935", WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO.

PARCEL 1:

BEGINNING AT THE SOUTH 1/16TH CORNER OF SAID SECTIONS 21 & 22, ALSO BEING A POINT ON THE SOUTH LINE OF TWIN OAKS, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 161972, IN THE RECORDS OF THE DOUGLAS COUNTY CLERK AND RECORDER'S OFFICE;
THENCE S 89°28'35" E, ALONG THE SOUTH LINE OF SAID TWIN OAKS SUBDIVISION AND ALONG THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF SAID SECTION 22, A DISTANCE OF 404.37 FEET TO A POINT ON THE WEST LINE OF THE TWIN OAKS ROAD RIGHT-OF-WAY, AS DEDICATED BY SAID TWIN OAKS SUBDIVISION;
THENCE ALONG THE WEST LINE OF SAID TWIN OAKS DRIVE RIGHT-OF-WAY AND ALONG THE SOUTH LINE OF THE TERRITORIAL ROAD RIGHT-OF-WAY, AS DEDICATED BY SAID TWIN OAKS SUBDIVISION, THE FOLLOWING FOUR (4) COURSES:

1. S 02°01'48" E, A DISTANCE OF 52.10 FEET TO THE SOUTH LINE OF SAID TERRITORIAL ROAD RIGHT-OF-WAY;
2. N 87°58'41" E, A DISTANCE OF 109.24 FEET TO A POINT OF CURVATURE;
3. ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 245.68 FEET, A CENTRAL ANGLE OF 28°36'44" AND AN ARC LENGTH OF 122.69 FEET;
4. N 59°21'57" E, A DISTANCE OF 23.19 FEET TO A POINT ON THE SOUTH LINE OF SAID TWIN OAKS SUBDIVISION;

THENCE S 89°28'35" E, ALONG SAID SOUTH LINE, A DISTANCE OF 174.31 FEET TO THE SOUTHEAST CORNER OF SAID TWIN OAKS SUBDIVISION;
THENCE N 17°17'13" E, ALONG THE EAST LINE OF SAID TWIN OAKS SUBDIVISION, A DISTANCE OF 139.27 FEET TO A POINT ON THE EAST LINE OF SAID TERRITORIAL ROAD RIGHT-OF-WAY AND A POINT OF NON-TANGENT CURVATURE;
THENCE ALONG THE EAST LINE OF SAID TERRITORIAL ROAD RIGHT-OF-WAY THE FOLLOWING TWO (2) COURSES:

1. ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 198.98 FEET, A CENTRAL ANGLE OF 31°52'19" AND AN ARC LENGTH OF 110.69 FEET, SUBTENDED BY A CHORD OF WHICH BEARS N 33°13'23" E, A DISTANCE OF 109.26 FEET;
2. N 17°17'13" E, A DISTANCE OF 534.55 FEET TO A POINT ON THE SOUTH LINE OF THE TERRITORIAL ROAD RIGHT-OF-WAY AS DEDICATED BY THAT DEED RECORDED AT RECEPTION NO. 8816440, SAID DOUGLAS COUNTY RECORDS;

THENCE N 89°40'41" E, ALONG SAID SOUTH LINE, A DISTANCE OF 1599.61 FEET TO A POINT ON THE WEST LINE OF THE BURLINGTON NORTHERN SANTA FE RAILROAD RIGHT-OF-WAY;
THENCE S 15°17'57" W, ALONG SAID WEST LINE, A DISTANCE OF 8675.32 FEET TO THE NORTHEAST CORNER OF THAT PARCEL OF LAND DESCRIBED IN THAT DEED RECORDED AT RECEPTION NO. 2004131453, SAID DOUGLAS COUNTY RECORDS;
THENCE ALONG THE NORTH, WEST AND SOUTH LINES OF SAID PARCEL, THE FOLLOWING THREE (3) COURSES:

1. S 89°46'16" W, A DISTANCE OF 678.73 FEET;
2. S 00°19'26" W, A DISTANCE OF 600.54 FEET;
3. S 89°29'06" E, A DISTANCE OF 515.85 FEET TO A POINT ON THE WEST LINE OF SAID BURLINGTON NORTHERN SANTA FE RAILROAD RIGHT OF WAY;

THENCE S 15°17'57" W, ALONG SAID WEST LINE, A DISTANCE OF 547.53 FEET TO A POINT ON THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 33; THENCE N 00°02'14" W, ALONG SAID EAST LINE, A DISTANCE OF 226.55 FEET TO A POINT ON THE WEST LINE OF SAID BURLINGTON NORTHERN SANTA FE RAILROAD RIGHT-OF-WAY;
THENCE S 15°19'54" W, ALONG SAID WEST LINE, A DISTANCE OF 789.53 FEET TO A POINT ON THE SOUTH LINE OF THE NORTH HALF OF SAID SECTION 33;
THENCE N 89°35'18" W, ALONG SAID SOUTH LINE, A DISTANCE OF 5123.28 FEET TO THE EAST QUARTER CORNER OF SAID SECTION 32, ALSO BEING THE NORTHEAST CORNER OF KEENE RANCH FILING NO. 1, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 9523375, SAID DOUGLAS COUNTY RECORDS;
THENCE S 89°21'58" W, ALONG THE NORTH LINE OF SAID KEENE RANCH FILING NO. 1 AND ALONG THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 32, A DISTANCE OF 2414.68 FEET TO THE SOUTHEAST CORNER OF THAT PARCEL OF LAND DESCRIBED IN THAT DEED RECORDED AT RECEPTION NO. 2004051359, SAID DOUGLAS COUNTY RECORDS; THENCE ALONG THE EAST AND NORTH LINES OF SAID PARCEL OF LAND, THE FOLLOWING TWO (2) COURSES:

1. N 00°19'46" W, A DISTANCE OF 208.73 FEET TO THE NORTHEAST CORNER OF SAID DEED;
2. S 89°21'58" W, A DISTANCE OF 208.73 FEET TO A POINT ON THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 32, ALSO BEING A POINT ON THE EAST LINE OF SAID KEENE RANCH FILING NO. 1;

THENCE N 00°19'46 W, ALONG THE EAST LINE OF SAID KEENE RANCH FILING NO. 1, ALONG THE EAST LINE OF KEENE RANCH FILING NO. 2, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 9639479, SAID DOUGLAS COUNTY RECORDS, AND ALONG THE WEST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 32, A DISTANCE OF 2505.72 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 32;
THENCE N 00°39'34" W, ALONG THE EAST LINE OF SAID KEENE RANCH FILING NO. 2 AND ALONG THE WEST LINE OF THE EAST HALF OF SAID SECTION 29, A DISTANCE OF 5308.62 FEET TO THE NORTH QUARTER CORNER OF SAID SECTION 29, BEING THE NORTHEAST CORNER OF SAID KEENE RANCH FILING NO. 2 PLAT, AND THE SOUTHWEST CORNER OF CASTLE MESA SOUTH, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 145078, SAID DOUGLAS COUNTY RECORDS;
THENCE S 89°02'42" E, ALONG THE NORTH LINE OF THE EAST HALF OF SAID SECTION 29 AND ALONG THE SOUTH LINE OF SAID CASTLE MESA SOUTH SUBDIVISION, A DISTANCE OF 2661.01 FEET TO THE SOUTHEAST CORNER OF SAID CASTLE MESA SOUTH SUBDIVISION, BEING THE SOUTHWEST CORNER OF SAID SECTION 21;
THENCE N 00°02'04" W, ALONG THE EAST LINE OF SAID CASTLE MESA SOUTH SUBDIVISION AND ALONG THE WEST LINE OF THE SOUTH HALF OF THE SOUTH HALF OF SAID SECTION 21, A DISTANCE OF 1322.70 FEET TO THE SOUTH 1/16TH CORNER OF SAID SECTIONS 20 & 21, BEING THE SOUTHWEST CORNER OF SAID TWIN OAKS SUBDIVISION;

THENCE S 89°55'56" E, ALONG THE SOUTH LINE OF SAID TWIN OAKS SUBDIVISION AND ALONG THE NORTH LINE OF THE SOUTH HALF OF THE SOUTH HALF OF SAID SECTION 21, A DISTANCE OF 5286.17 FEET TO THE POINT OF BEGINNING.

LESS AND EXCEPT THE FOLLOWING TWO (2) PARCELS OF LAND;

TWO (2) PARCELS OF LAND, AS DESCRIBED IN SAID DEED RECORDED AT RECEPTION NO. 2004051359, SAID DOUGLAS COUNTY RECORDS, BEING A PORTION OF THE SOUTH HALF OF SECTION 28, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

THE BEARINGS FOR THESE EXCEPTION PARCELS ARE BASED ON THE SOUTH LINE OF SECTION 28, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH P.M., BEING ASSUMED TO BEAR S89°47'47"E, FROM THE SOUTHWEST CORNER OF SAID SECTION 28, BEING MONUMENTED BY A 1" PIPE WITH A 2-1/2" ALUMINUM CAP STAMPED "LS 6935" TO THE SOUTHEAST CORNER OF SAID SECTIONS 28, BEING MONUMENTED BY #6 REBAR WITH A 2-1/2" ALUMINUM CAP, STAMPED "LS 6935", WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO.

COMMENCING AT THE SOUTHWEST CORNER OF SAID SECTION 28, THENCE N 65°29'17" E, A DISTANCE OF 1262.53 FEET TO THE POINT OF BEGINNING;
THENCE N 00°45'02" W, A DISTANCE OF 208.73 FEET;
THENCE S 89°47'38" E, A DISTANCE OF 208.73 FEET;
THENCE S 00°45'02" E, A DISTANCE OF 208.73 FEET;
THENCE N 89°47'38" W, A DISTANCE OF 208.73 FEET TO THE POINT OF BEGINNING;

ALSO EXCEPTING THE FOLLOWING PARCEL

COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 28, THENCE N 40°06'49" E, A DISTANCE OF 1765.27 FEET TO THE POINT OF BEGINNING;
THENCE N 89°47'47" W, A DISTANCE OF 208.73 FEET;
THENCE N 00°45'11" W, A DISTANCE OF 208.73 FEET;
THENCE S 89°47'47" E, A DISTANCE OF 208.73 FEET;
THENCE S 00°45'11" E, A DISTANCE OF 208.73 FEET TO THE POINT OF BEGINNING;

CONTAINING A NET AREA OF 81,902,811 SQUARE FEET OR 1,880.230 ACRES, MORE OR LESS.

PARCEL 2:

COMMENCING AT THE SOUTH 1/16TH CORNER OF SAID SECTIONS 21 & 22, ALSO BEING A POINT ON THE SOUTH LINE OF TWIN OAKS, A SUBDIVISION PLAT RECORDED AT RECEPTION NO. 161972, IN THE RECORDS OF THE DOUGLAS COUNTY CLERK AND RECORDER'S OFFICE;
THENCE N 53°44'53" E, A DISTANCE OF 1331.13 FEET TO A POINT ON THE EAST LINE OF SAID TWIN OAKS PLAT AND A POINT ON THE NORTH LINE OF THE TERRITORIAL ROAD RIGHT-OF-WAY, AS DEDICATED BY THAT DEED RECORDED AT RECEPTION NO. 8816440, SAID DOUGLAS COUNTY RECORDS AND THE POINT OF BEGINNING;
THENCE ALONG THE EAST LINE OF SAID TWIN OAKS PLAT, THE FOLLOWING THREE (3) COURSES:

1. N 17°17'13" E, A DISTANCE OF 557.93 FEET;

2. S 89°27'27" E, A DISTANCE OF 65.00 FEET;
3. N 00°22'15" W, A DISTANCE OF 1329.37 FEET TO THE SOUTHWEST CORNER OF LOT 3, SAID TWIN OAKS PLAT;

THENCE N 03°03'12" W, ALONG THE WEST LINE OF SAID LOT 3, A DISTANCE OF 567.45 FEET TO THE NORTHWEST CORNER OF SAID LOT 3, BEING A POINT OF CURVATURE ON THE SOUTH LINE OF THE BRISCOE LANE RIGHT-OF-WAY, AS DEDICATED BE SAID TWIN OAKS PLAT;
THENCE ALONG THE PORTIONS OF BRISCOE LANE VACATED BY ORDINANCE NO. 86-24, RECORDED IN BOOK 680 AT PAGE 920, SAID DOUGLAS COUNTY RECORDS THE FOLLOWING TWO (2) COURSES:

1. N 39°55'38" W, A DISTANCE OF 30.00 FEET TO A POINT OF NON-TANGENT CURVATURE;
2. ALONG THE ARC OF A NON-TANGENT CURVE TO THE RIGHT HAVING A RADIUS OF 329.30 FEET, A CENTRAL ANGLE OF 27°16'16" AND AN ARC LENGTH OF 156.74 FEET, SUBTENDED BY A CHORD OF WHICH BEARS N 63°42'30" E, A DISTANCE OF 155.26 FEET;

THENCE N 12°39'22" W, ALONG THE WEST LINE OF LOT 4, SAID TWIN OAKS PLAT, A DISTANCE OF 687.67 FEET TO THE NORTHWEST CORNER OF SAID LOT 4 ALSO BEING THE WEST 1/16TH CORNER OF SAID SECTIONS 15 & 22;
THENCE S 89°31'22" E, ALONG THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 15, A DISTANCE OF 890.07 FEET TO THE SOUTHWEST CORNER OF THAT PARCEL OF LAND DESCRIBED AS PARCEL E IN THAT DEED RECORDED AT RECEPTION NO. 2019088324, SAID DOUGLAS COUNTY RECORDS;
THENCE ALONG THE WEST AND NORTH LINES OF PARCELS E, F & G THE FOLLOWING FOUR (4) COURSES:

1. N 00°11'34" E, A DISTANCE OF 900.14 FEET;
2. S 89°48'26" E, ALONG THE NORTH LINES OF PARCELS E AND F, A DISTANCE OF 1014.77 FEET TO THE SOUTHWEST CORNER OF THAT PARCEL OF LAND DESCRIBED AS PARCEL G;
3. N 00°11'34" E, A DISTANCE OF 842.72 FEET;
4. S 89°48'26" E, A DISTANCE OF 928.55 FEET TO A POINT ON THE WEST LINE OF THE BURLINGTON NORTHERN SANTA FE RAILROAD RIGHT OF WAY AND A POINT OF NON-TANGENT CURVATURE;

THENCE ALONG THE WEST LINE OF SAID BURLINGTON NORTHERN SANTA FE RAILROAD RIGHT-OF-WAY THE FOLLOWING TWO (2) COURSES:

1. ALONG THE ARC OF A NON-TANGENT CURVE TO THE LEFT HAVING A RADIUS OF 5779.58 FEET, A CENTRAL ANGLE OF 05°35'04" AND AN ARC LENGTH OF 563.33 FEET, SUBTENDED BY A CHORD OF WHICH BEARS S 18°04'54" W, A DISTANCE OF 563.11 FEET;
2. S 15°17'57" W, A DISTANCE OF 4536.04 FEET TO A POINT ON THE NORTH LINE OF SAID TERRITORIAL ROAD RIGHT-OF-WAY;

THENCE S 89°40'41" W, ALONG SAID NORTH LINE, A DISTANCE OF 1628.83 FEET TO THE POINT OF BEGINNING.

CONTAINING AN AREA OF 7,993,235 SQUARE FEET OR 183.499 ACRES, MORE OR LESS.

OVERALL DAWSON RIDGE PROJECT PERIMETER DESCRIPTION CONTAINS AN AREA OF 89,896,046 SQUARE FEET OR 2,063.729 ACRES, MORE OR LESS.

EXHIBIT 2

Dawson Trails Water Efficiency Program

WEP21-0003

Version 1.6
Last Update: July 18, 2022

Prepared for:	Prepared by:
Town of Castle Rock c/o Castle Rock Water 175 Kellogg Court Castle Rock, CO 80109 Phone: (720) 733-6000 Email: water@crgov.com	AquaSan Network, Inc. c/o Kaleb Zanett 45 Mule Deer Trail Littleton, CO 80127 Phone: (303) 437-4063 Email: kaleb@aquasan.biz Developer/Owner: Dawson Trails I LLC & Dawson Trails II LLC 4100 E. Mississippi Avenue Suite 500 Denver, CO 80246 Phone: (303) 984-9800 Email: ljacobson@westsideinv.com

Outline

- Terms and Abbreviations
- Introduction
- Design Criteria
- Resident Education
- Verification
- References

Attachments

- Exhibit A – Dawson Trails PDP
- Exhibit B – Inspection Sheet: Domestic Usage
- Exhibit C – Inspection Sheet: Irrigation Usage
- Exhibit D1 – Dawson Trails Water Consumption Analysis Summary
- Exhibit D2 – Dawson Trails Water Consumption Analysis

Terms and Abbreviations

- Acre-Feet: AF
- Advanced Metering Infrastructure: AMI
- British Thermal Unit: Btu
- Consortium for Energy Efficiency: CEE
- Dwelling Unit: DU
- Evapotranspiration: ET
- Gallons per flush: GPF
- Gallons per minute: GPM
- Part per Million: PPM
- Pounds per Square Inch: PSI
- Single Family Detached: SFD
- Single Family Equivalent: SFE
- Square Feet: SF
- Water Factor: WF

AQUASAN network

Introduction

Executive Summary

Dawson Trails I LLC and Dawson Trails II LLC (Dawson) are developing the Dawson Trails property (Project) located approximately three miles south by southwest of downtown Castle Rock (Town). The Project will provide the Town and its expanding and diversifying population with single family and multifamily housing, retail, primary employment, office, commercial, and community spaces (including parks and trails) that foster the efficient and responsible uses of water resources. In support of these efforts, Dawson partnered with AquaSan Network, Inc. (AquaSan) and Norris Design (Norris) to establish the Dawson Trails Water Efficiency Program (DTWEP) that provides for efficacious utilization of the current water assets associated with the Project, while also ensuring that all new development constructed at the Project meets or exceeds the requirements as outlined in the Town's Water Efficiency Plan (WEP) and the Town's Landscape and Irrigation Criteria Manual (Landscape Manual). The DTWEP will meet, and in some instances exceed, the Town's WEP and Landscape Manual by implementing efficacious conservation practices to reduce water demands throughout the Project in a manner that is acceptable to the Town as well as the housing and commercial industries. The DTWEP as outlined below will be a constituent of the codes, covenants, and restrictions of the Project unless otherwise approved by Dawson and the Town. The DTWEP standards will be verified using the DTWEP *Inspection Sheets for Domestic and Irrigation Usage* provided in Exhibits B and C respectively.

Project Description

1. Development Plan: per PDP in Exhibit A
2. Buildout: Tables 1A-1C

Table 1A: Dawson Trails Residential Buildout

Type	Units
Multifamily	2,323
Single Family, Townhome, Duplex Units	3,527
Total	**5,850**

Table 1B: Dawson Trails Nonresidential Buildout

Type	Square Footage (SF)
Retail (Grocery, Mercantile, Restaurant, Lodging)	900,000
Office	800,000
Flex Space (Office, Light Industrial)	1,500,000
Total	**3,200,000**

AQUASAN network

Table 1C: Dawson Trails Irrigated Area Buildout

Type	Area (SF)	Area (Acres)
Individual Residential Lots	4,917,924	112.90
Residential Neighborhoods	7,568,986	173.76
Multifamily	500,940	11.50
Commerce Areas	1,276,744	29.31
Neighborhood Parks and Open Space	8,311,248	190.80
Public Land Dedication Areas	7,383,420	169.50
Right of Way Areas	1,947,132	44.70
Total	**31,906,393**	**732.47**

AQUASAN network

Design Guidelines

In the event that a) the Town adjusts the Design Guidelines of the DTWEP that results in a decrease in water usage; b) Dawson or a builder chooses to exceed the standards in the Design Guidelines of the DTWEP and can submit sufficient data (as reviewed and approved by the Town) demonstrating a decreased water usage than what is currently allocated by the DTWEP; or c) the Town or State statutes are amended regarding water use and reuses that results in a decrease in water usage as budgeted in the DTWEP, the SFE calculation may be adjusted lower based on the new water usage of the development.

Single Family: including but not limited to single family detached, duplex (single family attached on separate lots), and individually owned townhomes

Required Indoor Water Efficiency

1. Service Static Pressure
    a. Limited to 60 PSI at the fixture's point of service.
2. Water Closets
    a. Tank: WaterSense labeled, maximum 0.80 GPF – or – dual flush, maximum 0.80 GPF.
3. Kitchen Faucets
    a. WaterSense labeled, maximum 1.50 GPM.
4. Bathroom Faucets
    a. WaterSense labeled, maximum 1.20 GPM.
5. Showerheads
    a. Only one showerhead per enclosure.
    b. WaterSense labeled, maximum 1.50 GPM.
6. Clothes Washers
    a. Energy Star Labeled, maximum 5.4 gallons/cycle/cubic foot (WF of 5.4 or less; WF = total consumption per cycle/capacity).
7. Dishwashers
    a. Energy Star labeled, maximum 3.5 gallons/cycle (WF of 3.5 or less).

Required Outdoor Water Efficiency

1. Landscape Design
    a. Single Family designs shall meet or exceed the guidelines in the Landscape Manual. Refer to Section 4 (General Requirements) and Section 6 (Single Family and Two-Family Residential) for specific requirements. Additional requirements to the Landscape Manual shall include:
        i. All residential front and rear yards will be designed and installed by the builder.
        ii. The following requirements shall apply to all residential landscapes:
            1. Turf types shall not include Kentucky Bluegrass varieties. Allowable turf type shall include turf species that can survive on 19" or less of supplemental irrigation per year. Allowable turf species shall be approved by the Town and can be found in Appendix B in the Landscape Manual.
            2. Turf areas shall be limited to only back yards and shall not exceed 500 SF.
            3. In lieu of irrigated landscape, artificial landscape may be used.
            4. 100% ColoradoScape landscapes are required for front and side yards and encouraged for back yards. Front and side yards are defined as any landscape areas installed in front of the fence or visible from the street. Backyards are defined as the areas behind the fence. ColoradoScape landscapes must provide a minimum coverage of plant materials of 75% at

5-year maturity in front yards and side yards when adjacent to streets. Rear yards shall have a minimum of 40% plant coverage at 5-year maturity. The remainder of yard coverage can be composed of mulches, aggregate surfacing, artificial turfs, or hardscape. Soil Amendment as defined in the Landscape Manual is required in all landscape areas per the Landscape Manual. Plant materials classified as Low and Very low Hydrozones are required.

5. All Plant Hydrozones will be taken from the Town's Plant List available at www.crgov.com.
6. Builders will provide specifics for the number of plant types and master typical landscape design for their lots.
7. Outdoor water features are not allowed.

2. Irrigation Design
   a. Residential irrigation designs shall follow the Landscape Manual. Refer to Section 4 (General Requirements) and Section 6 (Single Family and Two-Family Residential) for specific requirements. Additional requirements shall include:
      i. Controllers: Wi-Fi enabled automatic irrigation system controllers shall be Town approved and WaterSense labeled weather based (ET) or soil-moisture based, that automatically adjust irrigation in response to changes in plants' needs as weather or soil moisture conditions change.
         1. Weather-based (ET) controllers without integral rain sensors shall have a separate wired or wireless rain sensor. Rain sensor must not be bypassed and must remain fully operational.
         2. Controllers must have the ability to be programmed for every third day watering schedule.
      ii. Sprinkler Heads: Pop-up or rotor heads that utilize high efficiently spray nozzles designed with head-to-head coverage. This may include conventional rotors, stream rotators or high efficiency pop-up spray nozzles and must not exceed 1.25" per hour. The distribution uniformity must be verified by third-party tests.
         1. Minimum pop-up height must = 6".
         2. Sprinkler bodies shall have built in pressure regulating stems to match the manufacturer's associated nozzle requirements and check valves.
         3. Maximum spacing for the sprinkler heads to be head-to-head at 90% of maximum spray radius.
         4. A combination of pop-up sprays on turf areas of 25' or less and short to medium range rotors in areas greater than 25'.
         5. Traditional fixed and traditional variable arc spray nozzles are not allowed.
         6. Pop-up spray nozzles cannot be zoned together with multi-trajectory rotating stream nozzles or traditional rotor heads.
         7. Overhead irrigation shall not spray water directly on buildings or hardscape areas and are prohibited on landscape areas having any dimensions less than 10 feet in width/length.
         8. Irrigation is not allowed in areas less than 4 feet in width unless approved on the Site Development Plan or in an approved urban area.
      iii. Drip Irrigation
         1. Drip irrigation shall be point source or sub-surface drip irrigation for all trees, shrubs, perennials, and annual beds.
         2. Drip emitters and subsurface drip shall be equipped with pressure compensating emitters and internal check valves at each emitter.
         3. Filtration shall be at the control valve assembly (min. 200 mesh).

AQUASAN network

Additional Water Efficiencies: must achieve minimum of seven (7) points in total.
In addition to the required Design Guidelines detailed above, single family homes at Dawson will need to achieve a total of seven points towards optional water efficiencies. These optional efficiencies will be recorded in the *Inspection Sheet – Domestic Usage* (Exhibit B) and builders may select any combination from the following options to achieve this total:

1. Kitchen Faucets
    a. WaterSense labeled, less than 1.50 GPM (1 point per location, maximum of 2 points).
2. Bathroom Faucets
    a. WaterSense labeled, 1.00 GPM or less (1 point per location, maximum of 3 points).
3. Water Recirculation
    a. Installation of continuous whole-home hot water recirculation system with traditional water heater (3 points).
4. Point-of-use tankless electric water heater (1 point per location, maximum of 3 points)
5. Greywater System
    a. System that allows for the collection and re-use of greywater for toilet flushing (3 points).
6. Monitoring and Leak Detection
    a. Wi-Fi enabled monitoring device for leak and flow detection with automatic shutoff (2 points).
7. ColoradoScape: a natural landscape which uses low to very low water (less than ten (10) inches of water per year) with plant material that blends in with the native Town's landscapes. Plant material must be maintained in its natural form, utilizing a combination of hardscape and landscape materials that provide a variety of colors, textures, sizes, shapes, and seasonal interest.
    a. Front Yard and Side Yard (3 points)*
    b. Back Yard (4 points)

    *Required as per the "Single Family Residential Outdoor Water Efficiency" Section 1.a.ii.4. of the DTWEP Design Guidelines.

Multifamily: including but not limited to apartment complex, condominium complex, and rentable townhome-like apartment complex

Required Indoor Water Efficiency

1. Service Static Pressure
    a. Limited to 60 PSI at the fixture's point of service.
2. Water Closets
    a. Tank (Private): WaterSense labeled, maximum 0.80 GPF – or – dual flush, maximum 0.80 GPF.
    b. Flush Valve/Flushometer (Public): WaterSense labeled, maximum 1.00 GPF – or – dual flush, maximum 1.00 GPF.
3. Urinals
    a. WaterSense labeled, maximum 0.125 GPF.
4. Kitchen Faucets
    a. WaterSense labeled, maximum 1.50 GPM.
5. Bathroom Faucets
    a. WaterSense labeled, maximum 1.00 GPM.
6. Showerheads
    a. Only one showerhead per enclosure.
    b. WaterSense labeled, maximum 1.50 GPM.
7. Clothes Washers
    a. Energy Star Labeled, maximum 5.4 gallons/cycle/cubic foot (WF of 5.4 or less; WF = total consumption per cycle/capacity).

8. Dishwashers
    a. Energy Star labeled, less than or equal to 3.5 gallons/cycle (WF of 3.5 or less).
9. Monitoring and Leak Detection
    a. Each unit will be sub-metered. Each unit will be equipped with a Wi-Fi enabled monitoring device for leak and flow detection with automatic shutoff.

Required Outdoor Water Efficiency

1. Landscape Design
    a. Multifamily designs shall meet or exceed the guidelines in the Landscape Manual. Refer to Section 4 (General Requirement) and Section 5 (Multi-Family Residential) for specific requirements. Additional requirements shall include:
        i. Passive use areas may vary in size and turf areas must demonstrate usable programmable spaces.
        ii. Nonfunctional turf areas are not allowed in multifamily designs.
        iii. For passive recreation areas, artificial turf may be used and should be considered as an alternative to traditional turf.
        iv. Outdoor pools and water features lose water to evaporation; therefore, outdoor pools and water features must be covered when not in operation and will be counted towards the total irrigable turf area.

Nonresidential

Required Indoor Water Efficiency for Restrooms, Common Areas, and Amenity Areas

1. Service Static Pressure
    a. Limited to 60 PSI at the fixture's point of service.
2. Water Closets
    a. Tank (Private): WaterSense labeled, maximum 0.80 GPF – or – dual flush, maximum 0.80 GPF.
    b. Flush Valve/Flushometer (Public): WaterSense labeled, maximum 1.00 GPF – or – dual flush, maximum 1.00 GPF.
3. Urinals
    a. WaterSense labeled, maximum 0.125 GPF.
4. Kitchen Faucets
    a. WaterSense labeled, maximum 1.50 GPM.
5. Bathroom Faucets
    a. WaterSense labeled, maximum 1.00 GPM.
6. Showerheads
    a. WaterSense labeled, maximum 1.50 GPM.
7. Clothes Washers
    a. Energy Star labeled.
8. Dishwashers
    a. Restaurant or commercial kitchen: Energy Star labeled.
    b. All other applications: Energy Star labeled, maximum 3.5 gallons/cycle (WF of 3.5 or less).
9. Pre-Rinse Spray Valves
    a. WaterSense labeled, maximum 1.00 GPM with automatic shutoff.
10. Monitoring and Leak Detection
    a. Sub-metering and Wi-Fi enabled monitoring device for leak and flow detection are required for all master-metered multi-unit buildings, as well as the following applications or thresholds:
        i. At the point of connection

ii. All cooling tower uses
iii. Evaporative coolers: >0.6 GPM
iv. Steam and hot-water boilers: >500,000 Btu/hour
v. Any large water using process: >1,000 gallons/day

11. Other
    a. Hotels must offer a towel and linen reuse program.
    b. Pools are covered when not in operation and will be counted towards total irrigable area.
    c. Ice Machines
        i. Energy Star labeled and air cooled.
    d. Steam Cookers
        i. Energy Star labeled and air cooled.
    e. Dipper Wells
        i. In-line flow restrictor, maximum 0.30 GPM.
    f. Freezers
        i. Energy Star labeled and air cooled.
12. Cooling
    a. Must operate at > 6 cycles of concentrations and be operated by a conductivity controller – or – utilization of adiabatic cooling.

Required Outdoor Water Efficiency

1. Landscape Design
    a. Commercial designs shall meet or exceed the guidelines in the Landscape Manual. Refer to Section 4 (General Requirements) and Section 7 (Non-Residential Properties) for specific requirements.
    b. No turf is allowed in nonresidential landscaped areas.

Streetscape, Rights of Way, and Tracts along Rights of Way

Required Outdoor Water Efficiency

1. Landscape Design
    a. Streetscape, rights of way and tracts along rights of way designs shall meet or exceed the guidelines in the Landscape Manual. Refer to Section 4 (General Requirements) and Section 9 (Streetscape, Rights of Way, and Tracts along Rights of Way) for specific requirements.

Common Areas, Parks, and Sports Fields

Required Outdoor Water Efficiency

1. Landscape Design
    a. Common Areas, parks, and sports fields designs shall meet or exceed the guidelines in the Landscape Manual. Refer to Section 4 (General Requirements) and Section 10 (Parks and Sport Fields) for specific requirements.

AQUASAN network

Resident Education

1. Each builder shall create educational materials to be provided to residents and tenants through a "Water Efficiency Education Packet" (Packet). The Packet will be approved by the Town and will contain the following information:
    a. Indoor
        i. Water fixture requirements.
        ii. Hot water circulation programming.
        iii. Flow monitoring and automatic shutoff valve location and programming (if applicable).
    b. Outdoor
        i. Smart irrigation controller and shutoff valve location and programming to include water schedule.
        ii. Irrigation system requirements including but not limited to: sprinkler heads, nozzles, rain sensors, flow sensors, master valves, and smart controllers.
        iii. Winterization preparation.
        iv. Care and operation of irrigation system and plant material.
        v. Soil preparation appropriate for existing conditions and selected plant materials.
        vi. Expected plant material watering needs
    c. Other
        i. Water budget rate structure.

2. Residents and tenants shall be provided the opportunity to attend seasonal education by the Town for spring, summer, fall, and winter maintenance, care and waterwise conservation. This shall include presentations supplemented by written materials.

3. Each builder will install a permanent placard at the sprinkler controller and water meter of each domestic and irrigation point of connection stating: "This property has been designed and constructed to meet a Water Efficiency Plan approved by the Town of Castle Rock. This Smart Meter and the corresponding water budget is part of the Water Efficiency Plan specifically designed for this property. Any changes to the installed fixtures and/or landscaping may adversely affect your water bill. For more information, contact Castle Rock Water: (720) 733-6000 or crgov.com/water." A drawing and specification of the placard will be located in the "Water Efficiency Education Packet."

AQUASAN network

Verification

1. The DTWEP requires each completed residential unit, commercial space, landscape, and irrigation system be inspected by Castle Rock Water. Castle Rock Water shall certify that all residential units, commercial spaces, landscapes, and irrigation systems are being constructed in compliance with the standards outlined in the DTWEP. Castle Rock Water must verify that the number of fixtures match the Water Fixture Unit Calculation submitted and approved with the building permit, as well as the outdoor turf type.

2. Indoor Water Efficiency Standards
    a. As part of the building permit application, builders will be required to submit detailed information regarding the specific high-efficiency fixtures and appliances being installed to verify that they meet or exceed the standards outlined in the DTWEP. A sample verification *Inspection Sheet – Domestic Usage* is provided in Exhibit B.

3. Outdoor Water Efficiency Standards
    a. In accordance with the irrigation standards outlined in the DTWEP, a landscape and irrigation plan must be completed for all irrigable area. Each submittal to the Town will be compared to the Design Guidelines to ensure compliance with the DTWEP. Each submittal will be compared to the irrigated turf and outdoor water budget restrictions to ensure compliance with the minimum stated standards. The submittal shall include the name of the Town-registered landscape and irrigation contractors. A sample verification *Inspection Sheet – Irrigation Usage* is provided in Exhibit C.

4. Inspections
    a. The inspection and certification process has been developed by the Town and the inspectors will be specifically trained to assess compliance with the applicable water efficiency standards. Third party inspection and certification for indoor DTWEP requirements, paid for by the builder, must be provided to the Town prior to the issuance of a Certificate of Occupancy. Outdoor DTWEP requirements will be inspected by Castle Rock Water, prior to Certificate of Occupancy. If a residential Certificate of Occupancy is requested without outdoor inspection and certification due to the time of year, the builder is required to install landscape and irrigation, and schedule an outdoor inspection with Castle Rock Water within 180 days from the Certificate of Occupancy date.
    b. Any deficiencies must be corrected within 30 days following inspection.
    c. Failure to satisfactorily complete any inspection item before issuance of Certificate of Occupancy (except as set forth in (a) and (b) above) will result in recalculating the system development fees without the DTWEP and adjustments made to the water bank.
    d. Except as set forth in (a) above, neither Dawson nor builders shall be responsible for changes or non-compliance arising after issuance of Certificate of Occupancy as a result of action or inaction by the applicable homeowner.
    e. Outdoor inspections will be completed weather permitting.

5. Castle Rock Water will monitor water usage and enforcement per its policies.

AQUASAN network

Monitoring and Enforcement

1. Individual customer accounts at the Project will receive a custom water budget rate structure (prepared and administered by the Town) where the indoor budget is based on the actual indoor consumption as determined by the average winter monthly consumption (AWMC), and the outdoor budget is based on the plant type/Hydrozones and the actual irrigated area as identified in the approved landscape and irrigation design. The customer water budget rate structure will be used as a tool for monitoring compliance with the DTWEP and reduced water demands. A tiered approach will continue to be used to financially incentivize customers to manage water use within the unit's water budget, and to charge a higher tier for excessive water use. Neither Dawson nor builders shall be responsible for monitoring or enforcement.

2. The Town shall reserve the right to adjust the water budget rate structure consistent with changes to the Town Municipal Code. The Town shall reserve the right to adjust the water budget allocation based on new technology and scientific data consistent with revisions to the Town Municipal Code. The Town's surcharge tier may be adjusted consistent with intent of this reduced water usage development and may be modified by the Town Municipal Code.

3. The water budget rate structure will initially be based as follows:
    a. Tier 1 – Indoor Use.
    b. Tier 2 – Outdoor Use. Amount of water required to meet outdoor demands. The outdoor water budget for each building will be customized according to the lot size and the specific landscape and irrigation plan, based on the actual irrigated area and monthly plant material water needs.
    c. Tier 3 – Excessive Use. Amount of water used in excess of indoor and outdoor water budget. Customers whose water use falls in this tier will be charged a higher rate for excessive water use.
    d. Tier 4 – Surcharge. The water conservation measure adopted by the Town council assesses an additional charge to each 1,000 gallons used over 40,000 gallons by customers. This tier only applies to residential accounts.

AQUASAN network

References

Product Resources

1. Examples of WaterSense Approved Fixtures: https://www.epa.gov/watersense/product-search
2. Examples of ENERGY STAR Approved Appliances: https://www.energystar.gov/productfinder/
3. Examples of CEE Approved Appliances: https://library.cee1.org/content/qualifying-product-lists-residential-clothes-washers
4. Hot Water Recirculation Solutions: https://www.uponor-usa.com/en/residential-solutions/uponor-logic

Literature

1. Town of Castle Rock Minimum Standards for Water Efficiency Plans. July 2021.
2. Town of Castle Rock Landscape and Irrigation Criteria Manual. April 2021.

DAWSON TRAILS

PLANNED DEVELOPMENT PLAN AND ZONING REGULATIONS

(AN AMENDMENT TO THE DAWSON RIDGE PRELIMINARY P.U.D SITE PLAN AND A PORTION OF THE WESTFIELD TRADE CENTER PRELIMINARY P.U.D. SITE PLAN)

TWO PARCELS OF LAND BEING ALL OF SECTION 26 AND PORTIONS OF SECTIONS 15, 21, 22, 27, 28, 32, 33 & 34, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, TOWN OF CASTLE ROCK, COUNTY OF DOUGLAS, STATE OF COLORADO

OPEN SPACE AND PUBLIC LAND SUMMARY

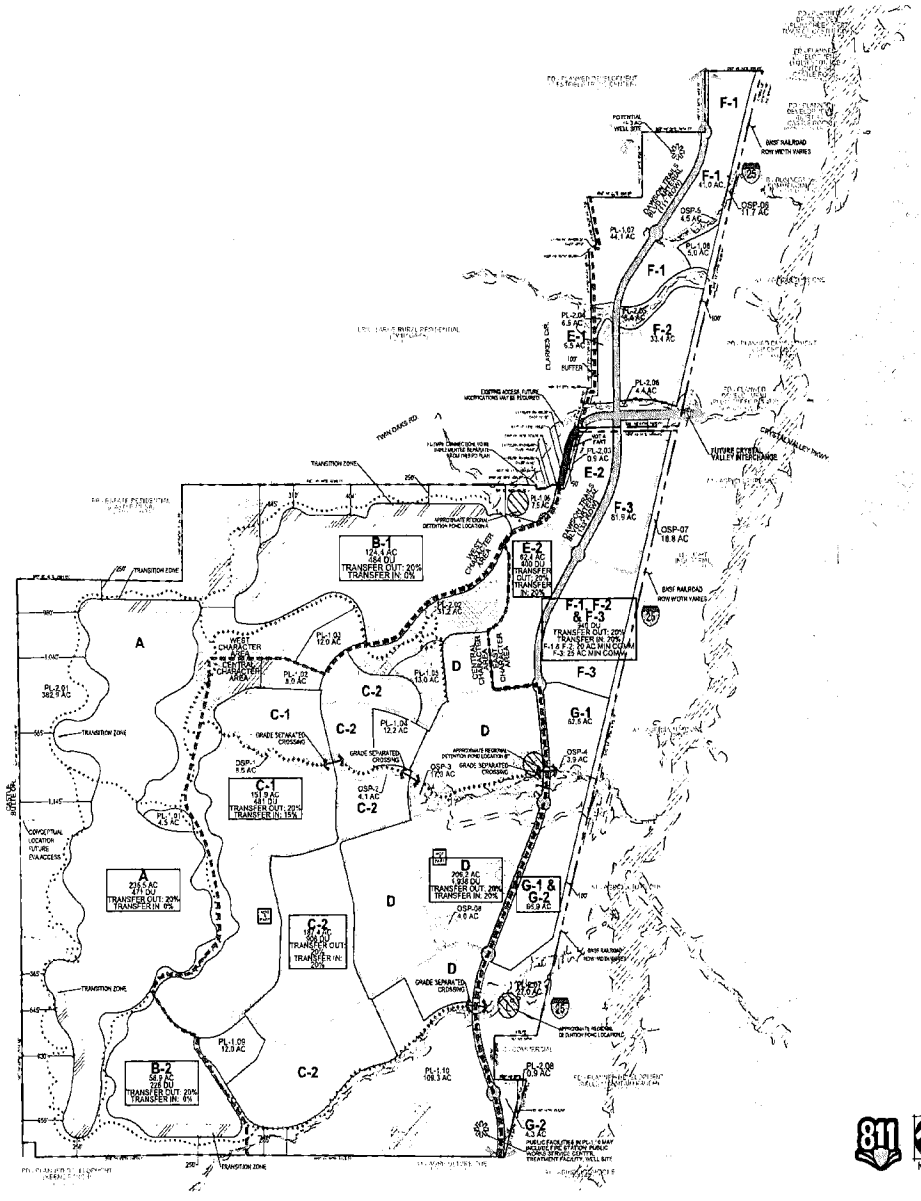
	ACREAGE	% OF TOTAL
PUBLIC LAND		
PL-1 (DEDICATED TO TOWN)	227.6	11.8%
OPEN SPACE		
PL-2 (DEDICATED TO TOWN)	462.2	23.4%
OSP (PRIVATE)	70.8	3.6%
SUBTOTAL	533.2	27.1%
FUTURE OPEN SPACE (1)	215.0	10.9%
OPEN SPACE TOTAL	748.0	38.2%
OPEN SPACE AND PUBLIC LAND TOTAL	975.6	47.3%

NOTE: (1) FUTURE OPEN SPACE DESIGNATION (PL-1, PL-2, OSP) TO BE DETERMINED AT TIME OF PLAT

LEGEND

- PROPERTY BOUNDARY
- PLANNING AREA BOUNDARY
- CHARACTER AREA BOUNDARY
- MAJOR DRAINAGEWAY
- TRANSITION ZONE
- MODERATE SKYLINE
- MINOR SKYLINE
- 100 YEAR FLOODPLAIN (TOWN OF CASTLE ROCK)
- PROPOSED ARTERIAL RIGHT OF WAY
- FUTURE COLLECTOR RIGHT OF WAY
- 5' NATURAL SURFACE TRAIL
- 10' HARD SURFACE TRAIL
- 100 YEAR FLOODPLAIN (FEMA)

CHECKED BY: MB, SW
DRAWN BY: DJ, JR



811

DAWSON TRAILS PLANNED DEVELOPMENT PLAN | PROJECT NO. PDP21-0001

PLANNER/LANDSCAPE ARCHITECT
NORRIS DESIGN

APPLICANT:
WESTSIDE INVESTMENT PARTNERS
4100 E. MISSISSIPPI AVE
SUITE 500
DENVER, CO 80246
303-984-9850

ENGINEER & SURVEYOR:
CORE
CORE CONSULTANTS
3473 S. BROADWAY
ENGLEWOOD, CO 80113
303-703-5960

DAWSON TRAILS

DAWSON TRAILS
PLANNED DEVELOPMENT PLAN AND ZONING REGULATIONS
(AN AMENDMENT TO THE DAWSON RIDGE PRELIMINARY P.U.D SITE PLAN AND A PORTION OF THE WESTFIELD TRADE CENTER PRELIMINARY P.U.D. SITE PLAN)

DATE:
PDP-01 07/09/2021
PDP-02 12/03/2021
PDP-03 04/13/2022
PDP-04 05/27/2022
PDP-05 06/09/2022

SHEET TITLE:
OVERALL PD PLAN

SHEET
3 OF 18

Exhibit B to Dawson Trails Water Efficiency Program
Inspection Sheet – Domestic Usage and Additional Efficiencies
WEP21-0003

Permit Number: _____

Date:_____
Lot Number / Building Address:_____
Building Type (circle one): Single Family Duplex Townhome Multifamily Nonresidential Mixed-Use

Based on the building type selected, please fill out the following Table 1:

Table 1: Buildout

Multifamily (including but not limited to apartment complex, condominium complex, and rentable townhome-like apartment complex)	
Type	**Number of Units**
Studio	_____
1-Bedroom	_____
2-Bedroom	_____
3-Bedroom	_____
4-Bedroom	_____
5-Bedroom	_____
Total	_____
Single Family (including but not limited to single family detached, duplex (single family attached on separate lots), and individually owned townhomes)	
Type	**Number of Units**
Studio	_____
1-Bedroom	_____
2-Bedroom	_____
3-Bedroom	_____
4-Bedroom	_____
5-Bedroom	_____
Total	_____
Nonresidential and/or Mixed Use	
Type	**Square Footage**
Retail (Grocery)	_____
Retail (Mercantile)	_____
Retail (Restaurant)	_____
Retail (Lodging)	_____
Office	_____
Flex Space (Light Industrial)	_____
Total	_____

Domestic Water Meter Size (in):_____

Please fill out the following information in Table 2. All fixtures, appliances, and management practices must comply with the Design Guidelines detailed in the Dawson Trails Water Efficiency Program. The Inspection Sheet may be modified as deemed appropriate.

AQUASAN network

Permit Number: _____ Address: _____

Table 2: Indoor Water Fixtures and Appliances Verification Sheet

Fixture Type	Number of Fixtures	Water Metrics	Make/Model	Count	Optional Efficiency Points (for Single Family)
Water Closet (Tank – Private)	Type 1: _____ Type 2: _____	GPF: _____ GPF: _____	_____/_____ _____/_____	_____ _____	
Water Closet (Flush – Public)	Type 1: _____ Type 2: _____	GPF: _____ GPF: _____	_____/_____ _____/_____	_____ _____	
Urinal (Public)	Type 1: _____ Type 2: _____	GPF: _____ GPF: _____	_____/_____ _____/_____	_____ _____	
Sink Faucet (Lavatory)	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	_____/_____ _____/_____	_____ _____	_____
Showerhead	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	_____/_____ _____/_____	_____ _____	
Bathtub Faucet	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	_____/_____ _____/_____	_____ _____	
Sink Faucet (Kitchen)	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	_____/_____ _____/_____	_____ _____	_____
Dishwasher	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	_____/_____ _____/_____	_____ _____	
Sink Faucet (Laundry)	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	_____/_____ _____/_____	_____ _____	
Clothes Washer	Type 1: _____ Type 2: _____	WF: _____ WF: _____	_____/_____ _____/_____	_____ _____	
Sink Faucet (Utility, Service or Mop)	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	_____/_____ _____/_____	_____ _____	
Pre-Rinse Spray Valve	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	_____/_____ _____/_____	_____ _____	
Dipper Well	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	_____/_____ _____/_____	_____ _____	
Hose Bibb	Type 1: _____ Type 2: _____	GPM: _____ GPM: _____	_____/_____ _____/_____	_____ _____	
Other	Continuous Hot Water Recirculation Unit/Program	Yes/No/NA (circle one)	_____/_____	_____	_____
	Flow Monitoring/Leak Detection System with Automatic Shutoff	Yes/No/NA	_____/_____	_____	_____
	Point of Use Tankless Electric Water Heater	Yes/No/NA	_____/_____	_____	_____
	Placard Installation (x2)	Yes/No/NA			
	Towel and Linen Reuse Program	Yes/No/NA			
	Pool Cover and Size	Yes/No/NA Size: _____			
	Steam Cooker Ice Machine Freezer	Energy Star: Yes/No/NA Energy Star: Yes/No/NA Energy Star: Yes/No/NA	_____/_____ _____/_____ _____/_____	_____ _____	
	Cooling System >6 Cycles of Concentration or Adiabatic	Yes/No/NA			
Single Family Irrigation	ColoradoScape	Front & Side Yard: 3 points* Back Yard: 4 points Total Yard: 7 points *Required per DTWEP			_____
		Point Total for Single Family (must be >=7)			_____

Developer Initials:_____

AQUASAN network

Certification Statement

I hereby certify that, to the best of my knowledge, the provided information is complete, true, and accurate. I understand that misrepresentation or falsification of any information provided on this sheet, whenever, discovered, may prohibit me from completing or performing work related to the Dawson Trails development in Castle Rock, CO.

Printed Contact Name:_____ Inspector Name:_____
Contact Signature:_____ Inspection Date:_____
Company:_____
Date:_____

Exhibit C to Dawson Trails Water Efficiency Program
Inspection Sheet – Irrigation Usage
WEP21-0003

Permit Number: _____

Date:_____
Lot Number / Building Address:_____
Irrigation Type(s): _____
Total Square Feet of Irrigation (by type):_____
Irrigation Water Meter Size if Separate from Domestic Water Meter (in):_____

The Inspection Sheet may be modified as deemed appropriate.

Landscape Design
The design guidelines for outdoor uses were developed to limit the use of irrigated turf and reduce overall outdoor water demands. The turf areas are restricted to rear yards only and must not exceed 500 SF. Turf grass type shall be low to moderate water using turf per Section 6 in the Town of Castle Rock Landscape and Irrigation Criteria Manual - Kentucky Blue Grass is not permitted

Proposed landscape plans must be summarized as specified in Table 1 below. The Town of Castle Rock approved plant list shall be used to classify selected plants into the appropriate Irrigated Water Use Zone. Landscape plans must be submitted to document compliance with the turf limitations from Table 1.

Table 1: Landscape Irrigation Demands

Irrigated Water Use Zone	Size of Zone (SF)	Gallons/SF/Year	Gallons/Year
Moderate Hydrozone (Turf) Turf Type:_____		11.84	
Moderate Hydrozone (Non-turf)		9.35	
Low Hydrozone / ColoradoScape		6.23	
Very Low Hydrozone / ColoradoScape		3.12	
Total			

Permit Number: _____ Address: _____

Irrigation System Design

Automatic irrigation system controllers shall be approved by the Town, and be weather based (ET) or soil-moisture based, that automatically adjust irrigation in response to changes in the plants' needs as weather conditions or soil moisture changes. All equipment must comply with the standards listed in the current version of approved Dawson Trails Water Efficiency Program. Design requirements are subject to change as reflected in updated EPA WaterSense Program details and Town of Castle Rock Landscape and Irrigation Criteria Manual.

The Inspection Sheet may be modified as deemed appropriate.

Table 3: Proposed Irrigation System Equipment

Device	Make/Model
Smart Controller	_____/_____
Fixed Spray Heads	_____/_____
Rotor Heads	_____/_____
Drip Emitters	_____/_____
Master Valve	_____/_____
Flow Sensor	_____/_____
ET Monitor / Rain Sensor	_____/_____

Certification Statement

I hereby certify that, to the best of my knowledge, the provided information is complete, true, and accurate. I understand that misrepresentation or falsification of any information provided on this sheet, whenever, discovered, may prohibit me from completing or performing work related to the Dawson Trails development in Castle Rock, CO.

Printed Contact Name:_____ Inspector Name:_____
Contact Signature:_____ Inspection Date:_____
Company:_____
Date:_____

Exhibit D1 to Dawson Trails Water Efficiency Program
Water Consumption Analysis Summary
WEP21-0003

Introduction
Water budgets are a key factor for the Town of Castle Rock in planning and developing the necessary water resources needed to serve new development. As part of the Dawson Trails Water Efficiency Program, AquaSan Network, Inc. (AquaSan) and Norris Design (Norris) were tasked to provide water budgets for both domestic and irrigation uses expected at the Project in order to accurately represent the anticipated water usage. These water budgets were examined under the Design Guidelines provided in the Dawson Trails Water Efficiency Program, which give specific instructions on indoor and outdoor requirements implemented to maximize water efficiency and provide for responsible resource management.

Methodology
Domestic water usage is a heavily studied topic by various national organizations including the Environmental Protection Agency (EPA), the American Water Works Association (AWWA) Water Research Foundation, the U.S. Energy Information Administration (EIA), as well as numerous local water districts and utilities in response to a need for greater resource management among dwindling water supplies. As such, ample data surrounding water consumption and water demands exist to provide insightful information as to how water is used in the residential and commercial sectors, while also identifying the best methods for achieving water savings. AquaSan performed a meta-analysis using several of these water consumption studies that examined domestic usage to provide indoor water budgets that accurately represent the Dawson Trails planned development. Irrigation water budgets were provided by Norris and detail the landscape's water usage under different Hydrozones to include: moderate turf usage, moderate non-turf usage, low usage / ColoradoScape, and very low / ColoradoScape.

Results
Analyzing data collected from several water consumption and occupancy studies, as well as detailed landscape and irrigation analysis, AquaSan and Norris have developed the following water budgets for the Dawson Trails development:

Domestic Water Budget

Table 1A: Dawson Trails Domestic Water Budget – Multifamily

Type	Domestic Water Budget (Gal/Unit/Year)
Studio	27,000
1-Bedroom	31,000
2-Bedroom	35,000
3-Bedroom	38,000
4-Bedroom	41,000
5-Bedroom	44,000

Table 1B: Dawson Trails Domestic Water Budget – Single Family, Townhome, and Duplex

Type	Domestic Water Budget (Gal/Unit/Year)
Studio	23,000
1-Bedroom	29,000
2-Bedroom	35,000
3-Bedroom	40,000
4-Bedroom	41,000
5-Bedroom	45,000

Table 1C: Dawson Trails Domestic Water Budget – Nonresidential

Type	Domestic Water Budget (Gal/SF/Year)
Retail (Grocery)	77.00
Retail (Mercantile)	11.00
Retail (Restaurant)	250.00
Retail (Lodging)	91.00
Office	14.00
Flex Space (Light Industrial)	5.00

Irrigation Water Budget

Table 2A: Dawson Trails Irrigation Water Budget – Residential

Type	Irrigation Water Budget (Gallons/SF/Year)
Multifamily (Passive Use Areas)	10.50
Multifamily (Common Areas)	6.00
Single Family, Townhome, Duplex	8.50

AQUASAN network

Table 2B: Dawson Trails Irrigation Water Budget – Nonresidential

Type	Irrigation Water Budget (Gallons/SF/Year)
Retail (Grocery)	8.00
Retail (Mercantile)	8.00
Retail (Restaurant)	8.00
Retail (Lodging)	8.00
Office	8.00
Flex Space (Light Industrial)	8.00

Table 2C: Dawson Trails Irrigation Water Budget – Other

Type	Irrigation Water Budget (Gallons/SF/Year)
Neighborhood Parks and Open Space	8.50
Public Land Dedication Areas	8.50
Right of Way Areas	6.00

Exhibit D2 to Dawson Trails Water Efficiency Program
Water Consumption Analysis
WEP21-0003

Introduction
AquaSan Network, Inc. (AquaSan) and Norris Design (Norris) have conducted a water consumption analysis to include domestic and outdoor water use projections for the Dawson Trails Development (also referred to as "Dawson Trails" or "Project") in support of establishing the Water Budget. In order to provide accurate estimates that best represent the Project, a meta-analysis of several water consumption and occupancy studies was performed examining domestic usage in both the residential and nonresidential sectors, with irrigation estimations provided by Norris. The information presented in this Exhibit reviews the domestic and outdoor water demands expected at Dawson Trails under the Dawson Trails Water Efficiency Program (DTWEP) and calculates the anticipated water usage for the Project for different building types. It should be noted that these efficiencies can be surpassed through water management techniques that exceed the standards in the WEP, in which case developers may submit supplementary data that demonstrates a reduced water usage.

Outline
- Project Synopsis
- Residential Domestic Analysis
- Nonresidential Domestic Analysis
- Irrigation Analysis
- Summary
- References

Attachments
- Appendix 1 – Water Use Projections Excel Sheet

AQUASAN network

Project Synopsis

In review, Dawson Trails will consist of 5,850 total units, 3,200,000 square feet (SF) of commercial space, and approximately 730 acres of irrigable areas. The residential, nonresidential, and irrigation buildouts for the Project are described below in Figures 1A, 1B and 1C:

Figure 1A: Residential Buildout at Dawson Trails

Type	Units
Multifamily	2,323
Single Family, Townhome, Duplex	3,527
Total	**5,850**

Figure 1B: Nonresidential Buildout at Dawson Trails

Type	Square Footage (SF)
Retail (Grocery, Mercantile, Restaurant, Lodging)	900,000
Office	800,000
Flex Space (Office, Light Industrial)	1,500,000
Total	**3,200,000**

Figure 1C: Irrigation Buildout at Dawson Trails

Type	Area (SF)	Area (Acres)
Individual Residential Lots	4,917,924	112.90
Residential Neighborhoods	7,568,986	173.76
Multifamily	500,940	11.50
Commerce Areas	1,276,744	29.31
Neighborhood Parks and Open Space	8,311,248	190.80
Public Land Dedication Areas	7,383,420	169.50
Right of Way Areas	1,947,132	44.70
Total	**31,906,393**	**732.47**

AQUASAN network

Residential Domestic (Indoor) Analysis

Residential Domestic Usage

To determine accurate domestic water usage rates for the residential portion of Dawson Trails using the prescribed DTWEP, AquaSan first examined the relationship between domestic water consumption and different home efficiencies, as well as the influences of occupancy on daily usage. This information is characterized in the 2011 report, Analysis of Water Use in New Single Family Homes.[1] In this study, domestic water consumption was analyzed in four different single family home types, which included:

- EPA Retrofit: standard single family residences that were retrofitted with high-efficiency appliances and fixtures.
- REUWS: standard single family residences built in the mid 1990's and monitored in the AWWA Research Foundation's 1999 report, Residential End Uses of Water.[2]
- New Homes: standard single family residences built after January 1, 2001.
- HE New Homes: standard single family residences built with appliances and fixtures equal to WaterSense Program Guidelines Version 1.0. The WaterSense guidelines reviewed in this study for indoor uses serve as the most accurate comparison of the four home types to the Dawson Trails residences following the DTWEP.

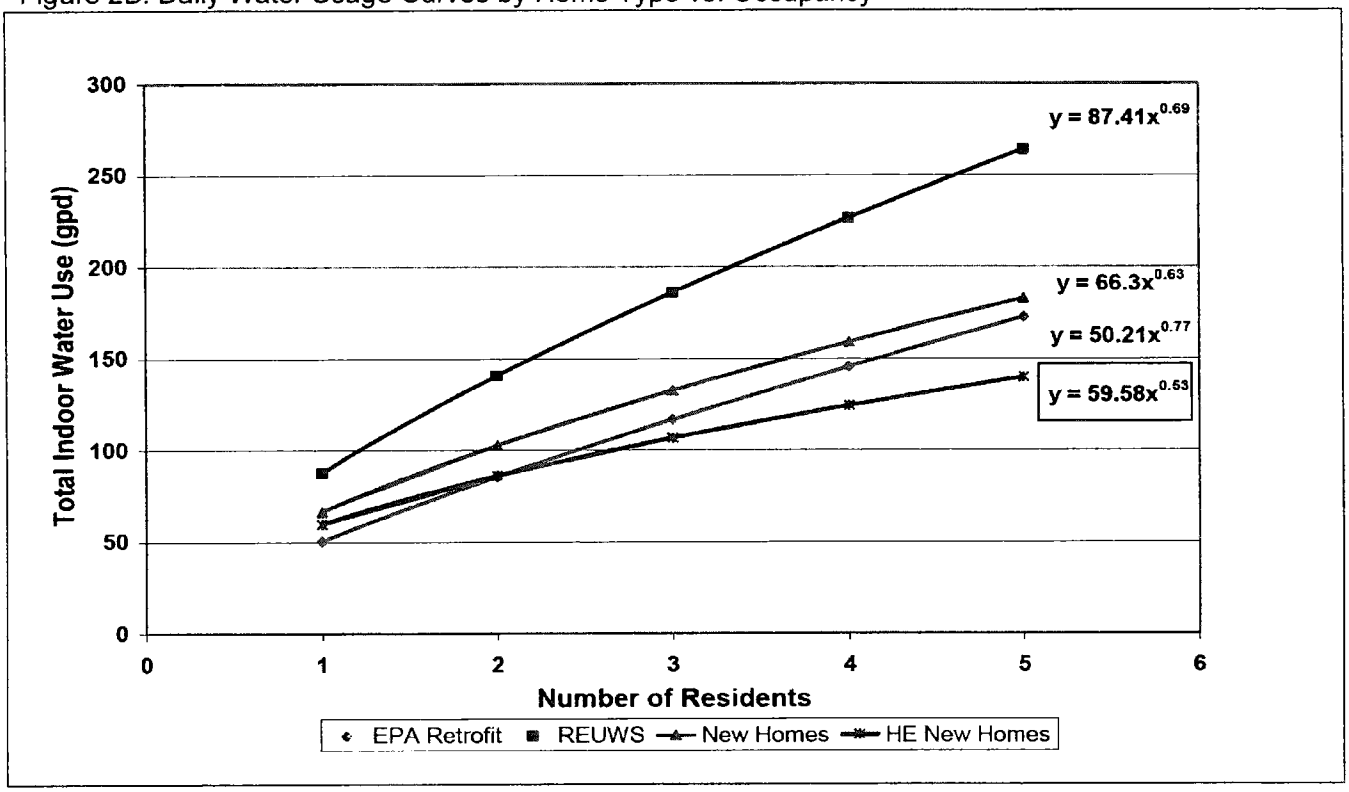
The four residential home types observed in this study are shown in Figures 2A and 2B, which disaggregate their daily water usage as it relates to their occupancy. It should also be noted that the end uses of domestic water in single family homes and multifamily homes do not differ significantly, and the values below apply to both residential applications under this capacity:

Figure 2A: Daily Water Usage by Home Type vs. Occupancy

Number of Residents	EPA Retrofit (Gal/Day)	REUWS (Gal/Day)	New Homes (Gal/Day)	HE New Homes (Gal/Day)
1	50.21	87.41	66.30	59.58
2	85.62	141.02	102.60	86.03
3	117.00	186.54	132.46	106.65
4	146.01	227.50	158.79	124.22
5	173.38	265.37	182.75	139.82

[1] DeOreo, William B. "Analysis of Water Use In New Single-Family Homes." Aquacraft, Inc. Water and Engineering Management, 2011.
[2] Mayer, Peter W. *Residential End Uses of Water*. AWWA Research Foundation and American Water Works Association, 1999.

Figure 2B: Daily Water Usage Curves by Home Type vs. Occupancy



Figures 2A and 2B reveal the significant impacts that water saving efforts have achieved for residences, such as the 1992 Energy Policy Act and the continued development of high-efficiency water appliances and fixtures. These data also demonstrate the relationships between the GCD and occupancy, which are displayed below in Figure 2C:

Figure 2C: Daily Water Usage per Capita by Home Type

Number of Residents	EPA Retrofit (GCD)	REUWS (GCD)	New Homes (GCD)	HE New Homes (GCD)
1	50.21	87.41	66.30	59.58
2	42.81	70.51	51.30	43.01
3	39.00	62.18	44.15	35.55
4	36.50	56.88	39.70	31.06
5	34.68	53.07	36.55	27.96

As seen above, each additional capita per residence results in an overall decrease in the GCD. This correlation is extremely important to understand because it allows AquaSan to define a more accurate GCD for residences based on occupancy rates, instead of using a generalized value for all units. As it relates to Dawson Trails, the HE New Homes curve (with equation $y = 59.58x^{0.53}$) provides the most comparable GCD values to the Project following the DTWEP. With the water consumption defined at differing occupancy rates under the HE New Homes curve, AquaSan must now determine the expected occupancy for the different residential products to assess the domestic usage.

AQUASAN network

Residential Occupancy

Based on current data obtained from the Town of Castle Rock (Town), residences average 2.90 persons per household, with 2-bedroom single family homes averaging 2.34 persons per home and 3-bedroom single family homes 3.04 persons per home based on metered sewer data.[3] In order to define per bedroom occupancy rates for unit types outside of these measured parameters, AquaSan reviewed data collected from the Residential Energy Consumption Survey (RECS) and presented in the EPA's WaterSense Technical Evaluation Process for Approving Home Certifications Methods.[4] The occupancy equations derived from the RECS are shown below and calculated for the differing multifamily and single family home sizes based on their number of bedrooms in Figure 3:

- *Multifamily Occupants = 1.49 + (0.45 * Number of bedrooms per unit)*
- *Single Family, Townhome, and Duplex Occupants = 1.09 + (0.54 * Number of bedrooms)*

Figure 3: Multifamily, Single Family, Townhome, and Duplex Occupancy Based on Number of Bedrooms

Type of Residence	Studio Occupancy	1-Bedroom Occupancy	2-Bedroom Occupancy	3-Bedroom Occupancy	4-Bedroom Occupancy	5-Bedroom Occupancy
Multifamily	1.49	1.94	2.39	2.84	3.29	3.74
Single Family, Townhome, Duplex	1.09	1.63	2.34[5]	3.04[6]	3.25	3.79

Daily Demands

By applying the residential occupancy rates observed by the Town and in the RECS to the HE New Home curve equation, AquaSan has an objective evaluation of the occupancy and subsequent water usage for the different residential products based on their bedroom counts. These domestic consumption values are calculated below:

Water Usage Equation

- *HE New Homes equation: $y = 59.58x^{0.53}$*
- *y = Daily Usage (gal)*
- *x = Expected Occupancy (capita)*

Multifamily

- *Studio Daily Domestic Usage (gal): $(59.58) * (1.49)^{0.53} = 73.60$ gal/day*
- *1-Bedroom Daily Domestic Usage (gal): $(59.58) * (1.94)^{0.53} = 84.65$ gal/day*
- *2-Bedroom Daily Domestic Usage (gal): $(59.58) * (2.39)^{0.53} = 94.55$ gal/day*
- *3-Bedroom Daily Domestic Usage (gal): $(59.58) * (2.84)^{0.53} = 103.60$ gal/day*
- *4-Bedroom Daily Domestic Usage (gal): $(59.58) * (3.29)^{0.53} = 112.00$ gal/day*
- *5-Bedroom Daily Domestic Usage (gal): $(59.58) * (3.74)^{0.53} = 119.87$ gal/day*

Single Family, Townhome, and Duplex

- *Studio Daily Domestic Usage (gal): $(59.58) * (1.09)^{0.53} = 62.36$ gal/day*
- *1-Bedroom Daily Domestic Usage (gal): $(59.58) * (1.63)^{0.53} = 77.19$ gal/day*
- *2-Bedroom Daily Domestic Usage (gal): $(59.58) * (2.34)^{0.53} = 93.49$ gal/day*
- *3-Bedroom Daily Domestic Usage (gal): $(59.58) * (3.04)^{0.53} = 107.40$ gal/day*
- *4-Bedroom Daily Domestic Usage (gal): $(59.58) * (3.25)^{0.53} = 111.28$ gal/day*
- *5-Bedroom Daily Domestic Usage (gal): $(59.58) * (3.79)^{0.53} = 120.72$ gal/day*

[3] https://www.towncharts.com/Colorado/Housing/Castle-Rock-town-CO-Housing-data.html
[4] EPA WaterSense, "WaterSense Technical Evaluation Process for Approving Home Certification Methods, Version 1.0," EPA WaterSense, 2021, https://www.epa.gov/sites/default/files/2021-02/documents/watersense_final_technical_evaluation_process_for_home_certification_v1.0.pdf
[5] Value provided by Castle Rock Water on March 23, 2022
[6] Value provided by Castle Rock Water on March 23, 2022

Dawson Trails Yearly Residential Domestic Water Budget

Using the values calculated above, AquaSan can now determine the yearly residential domestic water budgets for Dawson Trails under its multifamily, single family, townhome, and duplex product types. These yearly consumption values (rounded up to the nearest thousand) are calculated in the "Residential Domestic Usage" Tab of Appendix 1 and summarized below in Figures 4A – 4B:

Figure 4A: Dawson Trails Domestic Water Budget – Multifamily

Type	Domestic Water Budget (Gal/Unit/Year)
Studio	27,000
1-Bedroom	31,000
2-Bedroom	35,000
3-Bedroom	38,000
4-Bedroom	41,000
5-Bedroom	44,000

Figure 4B: Dawson Trails Domestic Water Budget – Single Family, Townhome, and Duplex

Type	Domestic Water Budget (Gal/Unit/Year)
Studio	23,000
1-Bedroom	29,000
2-Bedroom	35,000
3-Bedroom	40,000
4-Bedroom	41,000
5-Bedroom	45,000

AQUASAN network

Nonresidential Domestic (Indoor) Analysis

Nonresidential Domestic Water Usage

In addition to the 5,850 residential units, Dawson Trails will also develop 3,200,000 SF of nonresidential space primarily in the form of retail, office, and flex space end uses. As nonresidential water consumption varies significantly across the different sectors, AquaSan reviewed aggregated data published across several end use studies including:

- 2012 Commercial Buildings Energy Consumption Survey: Water Consumption in Large Buildings Summary by the U.S. Energy Information Administration (EIA).
- Benchmarking Task Force Collaboration for Industrial, Commercial and Institutional Water Conservation by the Colorado WaterWise Council (CWWC).
- Commercial and Institutional End Uses of Water by the AWWA Research Foundation (AWWA).
- Developing Water Use Metrics for the Commercial and Institutional Sectors with focus on Aurora Water and Colorado Springs Utilities data by the Water Research Foundation (WRF-AW and WRF-CSU).

The average water usage per SF concluded in these studies is detailed below in Figure 5:

Figure 5: Average Annual Water Use per SF in Nonresidential Buildings[7][8][9][10]

Type	EIA (Gal/SF/Year)	CWWC (Gal/SF/Year)	AWWA (Gal/SF/Year)	WRF-AW (Gal/SF/Year)	WRF-CSU (Gal/SF/Year)
Grocery	-	-	55.3	-	-
Mercantile	12.2	-	-	7.8	6.7
Restaurant	-	192.0	306.0	159.9	135.1
Lodging	44.5	120.0	72.6	55.5	62.9
Office	14.5	-	14.2	9.6	7.0
Industrial	3.3	-	-	-	4.6

Monte Carlo Simulation

To model an encompassing value that represents each of these studies, a projection analysis tool known as a Monte Carlo Simulation was performed on the average water usage calculated from each dataset. The purpose of a Monte Carlo Simulation is to model the probability of results (in this case, annual water consumption per SF) while accounting for risk and uncertainty in the recorded values. The simulations were conducted with 100,000 iterations of randomly generated numbers following the average consumption under the different nonresidential sectors and reviewed at the 75th percentile to account for the efficient fixtures, appliances, and management practices required in the DTWEP. The results of these simulations are displayed below in Figures 6A and 6B:

[7] U.S. Energy Information Administration. "2012 Commercial Buildings Energy Consumption Survey: Water Consumption in Large Buildings Summary." U.S. Energy Information Administration, 2017. https://www.eia.gov/consumption/commercial/reports/2012/water/
[8] The Brendle Group, Inc. "Benchmarking Task Force Collaboration for Industrial, Commercial & Institutional Water Conservation," Colorado Water Wise Council, 2007.
[9] Dziegielewski, Benedykt, et al. *Commercial and Institutional End Uses of Water*. AWWA Research Foundation and American Water Works Association, 2000.
[10] Fedak, Rebecca, et al. *Developing Water Use Metrics for the Commercial and Institutional Sectors*. The Water Research Foundation, 2019.

AQUASAN network

Figure 6A: Simulated Histograms of Water Use per SF in Nonresidential Buildings

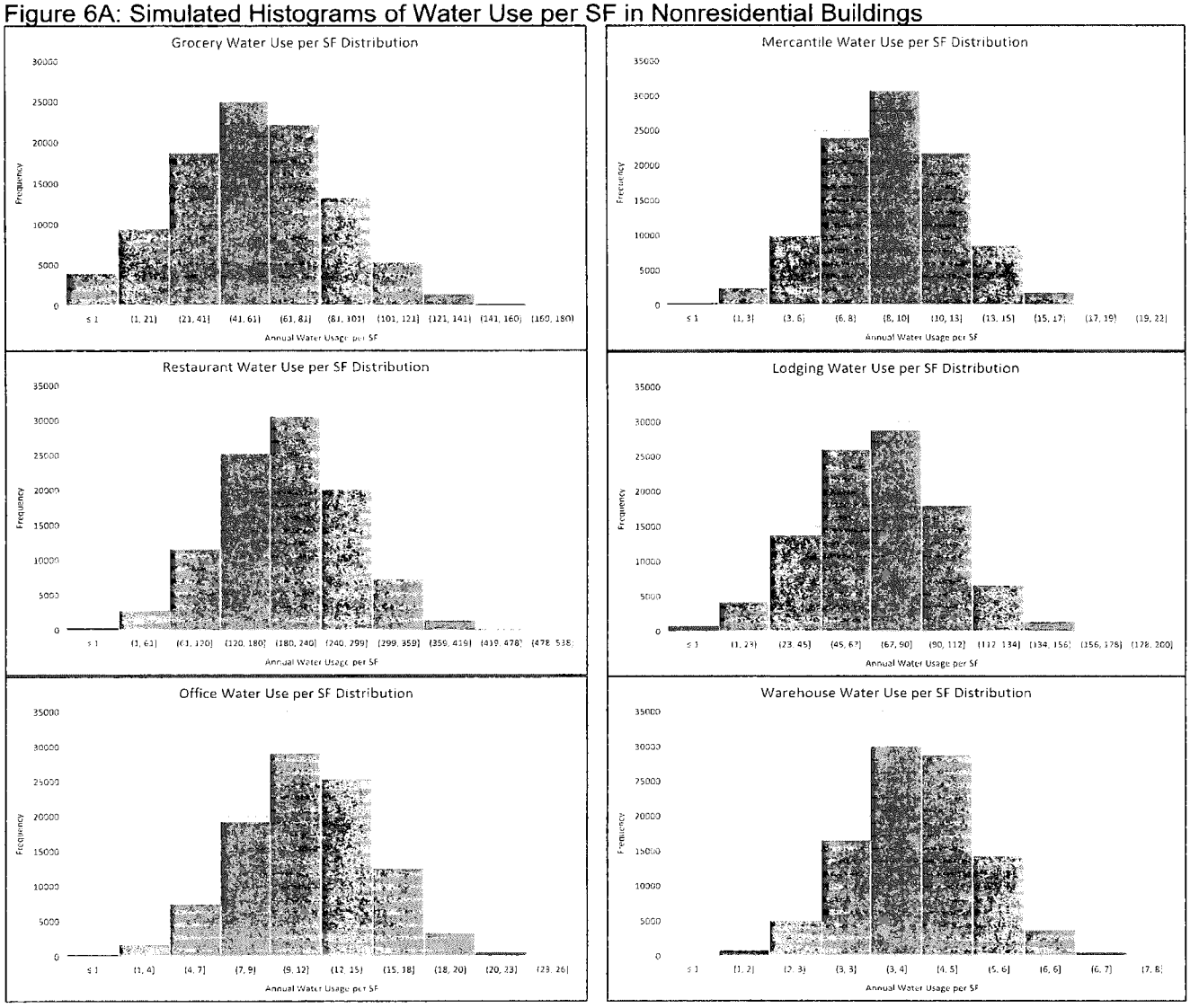


Figure 6B: Simulated Water Use per SF in Nonresidential Buildings at the 75th Percentile

Type	Average (Gal/SF/Year)	Standard Deviation (Gal/SF/Year)	75th Percentile (Gal/SF/Year)
Grocery	55.3	31.1	76.3
Mercantile	8.9	2.9	10.8
Restaurant	198.3	75.5	249.9
Lodging	71.1	29.2	90.6
Office	11.3	3.7	13.8
Industrial	4.0	0.9	4.6

As demonstrated from the simulations, the Monte Carlo method is useful in providing an overarching representation of possible water consumption when using risk-generated flow data derived from the mean and standard deviation of the end use studies used in determining their water use per SF. As AquaSan is examining various uses from different buildings, it is important that these predictive analytics are used to establish a relative value for each nonresidential building type. Using the results from these simulations at the 75th percentile, AquaSan is now able to determine the water usage per SF at Dawson Trails' nonresidential buildings.

Dawson Trails Yearly Nonresidential Domestic Water Budget

Base on the values (rounded up to the nearest one) calculated above, the yearly consumption values for the nonresidential product types are determined in the "Nonresidential Usage" tab of Appendix 1 and summarized below in Figure 7:

Figure 7: Dawson Trails Domestic Water Budget – Nonresidential

Type	Domestic Water Budget (Gal/SF/Year)
Retail (Grocery)	77.00
Retail (Mercantile)	11.00
Retail (Restaurant)	250.00
Retail (Lodging)	91.00
Office	14.00
Flex Space (Light Industrial)	5.00

AQUASAN network

Irrigation Analysis

Irrigation Usage

Outdoor water usage is primarily based on irrigation design, total landscaped area, landscape type, and weather. As currently estimated, Dawson Trails will provide approximately 732.47 acres of irrigable area categorized under several different landscape types. Norris Design has completed the irrigation water budgets based on a standardized gallons per square-foot per year determination for each product type that aligns with the Town's Landscape and Irrigation Criteria Manual. The conversions rates established from the Town and resulting water budgets are detailed below in Figures 8A-8D:

Dawson Trails Yearly Irrigation Water Budget

Figure 8A: Dawson Trails Hydrozone Conversion

Type	Irrigation Water Budget (Inches/SF/Year)	Irrigation Water Budget (Gallons/SF/Year)
Moderate Hydrozone (Turf)	19.00	11.84
Moderate Hydrozone (Non-Turf)	15.00	9.35
Low Hydrozone / ColoradoScape	10.00	6.23
Very Low Hydrozone / ColoradoScape	5.00	3.12

Figure 8B: Dawson Trails Irrigation Water Budget – Residential

Type	Irrigation Water Budget (Gallons/SF/Year)
Multifamily (Passive Use Areas)	10.50
Multifamily (Common Areas)	6.00
Single Family, Townhome, Duplex	8.50

Figure 8C: Dawson Trails Irrigation Water Budget – Nonresidential

Type	Irrigation Water Budget (Gallons/SF/Year)
Retail (Grocery)	8.00
Retail (Mercantile)	8.00
Retail (Restaurant)	8.00
Retail (Lodging)	8.00
Office	8.00
Flex Space (Light Industrial)	8.00

Figure 8D: Dawson Trails Domestic Water Budget – Parks, Open Space, PLD, and ROW[11]

Type	Irrigation Water Budget (Gallons/SF/Year)
Neighborhood Parks* and Open Space**	8.50
Public Land Dedication Areas	8.50
Right of Way Areas	6.00

**Parks: Assumes 30% Moderate Hydrozone, 70% Low / ColoradoScape and Very Low / ColoradoScape Hydrozone*

***Open Space: Assumes 10% Moderate Hydrozone, 90% Low / ColoradoScape and Very Low / ColoradoScape Hydrozone*

[11] Residential neighborhoods will have attached walks, residential front landscape area will be irrigated by the residential domestic water system.

AQUASAN network

Summary

The data collected in this report are used to quantify the water demands in both the domestic and irrigation applications for Dawson Trails. These projections have been validated by AquaSan and Norris Design in support of determining a water budget for Dawson Trails as part of the DTWEP – a summary of these demands based on the estimated buildout is shown below in Figure 9:

Figure 9: Dawson Trails Water Consumption Estimation

Water Demand Measurement	Estimated Consumption (Gal/Year)	Estimated Consumption (Acre-Feet/Year)
Residential Domestic		
Multifamily	76,775,150	235.61
Single Family, Townhome, Duplex	141,432,700	434.04
Total	**218,207,850**	**669.66**
Nonresidential Domestic		
Retail (Grocery, Mercantile, Restaurant, Lodging)	85,185,000	261.42
Office	11,200,000	34.37
Flex Space (Office, Light Industrial)	10,200,000	31.30
Total	**106,585,000**	**327.10**
Irrigation		
Individual Residential Lots	44,609,002	136.90
Residential Neighborhoods	47,704,586	146.40
Multifamily	3,747,287	11.50
Commerce Areas	9,254,168	28.40
Neighborhood Parks and Open Space	45,716,895	140.30
Public Land Dedication Areas	52,983,373	162.60
Right of Way Areas	9,742,945	29.90
Total	**213,758,256**	**656.00**

Grand Total Water	**538,551,106**	**1,652.75**

AQUASAN network

References

Mayer, Peter W. Residential End Uses of Water. AWWA Research Foundation and American Water Works Association, 1999.

DeOreo, William B., et al. Residential End Uses of Water, Version 2. The Water Research Foundation, 2016.

Dziegielewski, Benedykt, et al. Commercial and Institutional End Uses of Water. AWWA Research Foundation and American Water Works Association, 2000.

Fedak, Rebecca, et al. Developing Water Use Metrics for the Commercial and Institutional Sectors. The Water Research Foundation, 2019.

Kiefer, Jack C. and Krentz, Lisa R., Water Use in the Multi-Family Housing Sector. The Water Research Foundation, 2018.

DeOreo, William B. "Analysis of Water Use In New Single-Family Homes." Aquacraft, Inc. Water and Engineering Management, 2011.

DeOreo, William, et al. "Analysis of Water Use Patterns in Multi-Family Residences." Aquacraft, Inc. Water and Engineering Management, 2008.

The Brendle Group, Inc. "Benchmarking Task Force Collaboration for Industrial, Commercial & Institutional Water Conservation." Colorado Water Wise Council, 2007.

Denver Water. "Water Efficiency Plan." Denver Water, 2020, https://www.denverwater.org/sites/default/files/water-efficiency-plan-final.pdf

EPA WaterSense. "WaterSense Specifications for Homes, Version 2.0." EPA WaterSense, 2021, https://www.epa.gov/sites/default/files/2021-02/documents/watersense_final_homes_specification_v2.0.pdf

U.S. Energy Information Administration. "2012 Commercial Buildings Energy Consumption Survey: Water Consumption in Large Buildings Summary." U.S. Energy Information Administration, 2017, https://www.eia.gov/consumption/commercial/reports/2012/water/

Hoffman, H.W. "Institutional, Commercial and Industrial (ICI) Water Use by the Numbers." H.W. Hoffman & Associates, LLC, 2018, https://www.iapmo.org/media/5275/3-hoffman-institutional-commercial-and-industrial-ici.pdf

The Water Research Foundation. "Water use in the Commercial and Institutional Sectors." The Water Research Foundation, 2020, https://www.waterrf.org/resource/water-use-commercial-and-institutional-sectors

https://www.towncharts.com/Colorado/Housing/Castle-Rock-town-CO-Housing-data.html

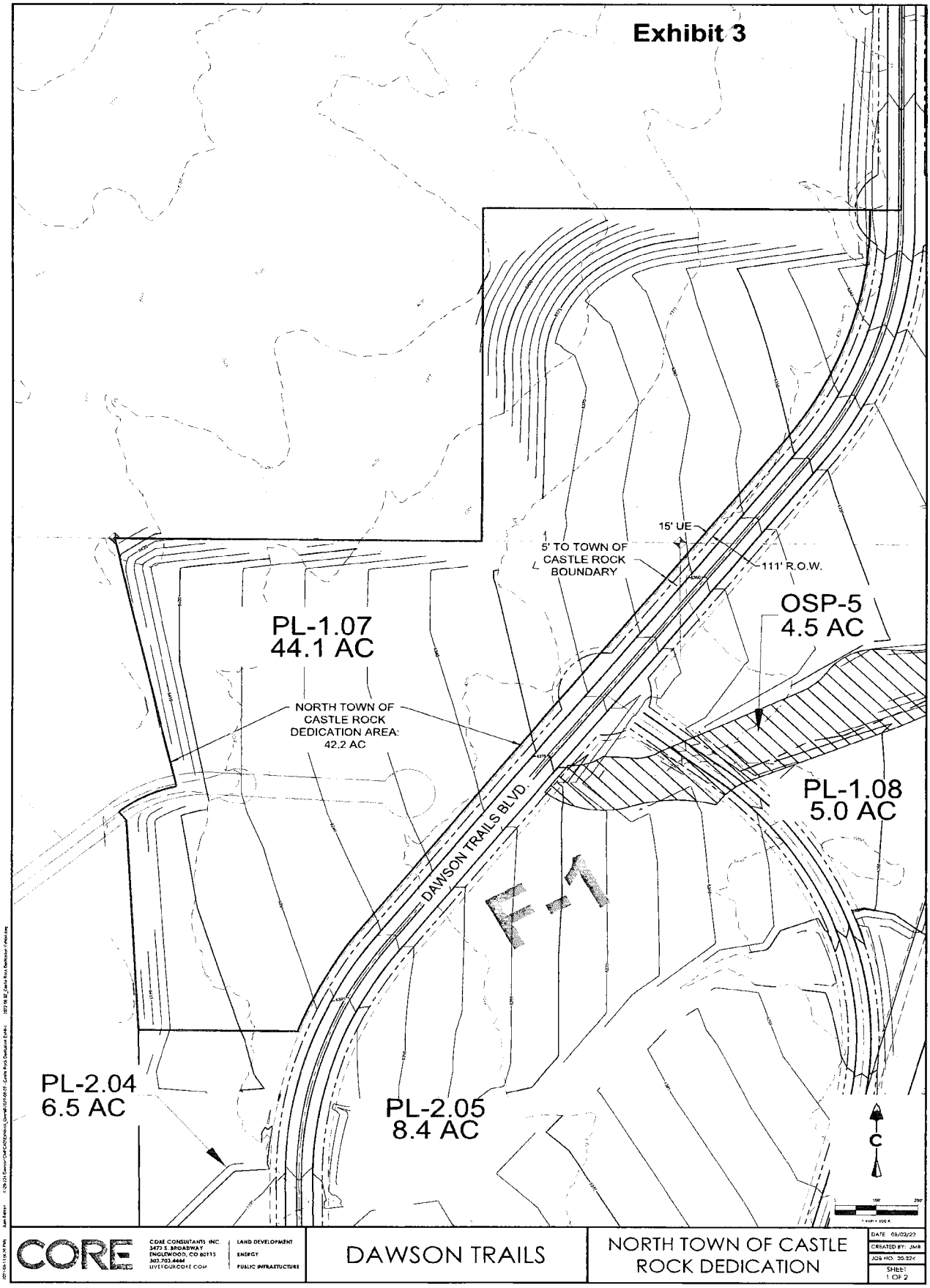
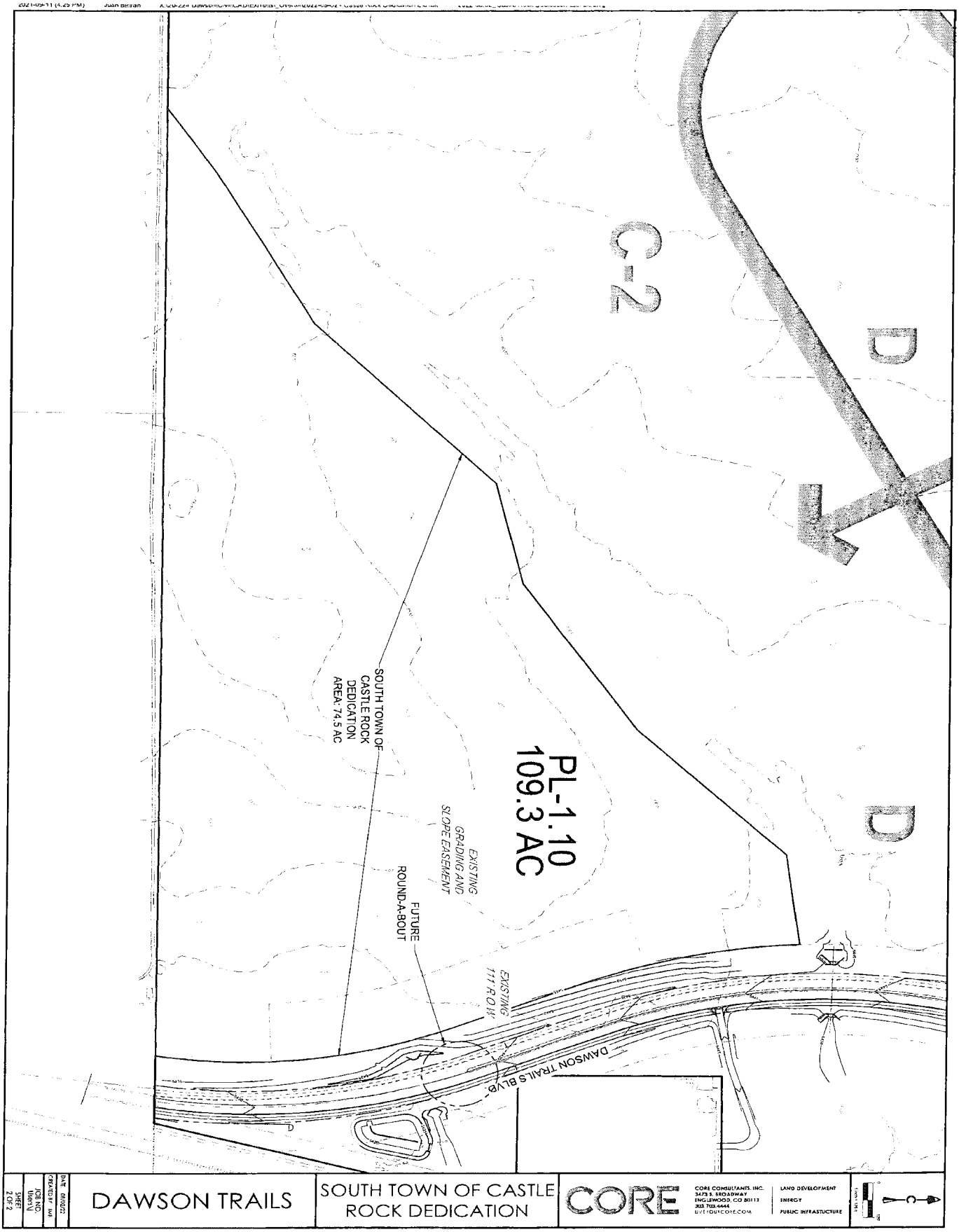


Exhibit 3
15' UE
5' TO TOWN OF CASTLE ROCK BOUNDARY
111' R.O.W.
OSP-5
4.5 AC
PL-1.07
44.1 AC
NORTH TOWN OF CASTLE ROCK DEDICATION AREA: 42.2 AC
PL-1.08
5.0 AC
DAWSON TRAILS BLVD.
F-1
PL-2.04
6.5 AC
PL-2.05
8.4 AC
C
CORE
CORE CONSULTANTS INC.
3473 S. BROADWAY
ENGLEWOOD, CO 80113
303.703.4444
LIVEYOURCORE.COM
LAND DEVELOPMENT
ENERGY
PUBLIC INFRASTRUCTURE
DAWSON TRAILS
NORTH TOWN OF CASTLE ROCK DEDICATION
DATE 08/02/22
CREATED BY: JMB
JOB NO. 20-224
SHEET 1 OF 2


C-2
PL-1.10
109.3 AC
SOUTH TOWN OF CASTLE ROCK DEDICATION AREA: 74.5 AC
EXISTING GRADING AND SLOPE EASEMENT
FUTURE ROUND-A-BOUT
EXISTING 111 ROW
DAWSON TRAIL S BLVD
DAWSON TRAILS
SOUTH TOWN OF CASTLE ROCK DEDICATION
CORE
CORE CONSULTANTS, INC.
3473 S. BROADWAY
ENGLEWOOD, CO 80113
303.703.4444
LAND DEVELOPMENT
ENERGY
PUBLIC INFRASTUCTURE

TOWN OF
CASTLE ROCK
COLORADO

CERTIFICATION OF COPY OF RECORD

State of Colorado)
) ss
County of Douglas)

I, Lisa Anderson, Town Clerk of the Town of Castle Rock, in said county and state, do hereby certify that on September 13, 2022, I carefully compared with the original executed document the attached copy of that document of the Town of Castle Rock, Ordinance No. 2022–018, any Exhibits I now hold in my possession. They are complete, full, true, and exact copies of the document they purport to reproduce.

Given under my hand and official seal this 13th day of September, 2022.

(seal) TOWN OF CASTLE ROCK SEAL APRIL 14, 1881 COLORADO

Lisa Anderson
Town Clerk
Town of Castle Rock
100 Wilcox Street
Castle Rock, CO 80104

DAWSON TRAILS DEVELOPMENT AGREEMENT AMENDMENT

TOWN COUNCIL
JANUARY 20, 2026

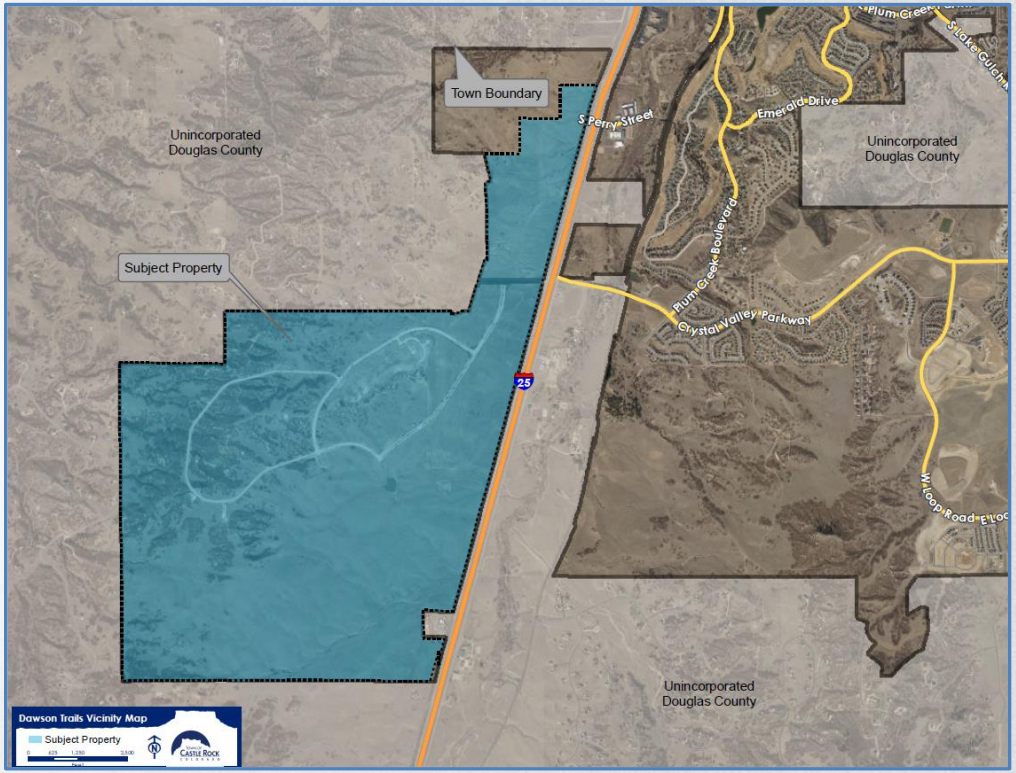
DAWSON TRAILS PD

History of Entitlements:

- Castle Rock Ranch PD - 1984
- Westfield Trade Center PD – 1986, 1989
- Dawson Ridge PD - 1986
- Dawson Trails PD - 2022
  - 5,850 residential units
  - 3.2M square feet non-residential uses

Development Agreement:

- Contractual Agreement between Developer and Town laying out obligations and responsibilities related to development
  - ✓ Metro District paid $50M toward CVI



DEVELOPMENT AGREEMENT AMENDMENT

Residential Rear Yard Landscaping

Current Agreement:

- Limits landscaping in residential rear yard to builder installation only

Amendment Proposed:

- Allows rear yard landscaping in residential areas to be installed either by the builder or the homeowner

CR Water has not seen water savings with building installed rear yards vs homeowner installed. Builder is still obligated to design. Allowing owner installation aligns with Town-wide policy related to rear yard landscaping.

DEVELOPMENT AGREEMENT

Building Permits related to Interchange opening

Current Agreement:

- Allows up to 500 residential permits and occupancy if Dawson Trails North is built prior to CVI being opened

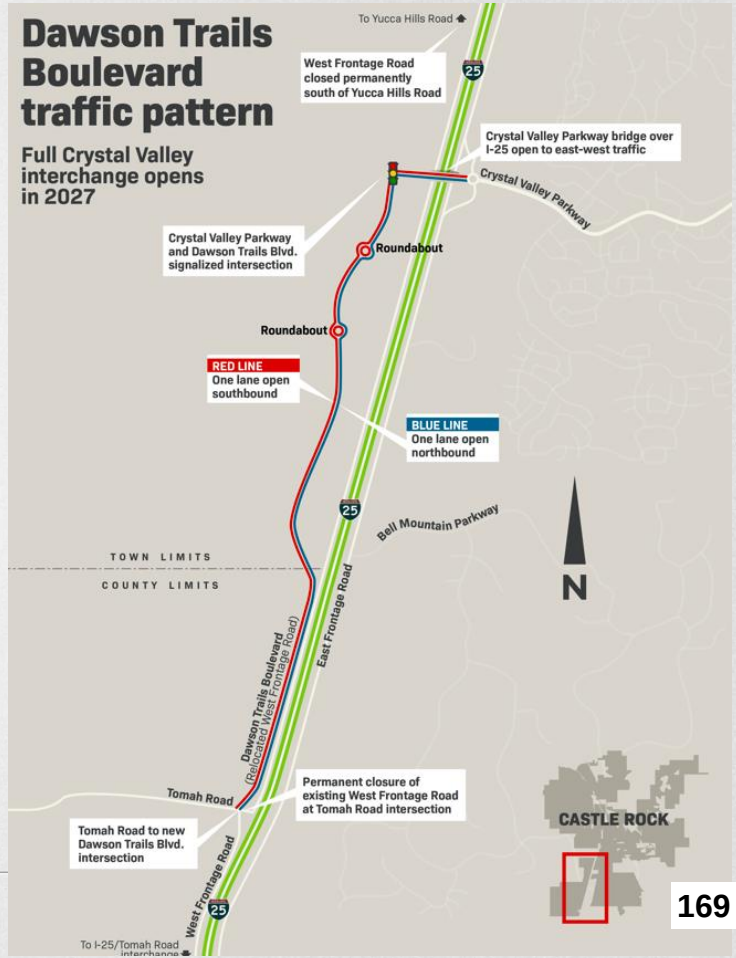
- Only allows Costco building permit to go vertical ahead of CVI being opened, **no occupancy** until CVI opened

DEVELOPMENT AGREEMENT AMENDMENT

Proposed Amendment:

- Allows up to 1,500 residential units to receive vertical building permits and occupancy prior to CVI opening; and

- Allows commercial building permits to be issued prior to CVI opening, while continuing to prohibit commercial occupancy until CVI is open to the public.



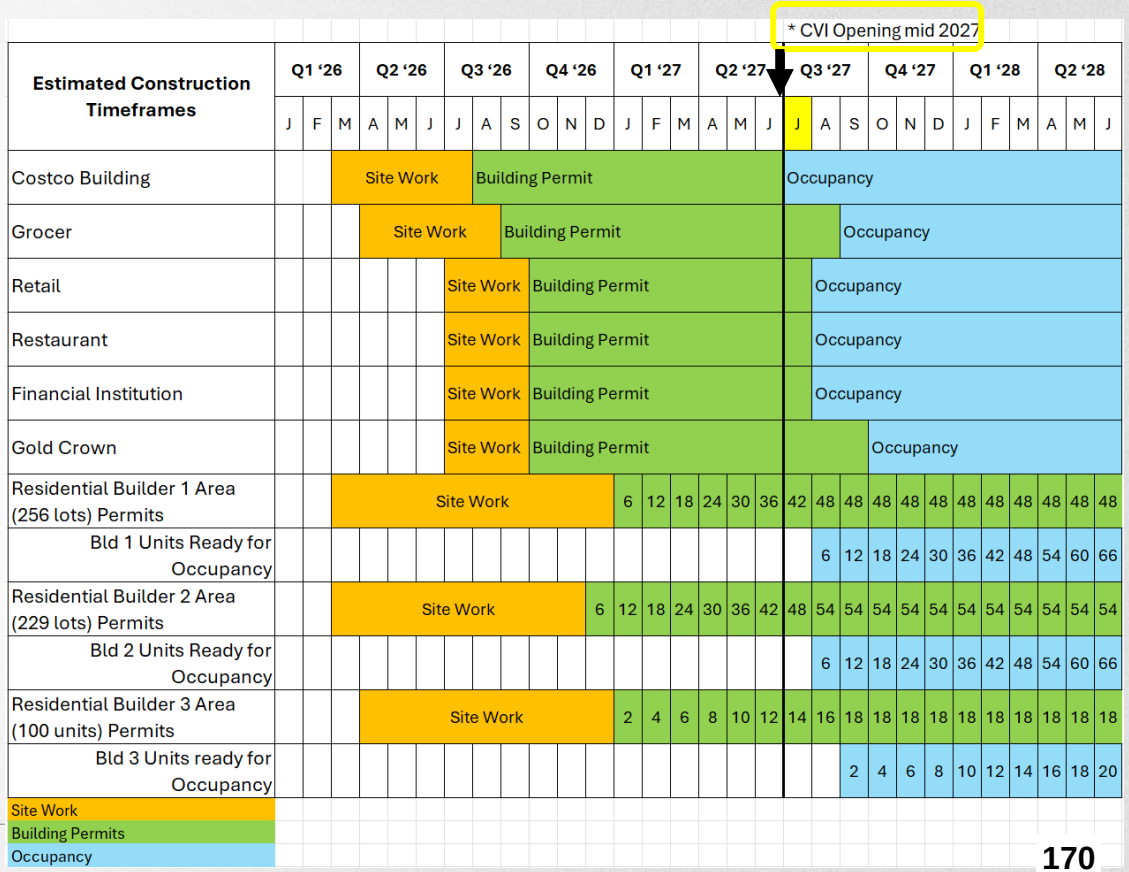
ESTIMATED CONSTRUCTION SCHEDULES

Site infrastructure construction needed prior to building permits:

- Water, sewer, drainage, roadways, etc..

CVI planned for opening mid 2027

- Residential occupancy anticipated Q3 of 2027
- Commercial occupancy likely ready Q3 2027, however limited to CVI opening



RECOMMENDATION

Staff recommends approval of the Dawson Trails Development Agreement Amendment No. 1.

PROPOSED MOTIONS

Approval:

"I move to approve the Ordinance as introduced by title on first reading."

Alternative Motions

Approval with Conditions

"I move to approve the Ordinance as introduced by title, with the following conditions:" (list conditions)

Continue item to next hearing (need more information to make decision)

"I move to continue this item to the Town Council meeting on [date], 2026, at [time]."

QUESTIONS?

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 10. **File #:** RES 2026-010

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Trish Muller, Finance Director
Pete Managers, Assistant Finance Director

Resolution Authorizing the Engagement of Eide Bailly, LLP, for the Fiscal Year 2025 Town of Castle Rock Independent Annual Audit

Executive Summary

On September 4th, 2025, the Finance Department issued a Request for Proposal seeking auditing services for the year ended December 31, 2025. A selection panel comprised of the Finance Director, Assistant Finance Director, Finance Project Analyst and Finance Administrative Assistant conducted interviews on October 20th, 2025

Staff notified the Audit Committee that the selection panel recommends Eide Bailly to conduct the Town's auditing services for the fiscal year December 31, 2025. The purpose of this Resolution (Attachment A) is for Town Council to approve the engagement of Eide Bailly as the Town's auditors.

Discussion

Since 2018, Forvis, LLP, has served as the Independent Auditor and successfully completed the annual financial audit and consent letters for the Town of Castle Rock. The Government Finance Officers Association (GFOA) guidance and industry standards recommend that municipalities bid out audit services every five years. As such and as the Town continues to grow, the Finance staff places great importance on evaluating other independent auditors who could not only perform a financial audit but also provide tools and technical guidance for the implementation of new pronouncements and other complex transactions.

Six certified public accounting firms submitted proposals to perform the annual financial audit for the Town. For each proposal submitted and for guidance during selection of firms to interview, the panel used the following criteria:

Content of the proposal

1. Qualifications in the area of experience, education and certifications for the firm and the staff to be assigned to this project

2. Fee range of proposal
3. Continuity in the personnel assigned to this project and a demonstration in their estimate of time on this project that they plan to have enough experienced and higher-level staff supervising the audit on a constant basis
4. Location of firm
5. References from clients of similar projects

After reviewing the proposals based on the above criteria, the panel selected the following firms to make a presentation on their services and why they would do the best job for the Town:

1. Eide Bailly, LLP
2. Plante Moran

After completion of the firm's presentations, the panel discussed the merits of each firm and unanimously agreed to recommend Eide Bailly, LLP to the Audit Committee as the Town's auditors for fiscal year December 31, 2025.

Along with cost, the panel considered many other important factors when selecting the auditing firm. Eide Bailly, LLP is an established and highly regarded firm with many years of government auditing experience. Eide Bailly's experience with larger governments coupled with their familiarity with the Town of Castle Rock makes them
an excellent fit for the Town as it continues to grow and experience new and complicated finance structures. Eide Bailly, LLP will bring a fresh perspective to the auditing process and represents the most responsive, reasonable and beneficial Independent Auditor for the Town of Castle Rock.

BUDGET IMPACT

The fees for the contract with Eide Bailly include $68,600 for the financial statement audit and, if required, an additional $9,000 for the Single Audit, for a subtotal of $77,600 in annual and Single Audit fees. There is also a technology fee of $3,900 and any additional consulting services, if requested, would be billed separately at hourly rates ranging from $275 to $425.

Staff Recommendation

Staff recommends that Town Council approve the Resolution as written.

Proposed Motion

"I move to approve a Resolution authorizing the engagement of Eide Bailly, LLP for financial auditing services."

ATTACHMENTS

Attachment A - Resolution
Attachment B - Statement of Work
Exhibit 1 - Master Service Agreement

RESOLUTION NO. 2026-010

A RESOLUTION AUTHORIZING THE ENGAGEMENT OF EIDE BAILLY, LLP, FOR THE FISCAL YEAR 2025 TOWN OF CASTLE ROCK INDEPENDENT ANNUAL AUDIT

WHEREAS, Section 9-18 of the Charter for the Town of Castle Rock (the "Town") states that the Town Council shall provide for an independent annual audit of all Town accounts by a certified public accountant or firm of such accountants who have no direct personal interest in the fiscal affairs of the Town government, or of any Councilmember, or of any other officer of the Town; and

WHEREAS, the Town Council may, without requiring competitive bids, designate such accountant or firm annually or for a period not exceeding three years, provided that the designation for any particular fiscal year shall be made no later than 30 days after the beginning of such fiscal year; and

WHEREAS, on August 27, 2025, the Town issued a Request for Proposals ("RFP") for Annual Auditing Services; and

WHEREAS, following an evaluation of the proposals submitted in response to the RFP, Town staff has determined that the proposal submitted by Eide Bailly, LLP (the "Consultant"), provides the best overall value to the Town; and

WHEREAS, Town staff desires to expand the Consultant's scope of work to include the following non-attest services: (i) fraud hotline services, and (ii) internal control and fraud risk consult: and

WHEREAS, the Town and the Consultant have agreed to the terms and conditions by which the Consultant will perform the annual audit for fiscal year 2025 and the associated non-attest services.

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

Section 1. **Designation**. The Town Council hereby designates Eide Bailly, LLP, as the Town's independent auditor for the fiscal year 2025 annual audit.

Section 2. **Approval**. The Master Services Agreement between the Town and the Consultant, inclusive of the Statement of Work and Technology Consulting Addendum (the "Agreement"), 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.

Section 3. **Encumbrance and Authorization for Payment**. In order to meet the Town's financial obligations under the Agreement, the Town Council authorizes the expenditure and payment in the amount of $120,000.00, unless otherwise authorized in writing by the Town.

PASSED, APPROVED AND ADOPTED this 3rd day of February, 2026, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading, by a vote of ___ for and ___ against.

ATTEST:

_____
Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK

_____
Jason Gray, Mayor

Approved as to form:

_____
Michael J. Hyman, Town Attorney

Approved as to content:

_____
Trish Muller, CPA, Finance Director

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

December 17, 2025 #123468

Town of Castle Rock
100 N Wilcox St
Castle Rock, CO 80104

This document constitutes a statement of work ("SOW") under the most recently executed Master Services Agreement ("MSA"), made by and between Eide Bailly LLP ("Eide Bailly", "we," "us," and "our") and Town of Castle Rock ("Client," "you," "your," or "the entity"). We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services Eide Bailly will provide for the entity as of and for the year ended December 31, 2025.

Janeen Hathcock is the engagement partner for the audit services specified in this letter. The engagement partner's responsibilities include supervising services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Scope of Audit Services

Audit of the Financial Statements

We will audit the financial statements of governmental activities, business-type activities, aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the entity's basic financial statements. The RSI will be subjected to certain limited procedures, but will not be audited.

If presented, we will also evaluate and report on the presentation of supplementary information other than RSI accompanying the financial statements in relation to the financial statements as a whole.

Audit of Major Program Compliance

In addition, we will audit the entity's compliance over major federal award programs.

Schedule of Expenditures of Federal Awards

We will subject the schedule of expenditures of federal awards (SEFA) to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

eidebailly.com
7001 E. Belleview Ave., Ste. 700 • Denver, CO 80237-2733 • **TF** 866.740.4100 • **T** 303.770.5700 • **F** 303.770.7581 • EOE

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Other Information

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the basic financial statements:

- Introductory section
- Statistical section

Audit Objectives

Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and in accordance with *Government Auditing Standards*, and/or any state or regulatory audit requirements will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the entity complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and *Government Auditing Standards*, if any, and perform procedures to address those requirements.

Accounting principles generally accepted in the United States of America require that certain information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. We will not express an opinion or provide any form of assurance on the RSI.

Supplementary information other than RSI will accompany Town of Castle Rock's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

- Combining non-major fund financial schedules
- Other budgetary schedules
- Local highway finance report

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Auditor Responsibilities, Procedures, and Limitations

We will conduct our audit in accordance with GAAS, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and, if applicable, in accordance with any state or regulatory audit requirements.

As part of our audit, we will:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the system of internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the amounts and disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS, *Government Auditing Standards* of the Comptroller General of the United States of America, and/or any state or regulatory audit requirements. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity, may not be detected.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Audit of Major Program Compliance

Our audit of your major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the provisions the Uniform Guidance; and will include tests of accounting records, a determination of major programs in accordance the Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS, *Government Auditing Standards* of the Comptroller General of the United States of America, and/or any state or regulatory audit requirements, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

a. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
b. For the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
c. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received;
d. For maintaining records that adequately identify the source and application of funds for federally funded activities;
e. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance requirements;
f. For designing, implementing, and maintaining effective internal control over federal awards that provides reasonable assurance that the entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
g. For identifying and ensuring that the entity complies with federal laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal award programs and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
h. For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award;
i. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
j. For taking prompt action when instances of noncompliance are identified;
k. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
l. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
m. For submitting the reporting package and data collection form to the appropriate parties;
n. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
o. To provide us with:
    i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, including the disclosures, such as records, documentation, and other matters;
    ii. Additional information that we may request from management for the purpose of the audit;
    iii. Unrestricted access to persons within the entity and others from whom we determine it necessary to obtain audit evidence;
p. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

q. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current period under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
r. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
s. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
t. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in the system of internal control and others where fraud could have a material effect on the financials;
u. For the accuracy and completeness of all information provided; and
v. If applicable, for including the auditor's report in any document containing financial statements that indicates that such financial statements have been audited by us, including:
    i. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
    ii. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.

With regard to the schedule of expenditures of federal awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the schedule of expenditures of federal awards in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal awards, (c) to include our report on the schedule of expenditures of federal awards in any document that contains the supplementary information and that indicates that we have reported on such schedule, and (d) to present the schedule of expenditures of federal awards with the audited financial statements, or if the schedule of expenditures of federal awards will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule no later than the date of issuance by you of the supplementary information and our report thereon.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

Management agrees they are responsible for the distribution of reports issued in conjunction with this engagement to those charged with governance, entity officials, oversight bodies, or other organizations requiring audits, as applicable.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Responsibilities and Limitations Related to Nonattest Services

For all nonattest services we may provide to you, management agrees to assume all management responsibilities for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) designing, implementing, and maintaining the system of internal control, including the process used to monitor the system of internal control.

We will provide the following nonattest services:

- Fraud hotline services
- Internal Control & Fraud Risk Consult

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the services previously outlined above. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities.

You are also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

Reporting

We will issue a written report upon completion of our audit of your financial statements. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from the engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the Federal Audit Clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the Federal Audit Clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the earlier of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Engagement Administration and Other Matters

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. Details of information we expect to need for our audit and the dates required will be provided separately.

You agree to share all facts that may affect your financial statements, even if you first become aware of those facts after the date of the auditor's report but before the date your financial statements are issued.

Government Auditing Standards require that we provide, upon request, a copy of our most recent external peer review report and any subsequent review reports to the party contracting for the audit. Accordingly, we will provide a copy of our most recent peer review report at your request.

Engagement Fees

Our fees are based on the amount of time required at various levels of responsibility. We estimate that our fee for the audit will be:

Financial Statement Audit	$ 68,600	
Single Audit (if needed)	9,000	*
Subtotal Annual and Single Audit Fees	77,600	
Technology Fee	3,900	**
Estimated Out-of-Pocket Costs	ACTUAL	
Estimated Audit Fees and Costs	$ 81,500	
Other Consulting, if requested	$275-$425/hour	

* We estimate that our Single Audit will include testing of one major program for the year ended December 31, 2025. Our fees for major program testing are expected to be $9,500 per program.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

** This fee is a 5% administrative fee used to support and enhance the quality work we provide by investing in technology.

All bills are payable upon receipt. A service charge of 1% per month, which is an annual rate of 12%, will be added to all accounts unpaid 30 days after billing date.

The ability to perform and complete our engagement consistent with the estimated fee included above depends upon the quality of your underlying accounting records and the timeliness of your personnel in providing information and responding to our requests. To assist with this process, we will provide you with an itemized request list that identifies the information you will need to prepare and provide in preparation for our engagement, as well as the requested delivery date for those items. A lack of preparation, including not providing this information in an accurate and timely manner, unanticipated audit adjustments, and/or untimely assistance by your personnel may result in an increase in our fees and/or a delay in the completion of our engagement.

We will advise you if unexpected circumstances require significant additional procedures resulting in a substantial increase in the fee estimate.

Changes in Professional Standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in the Statement of Work increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

Use of Financial Statements

Should you decide to include or incorporate by reference these financial statements and our auditors' report thereon in a future private placement or other offering of equity or debt securities, you agree that we are under no obligation to reissue our report or provide consent for the use of our report in such a registration or offering document. We will determine, at our sole discretion, whether we will reissue our report or provide consent for the use of our report only after we have performed the procedures we consider necessary in the circumstances. If we decide to reissue our report or consent to the use of our report, we will be required to perform certain procedures including, but not limited to, (a) reading other information incorporated by reference in the registration statement or other offering document, and (b) subsequent event procedures. These procedures will be considered an engagement separate and distinct from our audit engagement, and we will bill you separately. If we decide to reissue our report or consent to the use of our report, you agree that we will be included on each distribution of draft offering materials, and we will receive a complete set of final documents.

If we decide not to reissue our report or decide to withhold our consent to the use of our report, you may be required to engage another firm to audit periods covered by our audit reports, and that firm will likely bill you for its services. While the successor auditor may request access to our workpapers for those periods, we are under no obligation to permit such access.

Termination

The engagement contemplated by this SOW shall terminate upon the earlier of completion of the services described herein or as described in the MSA.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Agreement

We appreciate the opportunity to provide the services described in this SOW under the MSA. This SOW and the MSA constitute the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and Eide Bailly related to audit services. Please sign, date, and return this SOW to us to indicate your acknowledgment and understanding of, and agreement with, the arrangements for our audit of your financial statements including the terms of our engagement and the parties' respective responsibilities. By signing this SOW, you represent and warrant that you are authorized to sign on behalf of and bind each client and any affiliate identified herein.

Sincerely,

Eide Bailly LLP

Eide Bailly LLP

AGREED TO AND ACCEPTED:

DocuSigned by:

Name: Trish Muller

47B109A71C08406...

Title: Director of Finance

Date: 12/24/2025

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

EIDE BAILLY LLP
MASTER SERVICES AGREEMENT

GENERAL

1) This Master Services Agreement ("Agreement") describes Eide Bailly LLP's standard terms and conditions applicable to the provision of Eide Bailly's services to the Client. For the purposes of this Master Services Agreement, any reference to "Eide Bailly" is a reference to Eide Bailly LLP. Any reference to "Client" is a reference to the party or parties that have engaged Eide Bailly to provide services and the party or parties ultimately responsible for payment of Eide Bailly's fees and costs. Client acknowledges and agrees that Eide Bailly is not in a fiduciary relationship with it and Eide Bailly has no fiduciary responsibilities to Client in the performance of its services described herein or in any applicable Statement of Work. As between this Agreement and any applicable Statement of Work, the language in this Agreement will control.

BILLING, PAYMENT, & TERMINATION

2) Billing and Payment Terms. Eide Bailly will bill Client for its professional fees and costs as provided in a Statement of Work. All bills are payable upon receipt and will include actual out-of-pocket expenses, administrative charges, and a technology fee. If collection action is necessary, expenses and reasonable attorney's fees will be added to the amount due.

Should our relationship terminate before the services provided for in a separate Statement of Work are completed, Client will be billed for services to the date of termination.

3) Termination. Either party may terminate this Agreement by written notice to the other party at any time for any reason, except Eide Bailly shall not terminate in a manner that causes undue harm to Client. Nothing in this Agreement shall prohibit Eide Bailly from terminating this Agreement or any Statement of Work where termination is required by applicable professional standards.

INFORMATION AND DATA

4) Sharing of Information. During the course of the engagement, Eide Bailly will only provide confidential engagement documentation to Client via Eide Bailly's secure portal or other secure methods, and request that Client uses the same or similar tools in providing information to Eide Bailly. Should Client choose not to utilize secure communication applications, Client acknowledges that such communication contains a risk of the information being made available to unintended third parties. Similarly, Eide Bailly may communicate with Client or its personnel via e-mail or other electronic methods. Client acknowledges that communication in those mediums contains a risk of misdirected or intercepted communications.

5) Remote Access. Should Client provide Eide Bailly with remote access to its information technology environment, including but not limited to its financial reporting system, Client agrees to (1) assign unique usernames and passwords for use by Eide Bailly's personnel in accessing the system and to provide this information in a secure manner; (2) limit access to "read only" to prevent any unintentional deletion or alteration of Client's data; (3) limit access to the areas of Client's technology environment necessary to perform the procedures agreed upon; and (4) disable all usernames and passwords provided to Eide Bailly upon the completion of procedures for which access was provided. Eide Bailly agrees to only access Client's technology environment to the extent necessary to perform the identified procedures.

6) Electronic Sites. Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on Client's website or elsewhere, Client understands that electronic sites are a means to distribute information and, therefore, Eide Bailly is not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

7) Data and Records. Eide Bailly cannot agree to be the sole host and/or the sole storage for Client's financial and nonfinancial data. It is Client's responsibility to maintain Client's original data and records and Eide Bailly cannot be responsible to maintain such original information. By signing this Agreement, Client affirms that it has all the data and records required to make its books and records complete.

8) Mandatory Disclosures. Eide Bailly may be requested to make certain engagement

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

documentation available to outside parties, including regulators, pursuant to authority provided by law or regulation or applicable professional standards. If requested, access to such engagement documentation will be provided under the supervision of Eide Bailly's personnel. Furthermore, upon request, Eide Bailly may provide copies of selected engagement documentation to the outside party, who may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. Eide Bailly will be compensated for any time and expenses, including time and expenses of legal counsel, it may incur in making such documentation available or in conducting or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings as a result of Eide Bailly's performance of these services. Client and its attorney will receive, if lawful, a copy of every subpoena Eide Bailly is asked to respond to on its behalf. Wherever possible and as permitted under applicable court rules, Eide Bailly will work with Client to limit costs Client may incur.

9) Service Providers. Eide Bailly may use third-party service providers and/or affiliated entities (including Eide Bailly Shared Services Private Limited) (collectively, "service providers") in order to facilitate delivering its services to Client. Eide Bailly's use of service providers may require access to Client information by the service provider. Eide Bailly will take reasonable precautions to determine that such service providers have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. Eide Bailly will remain responsible for the confidentiality of Client information accessed by such service provider and any work performed by such service provider. Client acknowledges that its information may be disclosed to such service providers, including those outside the United States.

10) Use of Artificial Intelligence. While providing the services set forth in this Agreement, in order to enhance the quality and efficiency of services provided, Eide Bailly may use tools incorporating artificial intelligence, including, but not limited to, algorithms, machine learning, and automated processes ("AI"). The use of such technologies will comply with applicable laws and regulations. Eide Bailly will use appropriate due diligence and best practices to ensure that any AI tools and methods are secure.

11) Confidential Information. Neither of us may use or disclose the other's confidential information for any purpose except as permitted under this Agreement or as otherwise necessary for Eide Bailly to provide the services. Client's confidential information is defined as any information it provides to Eide Bailly that is not available to the public. Eide Bailly's confidential information includes its engagement documentation for engagements performed under this Agreement. Eide Bailly's engagement documentation, including all workpapers, shall at all times remain the property of Eide Bailly. The confidentiality obligations described in this paragraph shall supersede and replace any and all prior confidentiality and/or nondisclosure agreements (NDAs) between us.

12) Retention Period. Eide Bailly agrees to retain its documentation or work papers for a period of at least eight years from the date of a report, other engagement deliverables, and/or completion of the engagement.

DISPUTES & LIMITATIONS

13) Mediation. Any disagreement, controversy, or claim arising out of or related to any aspect of Eide Bailly's services or relationship with Client (hereafter a "Dispute") shall, as a precondition to litigation in court, first be submitted to mediation. In mediation, the parties attempt to reach an amicable resolution of the Dispute with the aid of an impartial mediator. Mediation shall begin by service of a written demand. The mediator will be selected by mutual agreement. If we cannot agree on a mediator, one shall be designated by the American Arbitration Association ("AAA"). Mediation shall be conducted with the parties in person in Minneapolis, Minnesota. Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties. Neither party may commence a lawsuit until the mediator declares an impasse.

14) Limitation of Liability. Unless disallowed by law or regulation, the exclusive remedy available to Client for any alleged loss arising from or related to Eide Bailly's services shall be the right to pursue claims for actual damages that are directly caused by Eide Bailly's breach of this Agreement or Eide Bailly's violation of applicable professional standards. In no event shall Eide Bailly's aggregate liability to Client exceed five times fees paid under the applicable Statement of Work, nor shall Eide Bailly ever be liable to Client for indirect, special, incidental, consequential, punitive, or exemplary damages.

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

15) Time Limitation. Unless disallowed by law or regulation, Client may not bring any legal proceeding against Eide Bailly unless it is commenced within twenty-four (24) months ("limitation period") after the date when Eide Bailly delivered the report, return, or other deliverable as identified in a relevant Statement of Work or upon termination of the Statement of Work, whichever is earlier, regardless of whether Eide Bailly performs other services for Client. The limitation period applies and begins to run even if Client has not suffered any damage or loss or has not become aware of a possible dispute.

16) Limited Indemnity. Eide Bailly shall not be responsible for any misstatements in its deliverables to Client that it may fail to detect as a result of misrepresentations or concealment of information by any of Client's owners, directors, officers, or employees. Unless disallowed by law, regulation, or applicable professional standards, Client shall indemnify and hold Eide Bailly harmless from any claims, losses, settlements, judgments, awards, damages, and attorneys' fees arising from any such misstatement or concealment of information.

If, through no fault of Eide Bailly, it is named as a party to a dispute between Client and a third party, Client shall indemnify and hold Eide Bailly harmless against any losses, damages, settlements, judgments, awards, and the costs of litigation (including attorneys' fees) it incurs in connection with the dispute.

Eide Bailly shall not be entitled to indemnification under this Agreement unless the services were performed in accordance with professional standards in all material respects.

17) Governing Law and Venue. Any Dispute between us, including any Dispute related to the engagement contemplated by this Agreement, shall be governed by Minnesota law. Any unresolved Dispute shall be submitted to a federal or state court located in Minneapolis, Minnesota.

18) Assignment. Client shall not assign, sell, barter, or transfer any legal rights, causes of actions, claims, or Disputes it may have against Eide Bailly to any person.

OTHER

19) U.S. Securities and Exchange Commission ("SEC") and other Regulatory Bodies. Where Eide Bailly is providing services either for (a) an entity that is registered with the SEC, (b) an affiliate of such registrant, or (c) an entity or affiliate that is subject to rules, regulations, or standards beyond those of the American Institute of Certified Public Accountants ("AICPA"), any term of this contract that would be prohibited by or impair our independence under applicable law or regulation shall not apply to the extent necessary only to avoid such prohibition or impairment.

20) HLB International. Eide Bailly is a member of HLB International, a worldwide organization of accounting firms and business advisors ("HLB"). Each member firm of HLB, including Eide Bailly, is a separate and independent legal entity and is not owned or controlled by any other member of HLB. Each member firm of HLB is solely responsible for its own acts and omissions, and no other member assumes any liability for such acts or omissions. Neither Eide Bailly nor any of its affiliates are responsible or liable for any acts or omission of HLB or any other member firm of HLB and hereby specifically disclaim any and all responsibility, even if Eide Bailly or any of its affiliates are aware of such acts or omissions of another member of HLB. Engagements referred among HLB member firms may result in the payment and receipt of a referral fee.

21) Eide Bailly Alliance. Eide Bailly formed the Eide Bailly Alliance, a network for small to mid-sized CPA firms across the nation. Each member firm of The Eide Bailly Alliance, including Eide Bailly, is a separate and independent legal entity and is not owned or controlled by any other member of The Eide Bailly Alliance. Each member firm of The Eide Bailly Alliance is solely responsible for its own acts and omissions, and no other member assumes any liability for such acts or omissions. Neither Eide Bailly, nor any of its affiliates, are responsible or liable for any acts or omission of The Eide Bailly Alliance or any other member firm of The Eide Bailly Alliance and hereby specifically disclaim any and all responsibility, even if Eide Bailly, or any of its affiliates are aware of such acts or omissions of another member of The Eide Bailly Alliance.

22) Severability. In the event that any term or provision of this Agreement shall be held to be invalid, void, or unenforceable, the remainder of this Agreement shall not be affected, and each such term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

23) Use of Deliverables and Drafts. Client agrees it will not modify any deliverables or drafts prepared by Eide Bailly for internal use or for distribution to

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

third parties. Client also understands that Eide Bailly may, on occasion, send Client documents marked as draft and understand that those are for Client's review purpose only, should not be distributed in any way, and should be destroyed as soon as possible. When the engagement provides for the issuance of a report on financial or non-financial information, and/or other deliverables, Client may make copies of the report and/or other deliverables, but only if the entirety of the relevant underlying information, exactly as accompanying our report and/or deliverable, as appropriate, are reproduced and distributed with the report and/or other deliverables. Client agrees not to reproduce or associate our report and/or other deliverables with any other financial or non-financial information, or portions thereof, that are not the subject of our engagement.

Acknowledged and agreed:

Eide Bailly LLP

EIDE BAILLY LLP

CLIENT

_____
Signature

_____
Name

_____
Title

_____
Date

Eide Bailly Use:
Client ID: 123468
Account Name: Town of Castle Rock
Address: 100 N Wilcox St, Castle Rock, CO 80104
SR ID: SR-0065517

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

EIDE BAILLY LLP
TECHNOLOGY CONSULTING ADDENDUM
to MASTER SERVICES AGREEMENT

GENERAL

1) This Addendum only applies in conjunction with an associated Statement of Work for technology consulting services. All terms of the Master Services Agreement shall remain in full force and effect.

SERVICES AND DELIVERABLES

2) **Incorporation of Design Documentation**. The Deliverables identified in a Statement of Work may include Design Documentation. Any Design Documentation shall be submitted to Client for written approval. Upon Client's written approval, any Design Documentation shall be incorporated into the Deliverables described in a Statement of Work. If the Design Documentation conflicts with any such Deliverables, the Design Documentation shall control.

3. Work Outside of Scope. Eide Bailly shall have no obligation to provide any Deliverables or perform any Services not specifically set forth in a Statement of Work or Design Documentation. Client may request additional Deliverables and Services only pursuant to the Change Control procedures described immediately below.

4. Change Control. If either Party identifies a need to supplement or revise the Services or Deliverables described in a Statement of Work, the Party may create a change request ("Change Request"). The Change Request shall include relevant details such as changes to scope, assumptions, cost estimates, timelines, risks, and the like. Both Parties shall accept the terms of a Change Request before work outside the scope of a Statement of Work may continue. Eide Bailly shall charge Client, and Client shall pay Eide Bailly, on an hourly basis at Eide Bailly's normal hourly rates for any services or deliverables requested by Client that are not specified in a Statement of Work or an accompanying Change Request. Any signed Change Request shall thereafter be incorporated into the Statement of Work to which it refers.

5. HIPAA. Unless agreed by Eide Bailly in a separate signed writing:

a) Client has not relied on Eide Bailly to opine upon Eide Bailly's actual or potential status as a Business Associate (as that term is defined in the Health Insurance Portability and Accountability Act of 1996, as amended and supplemented ("HIPAA"));

b) In providing the Services, Eide Bailly is not acting as a Business Associate on Client's behalf;

c) The Services and Deliverables may not be used to store, maintain, process, or transmit protected health information ("PHI") (as that term is defined in HIPAA); and

d) The Services and Deliverables will not be used in any manner that would require the Services or Deliverables to be HIPAA compliant.

OWNERSHIP RIGHTS

6. Eide Bailly's Ownership Rights. Eide Bailly retains all rights, titles, and interests, including Intellectual Property Rights, in any Preexisting Materials, including the right to use, reuse, or otherwise exploit any Preexisting Materials for its other clients. In addition, Eide Bailly retains all rights, titles, and interests, including all Intellectual Property Rights, in the Services, Software, Design Documentation, and Deliverables, including the right to provide similar services and deliverables to other clients.

7. Client Ownership Rights. Client retains all rights, titles, and interests, including all Intellectual Property Rights, in the Client Materials. Client grants Eide Bailly the right to use the Client Materials to provide the Services and Deliverables to Client. Eide Bailly shall not market, distribute, reproduce, or seek to commercially exploit the Client Materials.

8. Contingent License. Provided Client has fulfilled its obligations under this Agreement, Eide Bailly grants Client a perpetual, non-exclusive, transferable, worldwide, and royalty free license to use, reproduce, copy, perform, display, modify or have modified by third parties, create or have created by third parties derivative works of, the Services, Software, Design Documentation, and/or Deliverables.

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

CLIENT ENGAGEMENT RESPONSIBILITIES

9. Appointment of Coordinator. Client shall designate one individual and one alternate to serve as Eide Bailly's primary point of contact for the relationship contemplated by this Agreement (the "Coordinator"). The Coordinator shall have the authority to act for Client as to all aspects of this Agreement. Eide Bailly shall be entitled to rely on all statements and agreements made by the Coordinator during the term of this Agreement.

10. Third-Party Products and License Terms. In connection with the receipt of any services or the use of any third-party products, software, tools, or components incorporated into or referenced in any applicable Statement of Work, Client expressly acknowledges and agrees to be bound by the terms and conditions of any applicable third-party license agreements, whether such terms are provided directly by the third party or referenced by Eide Bailly. Client further agrees that:

a) **No Objection**. Client shall not contest, object to, or otherwise challenge, the enforceability or applicability of any such third-party license terms.

b) **Deemed Receipt**. Client acknowledges that it has received, reviewed, and understood all applicable third-party license agreements, or, where such agreements are publicly available or referenced in the Statement of Work, that it has had a reasonable opportunity to do so. Client shall not assert any claim or defense based on non-receipt or lack of awareness of such terms.

c) **Indemnification**. Unless disallowed by law, regulation, or applicable professional standards, Client shall indemnify, defend, and hold harmless Eide Bailly from and against any and all claims, liabilities, damages, losses, or expenses (including reasonable attorneys' fees) arising out of or related to Client's breach of any third-party license terms.

d) **Survival**. The provisions of this section shall survive the termination or expiration of the applicable Statement of Work or this Agreement.

WARRANTIES

11) **Express Warranty**. Eide Bailly shall perform all Services, and the Deliverables shall have been prepared in a workmanlike manner.

12) **Warranty Against Non-Infringement**. Any Services, Software, or Deliverables, when properly used as contemplated by this Agreement, shall not infringe or misappropriate any United States copyright, trademark, patent, or other trade secrets of any third parties. Eide Bailly has any necessary rights and permissions to use any Third-Party Software in the manner contemplated by this Agreement.

13) **Warranty Disclaimers**. Except as specifically described in this Warranties section, all Services, Software, Third-Party Software, Deliverables, and any other product or service provided by Eide Bailly to Client are furnished "as is" and without any other express or implied warranties of any kind. Eide Bailly expressly disclaims any and all such warranties, such as, but without limitation, any implied warranties of merchantability, or fitness for a particular purpose. Eide Bailly does not warrant that any Services, Software, Third-Party Software, or Deliverables will be uninterrupted or error free.

14) **Remedies for Breach of Warranty**. The exclusive remedy to Client for a breach of any warranty arising under this Agreement shall be the repair or replacement of the Services, Software, Deliverables, or any other product or service provided to Client by Eide Bailly. If a court of competent jurisdiction determines that this remedy fails of its essential purpose, Client's damages for breach of warranty shall be limited as described in the Master Services Agreement.

DEFINITIONS

15) As used in this Addendum:

a) "**Client Materials**" means all of Client's proprietary business information, methodologies, procedures, utilities, algorithms, models, documents, and concepts, and any Intellectual Property Rights therein, which are provided by Client to Eide Bailly in furtherance of this Agreement.

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

b) "**Deliverables**" means only those tangible items Eide Bailly agrees in writing to provide to Client in a Statement of Work.

c) "**Design Documentation**" means a written description of requirements or functionality created through a collaborative process between Eide Bailly and Client for the purpose of analysis, planning, and implementation of the Services and/or Deliverables.

d) "**Intellectual Property Rights**" means patents, patent applications, patent rights, trademarks, trademark registrations, trademark applications, service marks, business marks, trade names, brand names, all other names and slogans embodying business or product goodwill (or both), copyright registrations, copyrights (including those in computer programs, software such as source code and object code, development documentation, programming tools, drawings, specifications and data), trade secrets, proprietary information, know-how, mask works, industrial designs, processes and technical information and all related rights now existing or hereafter created.

e) "**Preexisting Materials**" means Eide Bailly's proprietary business information, methodologies, programming, tools, know-how, procedures, utilities, algorithms, models, software libraries, source code, design, products, platform, and documents, and all Intellectual Property Rights therein.

f) "**Services**" means only those technology consulting services Eide Bailly agrees in writing to provide to Client in a Statement of Work.

g) "**Software**" means all computer code and related uses of information technology including but not limited to, all documentation, manuals, and instructions, that is used, designed, developed, and/or implemented by Eide Bailly for Client under this Agreement.

h) "**Third-Party Software**" means all software that is owned by an entity other than Eide Bailly or Client and is being used by Eide Bailly to provide the Services and/or Deliverables to Client.

16. Usage. All terms defined herein shall include the plural as well as the singular. Any undefined term shall be defined according to its plain English definition.

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 11. **File #:** RES 2026-011

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

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

Resolution Approving a Settlement Agreement and Release Between the Town of Castle Rock and Ohio Casualty Insurance Company for the Craig and Gould North Infrastructure Improvements Project *[Located in Historic Downtown Castle Rock]*

Executive Summary

Castle Rock Water is seeking Town Council approval of a Resolution accepting a Settlement Agreement for the Craig and Gould North Infrastructure Improvements Project (Project) in the amount of $380,000 (see ***Attachment A***). Project Improvements included upgrading the streets, alleys, storm drainage, water and sanitary sewer infrastructure to meet current design criteria standards and replace aging infrastructure located in the residential neighborhood identified as Craig and Gould North, bounded by Rock Park to the north, Sunset Drive to the east, Fifth Street to the south and Front Street to the west (see ***Attachment B***).

Staff Recommendation

Staff recommends Town Council approval of a Resolution Approving a Settlement Agreement Between the Town of Castle Rock and The Ohio Casualty Insurance Company, for the Craig and Gould North Infrastructure Improvements Project.

Proposed Motion

"I move to approve the Resolution as introduced by title."

Alternative Motions

"I move to approve the resolution as introduced by title, with the following conditions: (list conditions)."

"I move to continue this item to the Town Council meeting on _____ date to allow additional time to

(list information needed).”

Attachments

Staff Report
Attachment A: Resolution
Exhibit 1: Agreement
Attachment B: Project Site Map

STAFF REPORT

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

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

Title: **Resolution Approving a Settlement Agreement Between the Town of Castle Rock and The Ohio Casualty Insurance Company, for the Craig and Gould North Infrastructure Improvements Project** *[Located in Historic Downtown Castle Rock]*

Executive Summary

Castle Rock Water is seeking Town Council approval of a Resolution accepting a Settlement Agreement for the Craig and Gould North Infrastructure Improvements Project (Project) in the amount of $380,000 (see ***Attachment A***). Project Improvements included upgrading the streets, alleys, storm drainage, water and sanitary sewer infrastructure to meet current design criteria standards and replace aging infrastructure located in the residential neighborhood identified as Craig and Gould North, bounded by Rock Park to the north, Sunset Drive to the east, Fifth Street to the south and Front Street to the west (see ***Attachment B***).

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

The Craig and Gould North project was originally presented to Council in 2007 following the completion of the Craig and Gould South project to establish the scope and budget of this work.

- January 8, 2019 - Council awarded a design contract for The Craig and Gould North project to AECOM.
- August 25, 2021 - Castle Rock Water staff presented the construction contract to the Castle Rock Water Commission.
- September 13, 2021 - Public Works staff presented the construction contract to the Public Works Commission.
- September 21, 2021 - Town Council approved a Construction Contract with JBS Pipeline LLC (“JBS”) in the amount of $6,941,599 and a completion date of November 22, 2022.
- Change Orders 1 through 7 added $693,966.20 to original Construction Contract giving a final Contract amount of $7,635,565.20 and a Substantial Completion date of

July 31, 2023 (Substantial Completion was never issued under this Construction Contract).

- April 23, 2023 – Town received Bankruptcy Notice for JBS. At that time, there were items remaining uncompleted under the Construction Contract (Pavement Striping and Thermoplastic Pavement Markings), as well as Punch List Items needing to be reconstructed.
- June 18, 2024 – an Order from the Bankruptcy Court was issued granting the Town's motion for relief from the stay to pursue remedies with respect to the Bonds.

Discussion

On approximately August 6, 2024, the Town declared JBS in default under the Construction Contract and made a claim on the Bonds requesting that the Ohio Casualty Insurance Company, the surety for JBS (the "Surety"), complete the Project. The Surety investigated the claim during August and September 2024, which investigation included reviewing project records and attending meetings with the Town.

On approximately September 22, 2024, the Surety sent correspondence to the Town advising that the Surety intended to hire a construction contractor to complete JBS's unfinished scope of work and remaining punch-list items under the Construction Contract. The Surety and the Town performed site visits on August 20, 2024, March 27, 2025, and June 23, 2025, which resulted in the generation of a field-review punch-list of items needing to be corrected. After further discussion between the Surety and the Town, a final settlement has been determined to be the most acceptable means for finalizing the Project.

Town Staff has been negotiating with the Surety and has agreed on a final settlement in the amount of $380,000.

Staff Recommendation

Staff recommends Town Council approval of a Resolution Approving a Settlement Agreement Between the Town of Castle Rock and The Ohio Casualty Insurance Company, for the Craig and Gould North Infrastructure Improvements Project.

Proposed Motion

"I move to approve the Resolution as introduced by title."

Alternative Motions

"I move to approve the resolution as introduced by title, with the following conditions: (list conditions)."

"I move to continue this item to the Town Council meeting on _____ date to allow additional time to (list information needed)."

Attachments

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

RESOLUTION NO. 2026-011

A RESOLUTION APPROVING A SETTLEMENT AGREEMENT AND RELEASE BETWEEN THE TOWN OF CASTLE ROCK AND OHIO CASUALTY INSURANCE COMPANY FOR THE CRAIG AND GOULD NORTH INFRASTRUCTURE IMPROVEMENTS PROJECT

WHEREAS, subject to the Town Council's approval, the Town of Castle Rock, Colorado (the "Town"), and the Ohio Casualty Insurance Company (the "Surety"), the surety for Jim's Backhoe Service, Inc. d/b/a JBS Pipeline Contractors, desire to enter into a Settlement Agreement and Release (the "Settlement Agreement"); and

WHEREAS, the Settlement Agreement provides for a release of claims by the Town regarding the Craig and Gould North Infrastructure Improvements Project in exchange for a settlement payment to the Town by the Surety of $380,000.00; and

WHEREAS, the Town and the Surety anticipate reaching an agreement regarding the terms and conditions governing the Settlement Agreement; and

WHEREAS, the Town and the Surety desire to settle the Town's claims regarding the Craig and Gould North Infrastructure Improvements Project, and Town Staff recommends approving the Settlement Agreement.

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

Section 1. **Approval**. The Settlement Agreement between the Town and the Surety 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 Settlement Agreement and any technical amendments thereto by and on behalf of the Town.

PASSED, APPROVED AND ADOPTED this 3rd day of February, 2026, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading, by a vote of ___ for and ___against.

ATTEST:

Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK

Jason Gray, Mayor

Approved as to form:

Michael J. Hyman, Town Attorney

Approved as to content:

Mark Marlowe, Director of Castle Rock Water

SETTLEMENT AGREEMENT AND RELEASE

This Settlement Agreement and Release ("Settlement Agreement" or "Agreement") is entered into as of February 2, 2026, by Town of Castle Rock ("Obligee"), and Ohio Casualty Insurance Company (the "Surety"). The Obligee and the Surety are collectively referred to herein as the "Parties."

RECITALS

1. The Town of Castle Rock and Jim's Backhoe Service, Inc. d/b/a JBS Pipeline Contractors ("JBS") entered into a construction agreement dated September 21, 2021, (the "Contract") for JBS to install asphalt, concrete, and other sanitary sewer upgrades in Castle Rock, Colorado, also known as the Craig and Gould North Infrastructure Improvements project (the "Project"). Under the Contract, JBS agreed to furnish all labor, materials, equipment, and services required to perform its scope of work at the Project.

2. On August 11, 2021, Surety, a subsidiary of Liberty Mutual Surety, executed payment and performance bonds identified as Bonds No. 906225297 on behalf of JBS (the "Bonds"). The Bonds guaranteed JBS's payment and performance obligations on the Project.

3. On August 6, 2024, Obligee declared JBS in default under the Contract and made a claim on the Bonds requesting that the Surety complete the Project (the "Claim").

4. The Surety promptly commenced its impartial Claim investigation. On December 15, 2025, the Parties agreed to settle the Obligee's claim for $380,000.

AGREEMENT

The Parties agree as follows:

1. **RELEASE AND DISCHARGE OF THE SURETY BY THE OBLIGEE**. In consideration of the payment called for herein and other good and adequate consideration, and upon receipt of the Settlement Payment called for in Section 8 of this Settlement Agreement, the Obligee does hereby for itself and its heirs, executors, administrators, predecessors, successors, assigns, branches, subsidiaries, agents, servants, and all other persons, firms, corporations, associations or partnerships and any and all other parties claiming through or under the Obligee, all of whom are simply referred to herein as the "Obligee", unequivocally and without reservation, releases, acquits, and forever discharges the Surety and its agents, predecessors, successors, servants, heirs, executors, administrators, subsidiaries, and attorneys of and from any and all liability, actions, causes of action, claims, demands, damages, costs, loss of services, loss of properties, expenses, compensation and any and all consequential damages or injuries, based on claims sounding in statute, contract, tort or any other legal theory, which the Obligee now has, was raised in relation to the Claim, or which may hereafter arise, be discovered or accrue, known or unknown, suspected or unsuspected, against the Surety on account of, relating to, or in any way growing out of the Contract, the Bonds, or the Project. The Surety's liability to the Obligee under

the Bonds is hereby forever extinguished as are any claims in relation thereto, however attenuated. The Obligee covenants not to renew, reopen, or reassert its Claim or assert any future claim(s) on the Bonds or otherwise against the Surety related to the Bonds, the Contract, or the Project.

2. **GENERAL RELEASE**. The Obligee hereby acknowledges and agrees that the Release and Discharge set forth above in paragraph 1 is a general release and it further expressly waives and assumes the risk of any and all claims for damages which exist as of this date, but of which Obligee does not know or suspect to exists, whether through ignorance, oversight, error, negligence, or otherwise, and which, if known, would materially affect the Obligee's decision to enter into this Settlement Agreement. The Obligee further agrees that it has accepted the benefit of the payment of the sum specified herein as a complete compromise of matters involving disputed issues of law and fact, and the Obligee assumes the risk that the facts or law may be otherwise than the Obligee believes. It is understood and agreed by the Obligee that this settlement is a compromise of a disputed claim, and the payment provided for herein is not to be construed as an admission of liability on the part of the Surety, by whom liability is expressly denied and who agreed to the payment provided for herein solely to avoid future litigation expense.

3. **SCOPE OF AGREEMENT**. This Settlement Agreement is intended as a release of all claims of the kind or nature set forth above as to all persons, firms or corporations, regardless of whether such persons are specifically named or designated herein, and regardless of whether such persons, firms or corporations or parties to any litigation arising out of this matter, except to the extent any limitations are specifically designated herein to the contrary.

4. **RESERVATION OF RIGHTS**. Nothing herein shall be construed as a waiver of any of the Surety's rights under any Indemnity Agreement, specifically including the Indemnity Agreement dated June 20, 2017 (the "GIA") or related contract between the Surety, bond principal/indemnitor JBS, and any other indemnitor – including, but not limited to: JBS, James Parent, Kathleen Parent, and JK Diversified, LLC (collectively "Indemnitors"). The Obligee makes no representation, admission, or waiver, nor takes any position by virtue of the terms of this Agreement, regarding the Surety's rights under the GIA, if any, or related contract between the Surety, JBS, and/or the Indemnitors, if any. The Parties mutually understand and agree that the purpose of this Agreement is to resolve the claims and damages asserted by the Obligee against the Surety, as more fully described above, and furthermore that any claims and damages by the Surety against JBS and the Indemnitors are expressly excluded.

5. **ASSIGNMENT OF RIGHTS**. In further consideration of the payment called for herein and other good and adequate consideration, the Obligee hereby assigns, transfers and sets over to the Surety all rights, title and interest in and to any and all claims, demands, causes of action, judgments or damages it may have against JBS, including all rights and claims under the Contract, for all sums of money due and payable in regard thereto. In addition, the Obligee hereby authorizes the Surety to ask, demand and receive payment, to adjust, settle, or compromise and to bring suit, and to take all lawful ways for the recovery or the money due or to become due as a result of the assignment herein of the claims against JBS, and upon payment to give full acquittance and discharge in regard to such claims.

6. **RETAINAGE**. The Parties acknowledge that the Obligee is currently withholding approximately $380,096.82 in retainage (the "Retainage") for the Project.[1] Following the Parties' execution of this Settlement Agreement and express ascent to the terms herein, the Parties agree to continue discussions regarding their respective rights with regard to the Retainage to satisfy reasonably supported outstanding supplier and subcontractor payment claims legally due and owing pursuant to Colorado law. The Obligee acknowledges that the Surety, via assignment, both in the GIA and herein, has the sole right to any funds due to JBS pursuant to the terms of the Contract.

7. **WARRANTY OF CAPACITY TO EXECUTE AGREEMENT**. Each person executing this Settlement Agreement warrants that he/she is such person and that he/she is fully competent and legally empowered to execute and deliver this Agreement on behalf of the respective Parties. Further, each Party represents that it has full authority to release the other from any and all claims released by this Agreement. The Obligee further represents and warrants that no other person or entity has or has had any interest to the claims, demands, obligations, or causes of action referred to in this Settlement Agreement, except as otherwise set forth herein. Further, the Obligee represents and warrants that it has the sole right and authority to execute this Settlement Agreement and receive the sums specified herein, and that the Obligee has not sold, assigned, transferred, conveyed or otherwise disposed of any of the claims, demands, rights, interests, or causes of action released or referred to in this Settlement Agreement.

8. **PAYMENT**. In consideration of the release and covenant set forth above, the Surety hereby agrees to deliver to the Obligee the following sums in the following manner: Three Hundred Eighty Thousand Dollars and 00/100 Cents ($380,000.00) (the "Settlement Payment") within twenty-one (21) days of full execution of this Settlement Agreement. The funds will be paid by check and the Settlement Payment will not be considered to have been made until such time as the check has cleared and the funds remitted to the Obligee. The payment being made herein by the Surety is to avoid the expense and uncertainty of litigation.

9. **ENTIRE AGREEMENT AND SUCCESSORS IN INTEREST**. This Settlement Agreement contains the entire agreement between the Parties regarding the matters set forth herein. Further, the terms of this Settlement Agreement are contractual and not a mere recital. This Settlement Agreement shall be binding upon and inure to the benefit of the executors, administrators, personal representatives, devisees, agents, employees, officers, directors, trustees, conservators, guardians, beneficiaries, heirs, successors and assigns of each.

10. **NO ADMISSION OF LIABILITY**. It is understood and agreed that this Settlement Agreement is a compromise of disputed claims, and that consideration exchanged thereon is not to be construed as an admission of liability on the part of the Surety, by whom liability is expressly denied.

11. **MISTAKE**. The Parties expressly assume all risks that this Settlement Agreement

[1] The Contract balance of $33,724.14 does not include the Retainage. The Parties agree that the Contract balance of $33,724.14 is for work that was not performed by JBS, is not owed by Obligee to JBS or the Surety and shall not be paid by Obligee.

was a result of any mistake of any kind, waiving all claims or defenses based upon the doctrine of mistake. This Settlement Agreement shall act as an accord and satisfaction with respect to all claims between the Parties.

12. **SEVERABILITY**. If any provision of this Settlement Agreement shall be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the validity, legality and enforceability of the remaining provisions shall not be affected or impaired thereby.

13. **HEADINGS**. The headings of the various paragraphs contained herein are for convenience of reference only and shall not affect the meaning or construction of any of the provisions of this Settlement Agreement.

14. **CONSTRUCTION OF SETTLEMENT AGREEMENT**. This entire Settlement Agreement shall be construed and interpreted in accordance with the laws of the State of Colorado. Further, the language of this Settlement Agreement shall be construed as a whole, according to its intent, and not strictly for or against any of the Parties, regardless of who drafted or was primarily responsible for drafting any of the language in this Settlement Agreement. The Parties acknowledge that they have been given the opportunity to object to, request modification of, or reject any clause or provision herein to which they do not agree. Should any Court find any provision in this Settlement Agreement to be ambiguous, then such provision shall be determined in accordance with the Parties' express intention that this Settlement Agreement be construed in the broadest possible manner, in accordance with the Parties' express intention that all disputes between the Parties be forever resolved.

15. **REPRESENTATION OF COMPREHENSION OF DOCUMENT**. In entering into this Settlement Agreement, the Parties represent that they have relied upon the legal advice of their respective attorneys, who were the attorneys of their own choice, and that the terms of the Settlement Agreement have been completely read and explained by their attorneys, and that the terms are fully understood and voluntarily accepted, and that they have signed the Settlement Agreement as their own free act, pursuant to the by-laws of and on behalf of the applicable Party. No Party has relied upon any statements or representations made by the other or any of its agents, attorneys, employees or other persons representing that Party in entering into this Settlement Agreement.

16. **NO REPRESENTATION AS TO TAX CONSEQUENCES OR OTHER MATTERS**. The Parties enter into this Agreement without reliance upon any statements or representations by the other Party or that Party's attorneys concerning the nature and extent of any damages, legal liability, tax consequences or any other matter except as contained in this Settlement Agreement. Each Party, as applicable, voluntarily agrees to assume the risk and obligation to pay any and all taxes due, if any, as the result of receiving the settlement funds referenced herein.

17. **ATTORNEY FEES AND COSTS**. It is understood and agreed that each Party hereto shall not claim from the other any of its own attorneys' fees and costs arising from the claims released herein. In no way is this provision or this Settlement Agreement intended to limit the Surety's ability to recover any and all losses it incurs from JBS and/or from the other

Indemnitors relating to the Bonds and/or the GIA.

18. **ADDITIONAL DOCUMENTS**. The Parties agree to cooperate fully and execute any and all supplementary documents and to take all additional actions which may be necessary or appropriate to give full force and effect to the terms of this Settlement Agreement.

19. **COUNTERPARTS**. This Settlement Agreement may be executed in any number of counterparts, each of which, when so executed, shall be deemed to be an original and all of which, taken together, shall constitute one and the same agreement.

20. **EFFECTIVENESS**. This Settlement Agreement shall become effective following its full execution by the Parties.

The Town of Castle Rock

ATTEST:	**TOWN OF CASTLE ROCK**
_____	_____
Lisa Anderson, Town Clerk	Jason Gray, Mayor
Approved as to form:	**Approved as to content:**
_____	_____
Kaitlin Parker, Assistant Town Attorney	Mark Marlowe, Director of Castle Rock Water

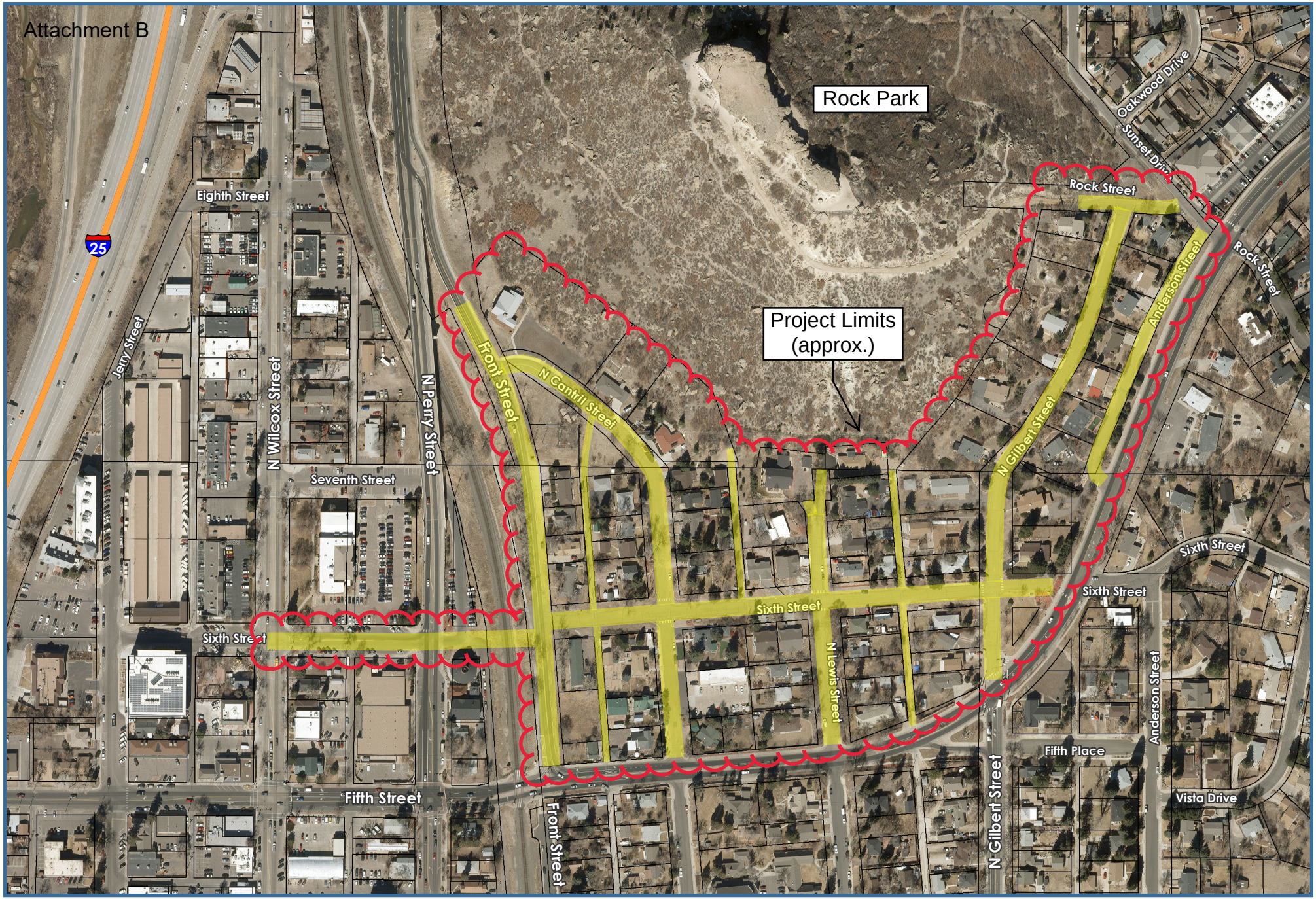
The Ohio Casualty Insurance Company

By: _____

Title: _____

DRAFT

Attachment B



CASTLE ROCK Water
Securing our future drop by drop

VICINITY MAP

0 130 260 520 780 Feet

1 inch = 300 feet

Disclaimer: The data presented has been compiled from various sources, each of which introduces varying degrees of inaccuracies or inconsistencies. Such discrepancies in data are inherent and in supplying this product the Town of Castle Rock assumes no liability for it's 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) 733-6056. Copyright 2020, Town of Castle Rock Utilities Mapping.

CRAIG & GOULD NORTH INFRASTRUCTURE IMPROVEMENTS

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 12. **File #:** MIN 2026-004

To: Honorable Mayor and Members of Town Council

From: Lisa Anderson, Town Clerk

Minutes: January 20, 2026 Town Council Meeting

Executive Summary

Attached are minutes from the January 20, 2026, Town Council meeting for your review and approval.

Town Council
Meeting Minutes - Draft

Mayor Jason Gray
Mayor Pro Tem Laura Cavey
Councilmember Ryan Hollingshead
Councilmember Kevin Bracken
Councilmember Mark Davis
Councilmember Max Brooks
Councilmember Tim Dietz

Tuesday, January 20, 2026 **6:00 PM**

Town Hall Council Chambers
100 North Wilcox Street
Castle Rock, CO 80104
www.CRgov.com/CouncilMeeting

This meeting is open to the public. All times indicated on the agenda are approximate. Town Council Meetings are also streamed online in real time at www.CRgov.com/WatchCouncil, and are broadcast for Comcast Cable subscribers on Channel 22 (please note there is a delay to the broadcast). Public Comments may also be submitted in writing online at www.CRgov.com/CouncilComments by 1:00 p.m. January 20, 2026, to be included in the public record. 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 or submit an accommodation request form at www.CRgov.com/A11yRequest

COUNCIL DINNER & INFORMAL DISCUSSION

INVOCATION

Mayor Gray provided the Invocation.

CALL TO ORDER / ROLL CALL

Present: 6 - Mayor Gray, Mayor Pro Tem Cavey, Councilmember Bracken, Councilmember Davis, Councilmember Brooks, Councilmember Dietz

Not Present: 1 - Councilmember Hollingshead

PLEDGE OF ALLEGIANCE

COUNCIL COMMENTS

Mayor Gray welcomed everyone.

Councilmember Bracken thanked Public Works responding to citizen requests.

Councilmember Davis thanked Town staff.

Councilmember Dietz added that they do a lot of events at the Museum that are in the fall when it is dark. David Corliss, Town Manager, stated this will happen.

Councilmember Dietz wants to reflect on his message and what we can do for our community. He noted that construction is moving quickly due to favorable weather.

Moved by Councilmember Davis, seconded by Councilmember Dietz, to install a streetlight at Castle Rock Museum to illuminate it. The motion passed by a vote of:

Yes: 6 - Gray, Cavey, Bracken, Davis, Brooks, Dietz

UNSCHEDULED PUBLIC APPEARANCES

No public comment.

TOWN MANAGER'S REPORT

Present: 7 - Mayor Gray, Mayor Pro Tem Cavey, Councilmember Hollingshead, Councilmember Bracken, Councilmember Davis, Councilmember Brooks, Councilmember Dietz

ID 2026-005 **Update: Calendar Reminders**

David Corliss, Town Manager, provided an update on Calendar reminders.

ID 2026-006 **Update: Monthly Department Reports**

ID 2026-007 **Update: Legislative Update**

Kristin Read, Assistant Town Manager, provided an overview of currently tracked legislation.

Councilmember Cavey asked to track SB26-005.

Councilmember Brooks asked to track SB26-18 is a separate bill where a child can suppress a name change. He inquired if we should take positions so early. Read stated it is consistent with past practices.

Councilmember Brooks asked to hold off on the privacy bill opposition as he feels they should get more information and can propose amendments.

Councilmember Dietz is supportive of FLOCK; and if you have a cell phone, drive 470, or are out in the public, you are visible.

Mayor Gray stated he is on CML and Metro Mayors and asked if taking positions conflict. Councilmember Brooks stated there are unintended consequences that need to be looked at.

Mayor Pro Tem Cavey stated you do not have access to the data on FLOCK - only Castle Rock Police has access.

Moved by Councilmember Brooks, seconded by Mayor Pro Tem Cavey, to affirm staff's recommended positions on State legislation as presented and direct staff to communicate the positions to the Town's legislative delegation, CML and others. The motion passed by a vote of:

Yes: 6 - Gray, Cavey, Bracken, Davis, Brooks, Dietz

ID 2026-008 **Briefing from Castle Rock Water: Water Quality Maintenance update; Chatfield Watershed Authority (CWA) By-laws Update; and Drought/Snowpack Update**

Mark Marlowe, Director of Castle Rock Water, provided the update.

Mayor Pro Tem Cavey asked how individuals can cut back when we aren't using outdoor water. Marlowe stated they will not need to declare a drought until they see high outdoor water usage if they need to implement the drought.

Councilmember Hollingshead arrived at 6:31pm.

Marlowe stated he heard feedback in Parker that they needed more outreach when they switched water treatments.

Marlowe stated that Castle Rock is the largest financial supporter of the Chatfield Watershed Authority and are asking to have two voting members.

Present: 7 - Mayor Gray, Mayor Pro Tem Cavey, Councilmember Hollingshead, Councilmember Bracken, Councilmember Davis, Councilmember Brooks, Councilmember Dietz

ID 2026-009 **Development Services Project Updates**

ID 2026-010 **Update: Quasi-Judicial Projects**

TOWN ATTORNEY'S REPORT

David Corliss, Town Manager, wanted to address a rumor they were made aware of that the Town was purchasing properties downtown. He confirmed that is not true and there are no Town projects downtown. They do have a project along Plum Creek they would like to obtain for a drainage easement for stormwater.

Mike Hyman, Town Attorney, stated the Council must authorize the Town to pursue eminent domain if it was necessary and that has not been proposed.

ACCEPTANCE OF AGENDA

Moved by Councilmember Bracken, seconded by Mayor Pro Tem Cavey, to Approve the Agenda as presented. The motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

CONSENT CALENDAR

Moved by Mayor Pro Tem Cavey, seconded by Councilmember Hollingshead, to Approve the Consent Calendar as presented. The motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

ORD 2026-002 **Ordinance Amending Sections 14.02.040 and 14.02.050 of the Castle Rock Municipal Code Regarding the Disposition and Lease of Real Property Owned by the Town (Second Reading - Approved on First Reading on January 6, 2026, by a vote 7-0)**

RES 2026-005 **Resolution Approving the Second Amendment to the Infrastructure Development and Purchase Agreement Between the Town of Castle Rock, Acting by and Through the Castle Rock Water Enterprise, and Tallgrass Colorado Municipal Water, LLC** *[Lost Creek area of Weld County, Colorado]*

MIN 2026-002 **Minutes: January 6, 2026 Town Council Meeting**

ADVERTISED PUBLIC HEARINGS & DISCUSSION ACTION ITEMS

ORD 2026-001 **Ordinance Amending the Town of Castle Rock's Zone District Map by Approving Amendment No. 7 to the Crystal Valley Ranch Planned**

Development Plan and Zoning Regulations (Second Reading - Approved on First Reading on January 6, 2026, by a vote of 4-3) *[located north of Crystal Valley Parkway, east of Rhyolite Park and west of Lake Gulch Road]*

Tara Vargish, Director of Development Services, presented the item.

Citizens that addressed Council:

Susan McAfee, resident of Crystal Valley, spoke in opposition. She spoke to residents affected and asked why the land swap is not equal and the north end has a substantially smaller buffer. She presented a modified plan that would eliminate four lots and provide an acceptable buffer on the north end.

Councilmember Dietz motioned to approve with the following conditions to accept the revised plan presented by Ms. McAfee. Second by Davis.

Councilmember Hollingshead appreciates the revision, but the new plan closes the street that was proposed when it would have been a school, and this was already approved.

Councilmember Bracken asked if it is appropriate to put in this process. Vargish stated Council approved the MOU where Council agreed to convey the property back to the developer and Option 3 of the layout in October 2025. These elements are more relevant when the site development plan is presented. Tonight the zoning is what is being presented.

Councilmember Dietz confirmed that he could propose an amendment when the site development plan is presented. He recinded his motion.

Mayor Gray stated we already agreed to this.

Moved by Mayor Gray, seconded by Councilmember Bracken to Approve as ORD 2026-001 on First Reading. Motion passed by a vote of:

Yes: 5 - Gray, Hollingshead, Bracken, Davis, Brooks

No: 2 - Cavey, Dietz

ORD 2026-003 **Ordinance Approving the First Amendment to the Dawson Trails Development Agreement (First Reading)** *[property located west of Interstate 25 and north and south of Territorial Road]*

Tara Vargish, Director of Development Services, presented the item.

Mayor Pro Tem Cavey stated her sister lives in Macanta and how confusing it was for homeowners for the regulations for backyards. She asked how we make it less confusing. Mark Marlowe, Director of Castle Rock Water, stated prior to the last change, the developer received a credit for installing a backyard. This process didn't work well. Since the last change they are seeing the process is working well.

Vargish stated the developer could obtain 1,500 housing building permits once the road is connected with Plum Creek on the west; and Costo could obtain building

permit estimated in the 3rd quarter but could not open until the interchange is open estimated mid 2027.

Councilmember Bracken confirmed when Dawson Trails going north is required.

Mayor Pro Tem Cavey confirmed when residency will be allowed.

David Corliss, Town Manager, stated their hope is CVI will be complete before their estimate of mid-2027.

No public comment.

Moved by Councilmember Dietz, seconded by Mayor Pro Tem Cavey, to Approve Ordinance ORD 2026-003 as presented. The motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

DIR 2026-001 **Discussion/Direction: America 250 - Colorado 150 Grants**

Kristin Read, Assistant Town Manager, presented the recommended grants.

No public comment.

Moved by Councilmember Hollingshead, seconded by Mayor Pro Tem Cavey, to Approve Discussion/Direction Item DIR 2026-001 as presented. The motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

RES 2026-006 **Resolution of the Town Council of the Town of Castle Rock Approving the Renaming of South Interstate 25 Road to South Wilcox Street** *[from Plum Creek Parkway to Crystal Valley Parkway]*

Dan Sailer, Director of Public Works presented the item. with proposed budget to assist with address changes for existing businesses and residents.

No public comment.

Moved by Councilmember Davis, seconded by Councilmember Brooks, to Approve Resolution RES 2026-006 as presented. The motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

RES 2026-007 **Resolution Approving the Third Amendment to Master Services and Purchasing Agreement with Axon Enterprise, Inc., for the Castle Rock Police Department**

Police Chief Cauley presented the item.

Councilmember Brooks confirmed the vendor provides for the vast majority of agencies. Cauley stated they have worked with them since 2016 and this includes replacement of cameras and tasers.

No public comment.

Mayor Pro Tem Cavey stated she will recuse herself from the vote as Verizon is a

partner of Axon.

Moved by Councilmember Brooks, seconded by Councilmember Dietz, to Approve Resolution RES 2026-007 as presented. The motion passed by a vote of:

Yes: 6 - Gray, Hollingshead, Bracken, Davis, Brooks, Dietz

Recuse: 1 - Cavey

ORD 2026-004 **Ordinance Amending Various Sections of the Castle Rock Municipal Code Regarding Board and Commission Membership, Absences, Term Limits, and Meetings (First Reading)**

David Corliss, Town Manager, presented the item that members of Boards and Commissions be Town residents. Exceptions can be shown as an amendment on second reading and effective for new terms after the effective date of the Ordinance, additional wording that limits unexcused absences to 15%, terms are for two consecutive three-year terms, remote attendance at meetings is not permitted including interviews, and Planning Commission and Historic Preservation Board meetings are at regularly scheduled intervals as needed. Castle Rock Water Commission is requesting a waiver for remote participation as they are an advisory board and several water professional members travel for their work frequently.

Councilmember Cavey asked why the Design Review Board would not be subject to the changes. Corliss stated it is only for terms and term limits because of the membership makeup. The DDA is set by state law.

Mike Hyman, Town Attorney stated the Design Review Board would have to be residents; however, the terms would not be changed because some members are appointed from other boards.

Councilmember Dietz inquired how much notice is given for meeting dates. Corliss stated most boards have a set meeting calendar.

Councilmember Bracken inquired about conflict of interest. Corliss stated all members must adhere to the Code of Conduct that could be added to. Mayor Gray asked if we could inquire with other municipalities what their Code of Conduct includes.

Citizens that addressed Council:

Dana, TriArt, with the Public Art Commission, asked that the residency requirement be removed because of the requirements they have for members.

KC Neel with the Public Art Commission has served on several Town boards and the Town wants talented and members with expertise. Some of these members have strong bonds with the Town but do not live within the Town limits.

Jen Perry with the Public Art Commission, stated they are a working board and she lives outside the Town limits. She asked not to make it harder to get volunteers that have the talents and passion to do the work.

Mayor Gray stated they want to move towards a Castle Rock centric boards and

commissions, but recognize that some boards require specific qualifications where they may need to go outside the Town limits. He suggested the wording that residents are preferred on some boards like the Water Board and the Public Art Commission and allow remote participation on the Water for members that travel for their work.

Councilmember Brooks recognizes the work done on boards but meetings are better in person. He is open to a proposed policy on remote participation for the Water Board. He further feels staff should not be making the decision what is excused or not; and feels it should be a standard 25% of meetings that cannot be missed whether they are excused or not.

Councilmember Hollingshead feels it does narrow the pool; and supports a higher percentage of 26% of absences allowed. He asked if any other boards would need a resident requirement besides the Public Art Commission. Mayor Gray feels we can make the residency requirement as needed and supports remote participation for the Water Board.

Councilmember Bracken is in support of what is proposed.

Councilmember Dietz noted that Council is required to live within their District and within the Town. He is in favor of a waiver of residency for the Public Art Commission and remote participation for the Water Board. He stated members of boards should commit and show up.

Corliss confirmed Council's direction.

Councilmember Hollingshead feels a board should be able to come to Council to ask for a waiver.

Moved by Mayor Gray, seconded by Councilmember Dietz, to Amend ORD 2026-004 with preference given to members that reside in Town, second preference is to members that reside in the County for the Public Art Commission only. The motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

Moved by Councilmember Dietz, seconded by Councilmember Brooks, to Amend ORD 2026-004 to remove unexcused and excused absences and change it to 26% of absences only and remove other language for excused absences. The motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

Moved by Mayor Gray, seconded by Councilmember Bracken to Amend ORD 2026-004 that the Water Commission can be held remotely upon Council adoption of remote attendance policy and effective upon approval. The Motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

Moved by Mayor Gray, seconded by Councilmember Bracken, to request staff report back on other municipalities Code of Conduct. The motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

Moved by Councilmember Brooks, seconded by Councilmember Dietz, to Approve

Ordinance ORD 2026-004 as Amended. The motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

DIR 2026-002 **Discussion/Direction: Planning Commission and the Comprehensive Plan (Chapter 2.16)**

Tara Vargish, Director of Development Services, presented suggested amendments for discussion.

Mayor Gray affirmed that we can do what we want and are not required to comply with the state requirements.

No public comment.

Moved by Mayor Pro Tem Cavey, seconded by Councilmember Davis, to Approve Discussion/Direction Item DIR 2026-002 as presented. The motion passed by a vote of:

Yes: 6 - Gray, Cavey, Hollingshead, Bracken, Davis, Dietz

Not Present: 1 - Brooks

RES 2026-008 **Resolution Approving Intergovernmental Agreements by and Between the Town of Castle Rock, Acting by and Through the Castle Rock Water Enterprise, and Denver Southeast Suburban Water & Sanitation District d/b/a Pinery Water & Sanitation District, for the Purchase and Sale of Rights in the WISE Project and WISE Infrastructure Capacity and for the Delivery of Water** *[WISE water to be used throughout Castle Rock Water's service area]*

Mark Marlowe, Director of Castle Rock Water, presented the item that increases our existing supply.

Councilmember Dietz inquired about the significance of 250 acre feet. Marlowe stated we use 9-10,000 acre feet.

Mayor Pro Tem Cavey asked why they want to sell the water and then purchase water from us in the summer. Marlowe stated they are built out, and their needs are much smaller, they get enough renewable water supply from Cherry Creek and engage in water conservation.

Councilmember Davis asked if we had all this infrastructure and water supply in existence when he was here. Marlowe said it was not, but it had been put in place to occur a couple years before that. The water is already available in the WISE system.

No public comment.

Moved by Councilmember Davis, seconded by Councilmember Hollingshead, to Approve Resolution RES 2026-008 as presented. The motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

RES 2026-009 **Resolution Approving the Second Amendment to the Amended and Restated Intergovernmental Agreement Between the Town of Castle Rock and Douglas County for the Highway 85 Wastewater Collection and Treatment System**

Mark Marlowe, Director of Castle Rock Water, presented the item.

No public comment.

Councilmember Dietz commented that we are the big boss of water and likes what they are doing.

Moved by Mayor Pro Tem Cavey, seconded by Councilmember Hollingshead, to Approve Resolution RES 2026-009 as presented. The motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

ADDITIONAL UNSCHEDULED PUBLIC APPEARANCES

None

ADJOURN TO EXECUTIVE SESSION - NOT TO RETURN

Moved by Councilmember Brooks, seconded by Councilmember Davis, to Adjourn to Executive Session. The motion passed by a vote of:

Yes: 7 - Gray, Cavey, Hollingshead, Bracken, Davis, Brooks, Dietz

EXEC 2026-001 **Executive Session: Consider a motion to recess into executive session for the purpose of receiving legal advice on specific legal questions under CRS Section 24-6-402(4)(b) and for determining positions relative to matters that may subject to negotiations, developing strategy for negotiations, and/or instructing negotiators, under CRS 24-6-402 (4)(e), all related to Douglas County School District property within Castle Rock**

Meeting Adjourned at 8:45 pm.

Submitted by Lisa Anderson, Town Clerk

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 13. **File #:** ORD 2026-004

To: Honorable Mayor and Members of Town Council

From: David L. Corliss, Town Manager

Ordinance Amending Various Sections of the Castle Rock Municipal Code Regarding Board and Commission Membership, Absences, Term Limits, and Meetings (Second Reading - Approved on First Reading on January 20, 2026, by a vote 7-0)

Executive Summary

Pursuant to Town Council direction last year, staff has prepared the attached ordinance making changes to the Town Code governing Town Boards and Commissions (Boards).

First Reading of this Ordinance was presented to Town Council at the January 20 meeting, and staff took direction for further changes on second reading.

Staff will make a presentation and provide information to Town Council of the changes incorporated as directed.

Proposed Motion

"I move to approve the Ordinance as introduced by title."

Alternative motions:

"I move to approve the Ordinance with the following changes: _____"
"I move to continue this item to [date] to allow time for: ____."

Attachments

Attachment A: Ordinance
Attachment B: Castle Rock Water Commission Member Feedback

ORDINANCE NO. 2026-004

AN ORDINANCE AMENDING VARIOUS SECTIONS OF THE CASTLE ROCK MUNICIPAL CODE REGARDING BOARD AND COMMISSION MEMBERSHIP, ABSENCES, TERM LIMITS, AND MEETINGS

WHEREAS, Town Council desires to provide clarity and updates to the Castle Rock Municipal Code (the "Code") regarding Board and Commission membership, absences, term limits, and meetings; and

WHEREAS, the Town Council has determined that amendments to the Code are necessary to provide said clarity and updates.

NOW, THEREFORE, IT IS ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO:

Section 1. **Amendment**. Section 2.14.010 of the Castle Rock Municipal Code is amended to read as follows:

2.14.010 - Membership.

All Town boards and commissions and the Downtown Development Authority, except insofar as expressly modified elsewhere in this Code, the Charter, or State Statute, shall serve in accordance with the provisions of this Chapter 2.14 as follows:

A. The members of all Town boards and commissions (Board of Adjustment, Board of Building Appeals, Castle Rock Water Commission, Design Review Board, Election Commission, Historic Preservation Board, Parks and Recreation Commission, Planning Commission, Public Art Commission, Public Safety Commission, and Public Works Commission) and the members of the Downtown Development Authority Board shall be appointed by a majority vote of the members of Town Council present at the meeting.

B. Town Council will appoint members to fill the remainder of unexpired terms of all Town boards and commissions and the Downtown Development Authority in order to retain staggered terms.

C. The members of all Town boards and commissions and the Town Council member of the Downtown Development Authority Board shall serve at the pleasure of Town Council.

D. All members of Town boards and commissions and the Downtown Development Authority Board shall take an oath of office per Chapter 2.18 of this Code.

E. Any member of a Town board or commission may be removed with or without cause by an affirmative vote of a majority of the entire membership of Town

Council. Removal of the members of the Downtown Development Authority shall be governed by Sections 31-25-805(2)(A) and 31-25-806(4), C.R.S., as amended.

F. ~~In appointing~~ THE members of ~~a~~ ALL Town boardS ~~or~~ AND commissionS~~,~~ ~~preference~~ shall ~~be given, first, to persons who~~ reside in the Town ~~and, second, to persons who reside outside of the Town, but within Douglas County~~. Discontinuance of residency shall terminate membership. The residency requirement shall not apply to:

1. Members of the Downtown Development Authority who are otherwise eligible to serve pursuant to Section 31-25-806(1), C.R.S.;

2. MEMBERS OF THE PUBLIC ART COMMISSION; PROVIDED THAT PREFERENCE SHALL BE GIVEN, FIRST, TO PERSONS WHO RESIDE IN THE TOWN AND, SECOND, TO PERSONS WHO RESIDE OUTSIDE OF THE TOWN, BUT WITHIN DOUGLAS COUNTY; AND

~~2.~~ 3. Any position on a Town board or commission that Town Council has expressly authorized by ordinance to be filled by a non-resident.

~~3.~~ 4. Any non-resident Town board or commission member serving as of ~~January 18, 2022~~, MARCH 5, 2026, will be allowed to serve out their current term.

G. All board and commission members shall serve without compensation.

Section 2. **Amendment**. Section 2.14.015 of the Castle Rock Municipal Code is amended to read as follows:

2.14.015 - Absences.

A. ~~Except for emergency absences, medical condition absences and absences resulting from military leave of less than two (2) continuous months, between June 1 to May 31 of the following year, a board or commission member shall not exceed the following unexcused absences:~~

~~1. A board or commission that schedules meetings twice monthly cannot exceed four (4) unexcused absences;~~

~~2. A board or commission that schedules meetings monthly cannot exceed three (3) unexcused absences; and~~

~~3. A board or commission that schedules quarterly meetings or as needed cannot exceed one (1) unexcused absence.~~

IN NO EVENT SHALL A BOARD OR COMMISSION MEMBER HAVE ABSENCES IN EXCESS OF 26% OF THE TOTAL MEETINGS HELD IN THE IMMEDIATELY PRECEDING TWELVE-MONTH PERIOD.

~~B. The Town Manager or designee shall determine whether an absence is excused or unexcused.~~

~~C.~~ B. If a Town board or commission member exceeds the PERMITTED number of ~~unexcused~~ absences, the member shall be deemed to have resigned from the board or commission and the Town Council shall appoint a replacement.

~~D.~~ C. If a member of the Downtown Development Authority exceeds the number of ~~unexcused~~ absences permitted by subsection A of this section, such fact shall be considered cause for removal under Section 31-25-806(4), C.R.S.

Section 3. **Amendment**. Section 2.14.020 of the Castle Rock Municipal Code is amended to read as follows:

2.14.020 - Term limits.

A. Terms for Town board or commission members shall be ~~two (2)~~ THREE years with the following exceptions:

1. Downtown Development Authority:

a. MEMBER APPOINTED AS REPRESENTATIVE OF TOWN COUNCIL: ONE-YEAR TERM.

b. ALL OTHER MEMBERS: Four-year terms; AND

~~2. Election Commission: Three-year terms;~~

~~3. Board of Building Appeals: Three-year terms; and~~

~~4.~~ 2. Design Review Board:

a. Members appointed as representatives from other boards and commissions: One-year terms.

~~b. Members appointed as property owners within the Downtown Development Authority Boundary: Two-year terms.~~

B. No Town board or commission member shall serve more than ~~three (3)~~ TWO consecutive ~~two~~ THREE-year terms with the following exceptions:

~~1. Members of the Historic Preservation Board may serve four (4) consecutive two-year terms;~~

~~2. Members of the Election Commission may serve two (2) consecutive three-year terms;~~

~~3. Members of the Board of Building Appeals may serve two (2) consecutive three-year terms; and~~

1. MEMBERS OF THE DESIGN REVIEW BOARD APPOINTED AS REPRESENTATIVES FROM OTHER BOARDS AND COMMISSIONS MAY SERVE UP TO FOUR CONSECUTIVE ONE-YEAR TERMS.

~~4.~~ 2. Members of the Downtown Development Authority Board are not subject to the term limitation requirements of this section.

Section 4. **Amendment**. Section 2.14.030 of the Castle Rock Municipal Code is amended to read as follows:

2.14.030 - Town board and commission meeting conduct.

A. For each Town board or commission:

1. A chair and vice-chair will be elected from the members at the first meeting at the beginning of the term year to serve a one-year term. The chair shall be the executive officer and shall preside over all meetings, sign documents on behalf of the board or commission, call special meetings as needed and see that all actions of the board or commission are properly taken. The vice-chair will assume the duties of the chair in the chair's absence. Both the chair and vice chair will retain their voting rights at all meetings. In the absence of the chair and vice-chair, the members in attendance at such meeting may designate a chair pro-tem to preside over the meeting. Regular meetings may be cancelled by the chair or the Town Manager or designee.

2. A majority of the membership shall constitute a quorum. A quorum is required in order for the board or commission to conduct a meeting.

3. If a quorum is present, an affirmative vote of a majority of the members in attendance is required for any formal action to be taken. In the event that a quorum is not present, a meeting may nevertheless be continued by an affirmative vote of a majority of the members in attendance.

4. A tie vote shall be deemed a denial of the motion or recommended action.

5. Strict adherence to the Town Charter and Code, the rules, regulations, and policies adopted pursuant thereto, and any applicable federal or state laws, rules, regulations, or policies shall be required.

6. All meetings at which public business is discussed or formal action is taken shall be open to the public and noticed in compliance with the Colorado Open Meetings Law, Section 24-6-402, C.R.S.

7. Special meetings may be called by the chair, any two members of the board or commission, or the Town Manager or designee and must adhere to the same noticing requirements as a regular meeting.

8. Executive sessions may be conducted for any reason permitted by the Colorado Open Meetings Law, Section 24-6-402, C.R.S.

9. Robert's Rules of Order shall govern any procedural matter not addressed in the bylaws; provided, however, that the failure of a board or commission to follow Robert's Rules of Order shall not invalidate an otherwise lawful action.

10. A recording of minutes and votes are required for each meeting and shall be archived, along with any agenda packets and executed documents, using the Town archival software.

11. Town staff is available to serve as a liaison and to offer assistance.

12. Each member must adhere to the Town Code of Conduct as set forth in Chapter 2.05 of the Code.

B. ~~Notwithstanding any provision of this section to the contrary, the Town Council shall have the sole authority to adopt, and amend from time to time, by resolution, rules and procedures governing t~~ The remote attendance and participation of board and commission members and the general public by telephone or other electronic means, subject to reasonable qualifications and limitations, SHALL NOT BE PERMITTED; PROVIDED, HOWEVER, THAT THE TOWN COUNCIL MAY, BY RESOLUTION, ADOPT A FORMAL POLICY GOVERNING THE ABILITY OF A SPECIFIC BOARD OR COMMISSION TO ALLOW THE REMOTE ATTENDANCE AND PARTICIPATION OF ITS MEMBERS.

Section 5. **Amendment**. Section 2.16.080 of the Castle Rock Municipal Code is amended to read as follows:

2.16.080 - Meetings.

The Planning Commission shall hold regular public meetings~~, not less than once per calendar month~~ AS NEEDED.

Section 6. **Amendment**. Subsections 15.30.090.B and D of the Castle Rock Municipal Code are amended to read as follows:

15.30.090 - Board of Building Appeals.

B. Membership. The Board shall consist of five ~~(5) qualified electors of the Town~~ MEMBERS. To the extent practicable, four members shall be persons qualified by experience and training to pass on matters pertaining to building construction.

D. Meetings. The Board shall hold REGULAR PUBLIC meetings ~~at regularly scheduled intervals, but shall meet at a minimum four times a year~~ AS NEEDED.

Section 7. **Amendment**. Subsection 15.64.030.B of the Castle Rock Municipal Code is amended to read as follows:

15.64.030 - Historic Preservation Board established.

B. Meetings. The Board shall hold REGULAR PUBLIC meetings ~~at regularly scheduled intervals, but shall meet at minimum four times a year~~ AS NEEDED.

Section 8. **Severability.** If any part or provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provisions or application, and to this end the provisions of this Ordinance are declared to be severable.

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 20th day of January, 2026, by the Town Council of the Town of Castle Rock, Colorado, by a vote of 7 for and 0 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 3rd day of February, 2026, by the Town Council of the Town of Castle Rock, Colorado, by a vote of ___ for and ___ against.

ATTEST:

_____
Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK

_____
Jason Gray, Mayor

Approved as to form:

_____
Michael J. Hyman, Town Attorney

Approved as to content:

_____
David L. Corliss, Town Manager

To: Town Council

Thru: David L. Corliss, Town Manager

From: Mark Marlowe, Director of Castle Rock Water and CRW Commission

Date: November 12, 2025

Title: **Changes Requested on Town Boards & Commissions**

Executive Summary

On October 18th the Town Council Requested that changes be made to the Boards & Commissions. These changes were shared with the Castle Rock Water (CRW) Commission on October 22, 2025. Attached is the feedback that the CRW Commission Members would like to share with Council on these suggested changes. The comments are all really focused on the removal of the remote meeting attendance option. The other proposed changes did not generate any significant comments.

As Director of CRW, I also wanted to provide additional thoughts for Council consideration. I believe the current remote meeting option has allowed CRW to retain some local professional talent with direct water industry experience that has been valuable. This can be seen in the resumes that I have attached for a number of our current Commission Members. This experience is not something that we really had on the Commission prior to the era of remote meeting options. Many of these professionals do have to travel for their work, and occasionally need to use the remote option. I have attached the attendance and remote attendance records for the CRW Commission over the last several years for context. I would support maintaining some level of remote option flexibility for commission members. Maybe, members can use the remote option a few times per year, if necessary, subject to annual review by Council? This concept and commission member comments are provided for your consideration as you finalize your Board and Commission changes.

Attachments

Attachment A: Chair Tony Rathbun
Attachment B: Vice Chair Melanie Penoyar-Perez
Attachment C: Commissioner Kevin Snow
Attachment D: Commissioner David Hammelman
Attachment E: Commissioner Brian Gaddie
Attachment F: Resumes for Commissioners with Direct Water Industry Experience

Attachment G: Attendance and Remote Attendance Records

Attachment A

Mark –

I tried calling a couple times and texted as well with no return but if Town Council wants to pass new mandatory attendance requirements on ***volunteer*** positions for all Commission members across the board I am going to take major exception to that decision. Again, these are ***volunteer*** positions of which people take very seriously and add input in good faith and provide meeting feedback along with gaining understanding that they can also **provide to others** within the community.

Additionally, we live in the modern world and COVID aside, technology is advancing daily and while I do appreciate ***'in person'*** meetings and I personally make every stride to control my schedule **(at company expense)** to attend in person and on the **very rare** occasion I do miss a 'in person' meeting but yet I jump thru hoops to be virtual that should show a sign of **commitment** – not a demerit or a risk of **termination**. Additionally, I don't think I need to provide a resume as mentioned this evening. My input and feedback in meetings should be enough to move the Town forward in good faith and if that is not enough then let me know – I have better things to do.

Thank you,
Tony

Attachment B

From: Melanie Penoyar-Perez
Sent: Tuesday, October 28, 2025 12:09 PM
To: Mark Marlowe <mmarlowe@crgov.com>
Subject: Commission Attendance Policy

Mark,

Should Castle Rock change to an in-person-only format for commission meetings, I will no longer be able to participate. I am a busy traveling professional, and while I have made active participation in the water commission a priority, it will not be possible for me to join at the 80% level required. I lead a team of 50 people remotely. There is no reason this cannot be done effectively over a video call. This is just the business environment that companies find themselves in today. Post-COVID, the world has changed, and hybrid meetings are here to stay. As leaders, this does require changes to meeting facilitation tactics to keep our best people engaged in meaningful work.

Have a great day!

Melanie J. Penoyar-Perez, MBA, CAE
[redacted]
DD: [redacted] CP: [redacted]

Attachment C

Mark,

As a follow-up to last evening's Water Commission meeting, and the Town Council's plan to update Board and Commission member requirements, I wanted to share my point of view regarding in person attendance at Water Commission meetings, and ask you to share this with the Town Council if you feel it will add value to the decision outcome.

First, I believe commission members should attend all meetings in person if possible. It is much easier to share information, discuss ideas, and explore and debate different points of view if the members know and trust each other, which is fostered by holding in-person, face-to-face meetings.

However, commission members should be allowed to occasionally and when necessary join commission meetings remotely by Zoom or Webex if they are not able to meet in person, but want to join their peers by teleconference to ensure quorum is met and help CRW make good business decisions. Reasons for joining remotely might be for an injury or contagious illness, or for being out of town on business or for personal reasons.

Many workers of all types are required to travel for their job, and Castle Rock is best served by a diverse commission made up of members from a wide range of experiences and backgrounds. To attract the most diverse, experienced, and dedicated group of local volunteer commission members, it's in Castle Rock's best interest to allow members to join remotely when they need to.

I've attached my resume to highlight some of the experiences I bring to the water commission. And while I wish to attend every meeting in person, it's very important to me that I have the flexibility to join remotely when necessary.

Best Regards,

Kevin Snow
[redacted]

Attachment D

From: David Hammelman <[redacted]
Sent: Saturday, November 1, 2025 9:42 AM
To: Maryjo Reese; Mark Marlowe; Rathbun, Tony
Subject: Re: Remote Mtg. feedback

Good morning.....as I have been away much of the past three weeks, I am unaware of what is driving the Council's interest. If it's because other Boards/Commissions are having attendance problems (unlike us until the last meeting), perhaps they should more strictly enforce their attendance rules. Alternatively, poor attendance members can simply be removed at the end of their current two-year appointment.

The virtual attendance option does allow the standing of a quorum sometimes when it otherwise might not be met. Eliminating the virtual attendance option will significantly reduce the size of the Town population who is interested in or able to serve on Town Boards/Commissions. In my mind, this should be taken into account during discussions on this initiative.

Thank you for asking for our input.
Dave Hammelman
[redacted]
Castle Rock, CO 80104
[redacted]
"A tennis ball landing 99% out, is 100% good"

Attachment E

From: Brian Gaddie <[redacted]
Sent: Monday, November 3, 2025 7:56 PM
To: Mark Marlowe <MMarlowe@crgov.com>
Subject: Re: Follow Up from Commission Meeting

Mark,

Here are arguments against the Town Council's action and my support of continued virtual meeting attendance option. I have also attached a resume for your use if you find it beneficial.

1. **Expands Participation and Accessibility**
    a. Broader volunteer pool: Virtual options allow busy professionals, parents, or residents who travel for work (like engineers, business owners, etc.) to still contribute meaningfully.
    b. Equity and inclusion: Virtual access makes it easier for individuals with mobility limitations, transportation challenges, or health concerns to serve.
    c. Community engagement: A hybrid format can encourage a more diverse and representative commission membership which better reflects the Town's demographics and professional skill sets.
2. **Improves Continuity and Attendance**
    a. Fewer absences: Members can participate while traveling or during minor illnesses rather than missing meetings entirely.
    b. Sustained quorum: Hybrid options help maintain quorum requirements even during inclement weather or overlapping work obligations.
3. **Aligns with Modern Governance Practices**
    a. Standard practice elsewhere: Many Colorado municipalities (and state boards) have adopted permanent hybrid policies following lessons from COVID-era governance.
    b. Supports sustainability: Virtual participation reduces travel time and vehicle emissions, aligning with Town sustainability goals.
4. **Technology Investment Is a Solvable Issue**
    a. Fix the system, not the flexibility: The current AV challenges in the commission room are technical, not philosophical. Upgrading microphones, cameras, and conferencing software can solve these issues without eliminating virtual access.
    b. Budget-conscious improvement: Small investments in room technology (boundary mics, camera auto-tracking, integrated speaker systems) can yield professional-grade hybrid meetings.

Balanced Recommendation Framework
This compromise or balanced framework offers suggestions you could propose as a middle-ground solution that acknowledges Council's desires while retaining flexibility:

- Hybrid attendance policy: Require in-person attendance for certain key meetings (budget votes, annual workshops) but allow remote attendance for others.
- Set minimum in-person participation thresholds: e.g., members must attend at least 6 of 12 meetings in person.
- Commit to AV system upgrades: Recommend staff evaluate cost-effective improvements (e.g., Town's IT Department or consultant) before eliminating virtual participation.
- Codify transparency: Continue to livestream meetings publicly, even if virtual member participation is limited.

Please let me know if I can be of further assistance to you in your engagement with council.

Best,

Brian Gaddie

PROJECT SPONSOR / SR. PROJECT MANAGER

TONY RATHBUN

Tony's knowledge of dams, water resources, and heavy civil construction brings a comprehensive understanding of all work elements, overarching project risks, and the interrelationships and sequencing involved in excavation, borrow management, placement of zoned earthfills, and construction and commissioning of hydraulic concrete structures. Tony actively engages in weekly and monthly project coordination meetings, including onsite attendance as appropriate. His multi-level hands-on experience allows him to provide valuable input regarding constructability, means and methods, and control of both cost and schedule.

Relevant Experience

Glen Elder Dam Spillway Chute Replacement, Mitchell County, KS; Bureau of Reclamation, Summer 2021 (Pursuit) and Sept 2021 – Present (Construction), $41 million | Project Sponsor

The project replaces the slowly deteriorating concrete slabs of the spillway chute, improves collection and transport of subsurface water flows away from the slabs, and increases sliding stability to improve structural integrity. The scope includes site development of haul roads and access routes, onsite batching of concrete, spillway concrete demolition and replacement, selective hydrodemolition and concrete repairs, excavation of rock and common materials, grouted-anchor bar installation into foundation and existing concrete, gravel and sand filter material placement, underdrain installation, unwatering and removal of debris and sediment from stilling basin, control of water, and site restoration of contractor use areas. In addition, the contract requires compliance with rigorous USBR standards for submittal preparation, health and safety program implementation, contractor quality control, and cost-loaded scheduling.

Webster Dam Spillway Chute Replacement, Rooks County, KS; Bureau of Reclamation, Summer 2020 (Pursuit) and Sept 2020 – Present (Construction), $22 million | Project Sponsor

The project will bolster the integrity of the Webster Dam spillway chute concrete to ensure the spillway has the capacity to safely pass both normal flows and emergency flows during large flood events without endangering the integrity of the dam embankment. Major features of work on the project include onsite batching of concrete, spillway concrete demolition and replacement, underdrain installation, and control of water. In addition, the scope of work includes site development, excavation of rock and common materials, grouted-anchor bar installation into foundation and existing concrete, gravel and sand filter material placement, unwatering and removal of debris and sediment from stilling basin, and site restoration of contractor use areas.

YEARS OF INDUSTRY EXPERIENCE
34

YEARS OF EXPERIENCE AT AMES
5

EDUCATION
B.S. Civil Engineering Technology, Oregon Institute of Technology

TRAINING
- USACE Construction Quality Management
- USACE National HUBZone
- Roller Compacted Concrete
- MSHA
- OSHA 30 Hour Supervisor Training

PROFESSIONAL AFFILIATIONS
- American Society of Dam Safety Officials, Member
- United States Society of Dams, Member
- Deep Foundations Institute, Member

West Silver Basin Dam and Reservoir, Greenlee County, AZ; Freeport McMoRan, Oct 2017 - Jan 2019, $73 million | Project Manager | ***2020 AGC Build Arizona Award***
The schedule-intensive, landmark project required construction of a new earthen embankment, asphalt core dam -- the first asphalt-core dam to be built in the United States. The embankment stands 143 feet high, and the crest stretches 1400 feet across the valley. The scope of work included an extensive foundation drill and grout program, installation of a multi-zone filter drain system comprised of imported washed sand and crushed aggregate products produced onsite, and development of an onsite borrow source quarry via drilling and blasting to produce over 1.3 million cubic yards of rock materials. Other notable features include a new HDPE bypass pipeline and several concrete structures – a pump station, an inlet structure, a bifurcation structure, and an outlet structure.

During preconstruction, Tony was heavily involved with the client and their designer through technical workshops, constructability reviews, and preliminary scheduling and estimating for the main construction package. This engagement provided a thorough understanding of the schedule drivers, site geotechnical conditions, and the major risks of the project. Having been onsite for four months, once the main construction package was awarded Tony and his team had already established clear lines of communication, set up project controls, activated management plans for safety, quality and environmental compliance, and held a firm understanding of the measures needed to mitigate the client's risks. The Daily Productivity Meeting and Operations Report – which included status on safety, construction activities (pump station, mechanical, pipeline, dam), crushing/screening quantities, equipment and manpower – provided transparency to keep all partners current and eliminated disconnect.

Tony was directly involved with the rock quarry from early pre-planning to daily drilling and blasting operations and closely coordinated with the quarry and blasting superintendents ahead of both day and night shift. Tony was also directly involved with the dam embankment operation, including the installation of an asphalt-core. He was actively engaged each day alongside the HAC subcontractor to coordinate timely delivery of materials provided from the batch plant for each shift. He covered expectations for each shift, quantity and timing of deliveries, as well as composition and quality inspection at the plant and prior to placement.

Tasked to find synergy among partners to avoid gaps in productivity between shifts while alternating headings for the asphalt-core and zoned embankment. Tony beat the client's preliminary schedule and achieved contract completion on time. By comparison, an asphalt-core dam project of this magnitude typically demands twice the number of work days than were allowed. Tony and his team completed the project in half the time.

Island Creek Flood Protection Project, Logan, WV; US Army Corps of Engineers, Nov 2011 - Aug 2014, $21 million | Project Sponsor
Flood protection project that increased the width of the existing Island Creek channel to a trapezoidal configuration. Features included a 900-foot post and panel retaining wall with multi-strand post-tensioned anchors, a replacement bridge, and demolition of several building structures, major dewatering and diversion of streams, environmental controls, and excavation. The project required performance of complex features within tight quarters. During the 60-day limited ANTP preconstruction period, managed the preparation of initial submittals and baseline schedule, establishment of survey control points, and development of laydown, staging areas, and temporary access roads. Safety and three-phase Quality Control programs were implemented in accordance with USACE standards. Worked closely with the USACE and design consultant to address impacts resulting from changed geological conditions. Through a collaborative approach, a revised tie-back system that minimized cost and schedule impacts was identified. Heavily involved in the design revisions, reviews, and specialty subcontractor coordination to develop the modified tieback anchoring systems.

Years of Experience

37

Education

BS, Civil Engineering, Oregon Institute of Technology

Licenses & Certifications

USACE Construction Quality Management

USACE National HUBZone

Roller Compacted Concrete

Mining Safety and Health Administration Certification

OSHA 30-Hour

Supervisor Training

Exceeds Minimum Requirements

- 37 years of experience in heavy civil construction
- 13 years of preconstruction experience
- Supported 17 reservoir projects
- Managed five collaborative delivery projects

TONY RATHBUN

Preconstruction Manager/Contract Manager

I know what it takes to build a reservoir from the ground up. I've dedicated my career to this challenge because I know how water resource projects can positively change the communities around me.

- Tony Rathbun, Preconstruction Manager

Tony Rathbun

$2.6B

in Dam and Reservoir Projects

$100M

Saved in Preconstruction

Meet Your Preconstruction Manager/Contract Manager

Tony's knowledge of heavy civil construction, large-scale site development, dams, and water resources brings a comprehensive understanding of all work elements, overarching project risks, client values and objectives involved in multi-faceted projects. He actively engages in design assistance, value engineering, project coordination, and conflict resolution throughout the life of all his projects. Tony will be responsible for managing the preconstruction team, overseeing the development of cost estimates, and ensuring the entire scope of work is captured. He will also play an essential role in developing subcontractor bid packages, ensuring we maximize subcontractor interest from quality firms. Tony will coordinate with the Integrated Project Team (IPT) to ensure that all critical project items are communicated regularly.

Phase 1 Preconstruction Services Roles & Responsibilities

Tony will be authorized and delegated responsibility for all preconstruction activities including constructability reviews, safety planning, quality planning, stakeholder coordination, and estimating. He facilitates communication between the team and Sites Authority, ensuring the design progresses. Tony will work directly with Project Manager Kent Peyton and Sites Authority to find workable, cost-effective solutions throughout Phase 1.

Phase 2 Construction Services Roles & Responsibilities

Tony will transition to the Commercial Manager role, overseeing risk and business management for the project. This transition will ensure that institutional knowledge is transitioned smoothly from Phase 1 to Phase 2. He will play a critical role in facilitating communication and coordination among all project stakeholders. Tony will ensure that the construction team adheres to the plans and specifications developed during the preconstruction phase, addressing any issues that arise promptly.

Preconstruction Manager • West Silver Basin Dam and Reservoir • Confidential Client • Greenlee County, AZ • 2017 - 2019 • Cost: $73M • Best Value

Construction of a new earthen embankment asphalt core dam. The embankment stands 143 feet high, and the crest stretches 1,400 feet across the valley. Scope included an extensive foundation drill and grout program, installation of a multi- zone filter drain system comprised of imported washed sand and crushed aggregate products produced on-site, and development of an on-site borrow source quarry via drilling and blasting to produce over 1.3 million CY of rock materials. Other notable features include a new high-density polyethylene bypass pipeline and several concrete structures– a pump station, an inlet structure, a bifurcation structure, and an outlet structure.

During preconstruction, Tony was heavily involved with the client and their designer through technical workshops, constructability reviews, and preliminary scheduling and estimating for the main construction package. This engagement provided a thorough understanding of the schedule drivers, site geotechnical conditions, and the major risks of the project. Tony was also directly involved with the rock quarry from early preplanning to daily drilling and blasting operations and closely coordinated with the quarry and blasting superintendents. He led the team on award-winning, schedule-intensive, landmark project from proposal development through reservoir filling and maintained onsite presence throughout construction to ensure strong positive client relationships and that dam safety, quality, schedule and budget goals were achieved.

Due to the confidential nature of the project, we are unable to submit a reference. Alternatively, Tony has an character reference available who was also involved with the West Silver Basin Project.

Reference:
Tony Martinez
[redacted]

Preconstruction Manager • Howard Hanson Dam • USACE • Ravensdale, WA • 2024 - 2025 • Cost: $657M • Integrated Design and Construction

The project includes 22,400 acre-feet of municipal and industrial water storage, a downstream fish passage facility and ecosystem restoration features. The scope includes constructing a 1,200-foot bored tunnel and raising the summer conservation pool by 20 feet to increase seasonal water storage while maintaining existing flood capacity. Dewatering and scheduling constraints are managed within limited work windows, aligning with the reservoir's low-pool period in winter and the salmon migration season in summer. The project is being delivered under a guaranteed maximum price (GMP) contract and will be complete in September 2030.

As the Preconstruction Manager, Tony played an integral role in the start up of the project including establishing all procedures and coordinating the initial efforts for time-critical bulk head inspections. He also helped to onboard several team members and participated in daily coordination meetings with the USACE and reviewed design efforts by USACE, providing constructability guidance along the way. In addition, he worked with the scheduling team to formalize the baseline schedule and established the monthly billing procedures including internal cost tracking measures. On this CM/GC project, Tony gathered a thorough understanding of all aspects of CM/GC including aligning with all agencies and authorities. His role in the performance of constructability reviews on Howard Hanson provides benefit to Sites Authority, ensuring he will be a valuable resource during preconstruction and into construction.

Reference:
William Daniels
[redacted]

Brian Gaddie, P.E.

Operations Manager / Civil & Water Resources Engineer / Project Management Leader
[redacted] | [redacted] | [redacted] | [redacted]

PROFESSIONAL SUMMARY

Forward-thinking Operations Manager II with 17+ years of municipal water, wastewater, and stormwater infrastructure experience across Colorado, North Dakota, and Utah. A licensed Professional Engineer in Colorado, Utah, and North Dakota, Brian blends deep technical expertise with strong business acumen and people-first leadership.
Currently managing 20+ multidisciplinary professionals across three AE2S Colorado offices, he drives operational excellence, client satisfaction, and team development. Recognized for empowering teams, exceeding financial targets, and building best-in-class client relationships, Brian embodies AE2S's culture of *Extreme Client Service* and continuous improvement.

CORE COMPETENCIES

- Strategic Operations Leadership & Team Development
- Water/Wastewater Infrastructure Planning & Design
- Project Management & Alternative Delivery (CMAR, EPC, Design-Build)
- Financial Performance & Profitability Oversight
- Client Relationship Management & Business Development
- Stormwater Master Planning & Hydraulic Modeling
- Permitting, Regulatory Coordination (CDPHE, USACE, FEMA, EPA)
- Staff Mentorship, Recruitment, & Talent Retention
- QA/QC, Risk Management, and Change Order Control

PROFESSIONAL EXPERIENCE

AE2S (Advanced Engineering and Environmental Services, LLC)

Operations Manager II — Colorado Region | *2020–Present*
Project Manager & Project Engineer | *2008–2020*

Leadership & Operations Management

- Lead three AE2S Colorado offices (Denver, Dillon, and Grand Junction) with 20+ staff across disciplines, overseeing project execution, staffing, budgeting, and talent development.
- Empower, mentor, and elevate team members, aligning staff skills with AE2S's long-term business goals while ensuring office cohesion and culture consistency.

- Coordinate financial performance, project control reviews, and workload balancing to consistently meet or exceed utilization and profitability goals.
- Develop strategies for business expansion in Colorado, guiding pursuits with key municipal clients (Aurora Water, Castle Rock, Estes Park, Eagle River WSD, Snake River WD).
- Promote AE2S's *Extreme Client Service* ethos through proactive communication, transparency, and data-driven decision-making.

Client & Project Management

- Serve as Project Manager and Engineer of Record for multi-million-dollar water and wastewater infrastructure projects.
- Manage capital projects from concept to construction — including alignment studies, route evaluations, hydraulic modeling, design, permitting, bidding, and construction administration.
- Specialize in integrating constructability, operations, and stakeholder coordination to optimize lifecycle performance and reduce cost and schedule risk.

Technical Expertise

- Oversee and review design of pressurized transmission mains (12–54"), stormwater systems, pump/booster stations, and treatment plant civil works.
- Experience across water resources modeling (SWMM, HEC-RAS), stormwater master planning, floodplain mapping (FEMA LOMR), and site civil design.
- Extensive record managing multidisciplinary coordination (structural, mechanical, electrical, and process design) for treatment and pumping facilities.

SELECTED PROJECTS

- Wastewater Treatment Plant Expansion Design – City of Evans, CO – Lead Civil Engineer; designed site civil and utility improvements for 3.2 MGD WWTP expansion (CMAR delivery).
- Schoolmarm Transmission Main – Snake River WD, CO – PM for 2,000 LF of 12-inch DIP along steep terrain; coordinated with USFS and CDPHE variance approvals.
- Aurora PRV Vault Replacement Program – Aurora Water, CO – PM for replacement of 12 PRV/CKV vaults; managed design and permitting with multiple jurisdictions.
- Grand Forks Regional Water Treatment Plant – Grand Forks, ND – Civil design for 20 MGD WTP; coordinated 15,000 LF of utility piping (6–54 in.).

EDUCATION

Bachelor of Science, Civil Engineering
North Dakota State University

REGISTRATIONS

- Professional Engineer (P.E.) — Colorado, Utah, North Dakota

PROFESSIONAL AFFILIATIONS

- Rocky Mountain American Water Works Association (RMSAWWA) and Water Environment Association (RMWEA)
- Colorado Water Congress
- Colorado Special District Association
- Local Water Commissions (Castle Rock Water)

RECOGNIZED STRENGTHS

- Builds unified teams that thrive on collaboration, accountability, and technical excellence.
- Trusted by clients for transparent communication and dependable project delivery.
- Recognized internally as a mentor and culture carrier, raising AE2S's talent level and reputation across the region.

MELANIE PENOYAR-PEREZ, MBA, CAE

[redacted] | [redacted]

EXECUTIVE LEADERSHIP | ASSOCIATION MANAGEMENT

Visionary association leader with 28 years of progressive experience driving strategic growth, financial sustainability, and membership development for global professional associations. Proven ability to lead organizations through transformational change, build high-performing teams, and enhance volunteer engagement. Adept at strategic planning, content and program development, and advocacy within mission-driven organizations. Expertise in nonprofit governance, compliance, and operations.

CORE COMPETENCIES

- Strategic Leadership
- Association Governance & Compliance
- Stakeholder & Board Engagement
- Financial Management ($20M+)
- Membership Development
- Advocacy & Public Relations
- Change & Crisis Management
- Program Innovation & Implementation
- Cross-Functional Team Leadership
- Fundraising & Partnership Development

PROFESSIONAL EXPERIENCE

Chief Operating Officer

Society for Mining, Metallurgy & Exploration (SME) | Englewood, CO 2017 – Present

- Lead operations for a 14,000-member international association representing the mining, minerals, and tunneling industries.
- Responsible for driving value and revenue through content development, conference management, membership growth, benefits and services, and program development in alignment with the SME strategic plan.
- Manage a $20M budget while optimizing internal processes to ensure financial stability and operational efficiency.
- Drive strategic projects with the SME Board, Committees, and Staff, guiding the Society in achieving long-term objectives in membership engagement, global partnerships, and outreach initiatives.
- Attend industry events, manage stakeholder relations, and serve as a key representative for SME at national and international conferences.
- Spearheaded business development initiatives, resulting in a new partnership program.

- Provide executive leadership to the Underground Construction Association, a division of SME, and work directly with its Officers, Executive Committee, and leadership to:
    - Execute three profitable conferences
    - Support membership growth efforts, support # committees, and workforce outreach efforts.

Key Achievements:

- Successfully led operations in conference management, sales, membership, and publishing through the pandemic to a recovery point outperforming 2019 by all metrics.
- Collaborated with industry executives and staff to develop a new partnership program that has produced value for members, deepened relationships with Rio Tinto, Newmont, Hecla, and brought $$$ new revenue to SMEs since 2020.
- Nurtured deep relationships with mining and tunneling associations around the world.

Senior Manager of Membership

American Water Works Association | Denver, CO 2007 – 2017

- Directed membership development for a 50,000-member international scientific and educational association, managing a $13M budget.
- Designed and executed member recruitment, retention, and engagement strategies and worked closely with chapters worldwide.
- Led five-person staff and multiple project teams to drive membership initiatives and report on key performance metrics.
- Collaborated with the Board of Directors, staff, and volunteers to meet strategic goals, ensuring alignment with the organization's mission.

Key Achievements:

- Launched first international office in India.
- Led membership research projects that informed strategic decision-making and improved member services.
- Served as an inspirational speaker at five regional volunteer training events annually to engage leaders and advance the association's goals with Sections.

Director of Development & Awards Competition

Hospitality Sales & Marketing Association | McLean, VA 2005 – 2007

- Managed corporate partnerships and membership benefit programs for an 8,000-member international association with a $1M budget.

- Cultivated and expanded relationships with key corporate members and industry partners, enhancing member value and securing funding for industry research.
- Directed tradeshow marketing efforts for six specialty conferences, increasing visibility and engagement with industry stakeholders.

Director of Marketing & Business Development

Society for Marketing Professional Services | Alexandria, VA 1999 – 2005

- Led centralized marketing efforts for a 5,500-member professional society, overseeing communications, membership development, and corporate partnerships.
- Developed and managed budgets for membership recruitment, educational programs, and high-profile industry events.

EDUCATION & CERTIFICATIONS

- Executive Master of Business Administration, 2024
    - University of Colorado, Denver, CO
- Bachelor of Arts: Communication, 1995
    - George Mason University, Fairfax, VA
- Certified Association Executive (CAE), 2006-2026

AFFILIATIONS

- Castle Rock Water Commission, Commissioner
- Women in Mining (WIM), Member
- Colorado Society of Association Executives (CSAE), Member, Past Board Member, a regular conference speaker, and contributor to *Executive Edge* magazine
- American Society of Association Executives (ASAE), Member, contributing author to best-selling book, *Membership Essentials*

Kevin M. Snow

[redacted]
Castle Rock, CO 80109
[redacted]
linkedin.com/in/kevinsnow1/
(720) [redacted]

OBJECTIVE: To serve Castle Rock Colorado as a member of the Castle Rock Water Commission.

PROFILE:

Innovative, energetic, proven business leader with demonstrated success at:

Creating and Delivering Value – Combines business and technology expertise to develop new businesses, champion innovation, drive continuous improvement, and commercialize new products across multiple markets, regions, and applications. Delivered > $1B of value at GE, Honeywell, Danaher and Xylem using Design for 6 Sigma and product management tools.

Leading People & Processes - Led diverse, global, x-functional teams. Driven high impact, sustainable change in complex organizations. Won executive level support for multiple business cases. Developed strategic plans that transformed multiple businesses. Inspires followership and energizes teams through empowerment, engagement and personal integrity.

EXPERIENCE:

Xylem Water Solutions, Washington DC

$9B global market leader of water transport, treatment, sensing and analytical solutions for the water industry

Senior Director, Growth and Innovation Operations **2021-2024**

Responsible for directing growth, technology, innovation and product management operations

- Supported integration of Evoqua technology and product management processes into Xylem.
- Developed, implemented and managed revenue synergy process and project review board, $100M+ opportunity.
- Produced and drove global, system-wide development of ITP Operating System and standard work.
- Created quarterly updates for board of directors, and processed/reported metrics related to innovation and growth.
- Reported to Senior Vice President; led International team of 5 Directors.

Senior Global Product Manager, Dewatering Growth Center **2017-2020**

Responsible for managing profitable growth of $350M Godwin industrial pump product lines

- Delivered $1M incremental sales through introduction of new 62HP Isuzu CD150M 6” pump to NA market.
- Led global transformation of $250M Godwin Dri-Prime product line; first 2 product launches 3Q & 4Q 2017.
- Led business through complex, high stakes business decision 1Q17; charted and executing new direction for BU.
- Introduced and institutionalized Product Management Best Practices for the Dewatering Growth Center.
- Reported to VP Marketing & Strategy; Presented to President & senior team on > 15 occasions since Jan 2017.

Hach Company, Danaher Corporation, Loveland CO

$1B global market leader of water quality analytic instrumentation and environmental solutions

Senior Global Product Manager, Process Systems Business Unit **2010-2016**

Responsible for managing profitable growth of $100M Electrochemistry, Disinfection, and Ballast Water product lines

- Increased revenue by 50% in adjacent aquaculture market in China, Chile, Australia, and the EU.
- Increased pH sensor revenue by >30% in 1 year with new search engine optimization (SEO) strategies/tactics.
- Led market development for new Ballast Water instrument 1735 TRO in Korea, China, Japan, the US and EU.
- Commercialized BW680 fluorometer for rapid compliance monitoring of Ballast Water by ship operators & regulators.
- Promoted Ballast Water portfolio at tradeshows in Hamburg, Miami, Singapore, Korea, Norway, China, and the US.
- Persuaded executive team to invest in developing the next generation chlorine analyzer, worth > $30M/year.
- Introduced a reagent replacement program that increased customer attachment rate and loyalty, worth > $5M/yr.

Product Development Manager, Process Instrumentation Business Unit **2008-2010**

Responsible for developing and championing new business cases, and delivering new product growth

- Delivered > $250M product revenue, > $1B pull-through revenue by developing and commercializing the Hach sc200 controller, successfully executing the largest new product introduction in Hach's history.
- Developed communication technology roadmap and strategies that are revolutionizing the Hach Company.
- Led extensive voice-of- the-customer (VOC) interviews in the US, EU, China, and Brazil.

Johns Manville, a Berkshire Hathaway Company, Denver, CO

$2.4B privately owned manufacturer and marketer of premium-quality residential and commercial building products.

Marketing Product Portfolio Manager **2007**

Responsible for managing $160M single-ply roofing system P&L, including TPO, PVC, and EPDM systems for low-slope commercial and industrial roofing applications, and product management team.

- Developed business case that led to $30M investment in first TPO membrane plant (Aug 2007).
- Grew TPO systems business $20M, driving 80% revenue growth and 40% share growth in 2007.
- Developed operating plan expected to grow business $35M in 2008, and $150M over the next 3 yrs.
- Negotiated $5M working capital savings for PVC product line.

Honeywell International, Specialty Materials Business, Morristown, NJ

$4B global industrial enterprise serving energy, defense, pharma, electronic, B&C, and personal care industries.

Director of Strategic Technology Development **2003-2006**

Managed $10M growth investment fund, growth program portfolio, and concept development process and team.

- Delivered > $350M revenue growth opportunity for Specialty Materials (SM).
- Developed New Concept Development innovation process; funded > 20 new concepts; chaired board 1st year.
- Built and managed a diverse, market-focused, 14-person strategic program team. Led strategic planning for 3 yrs.
- Successfully advocated for creation of a new Strategic Marketing function; Implemented Aug 2006.
- Developed a nanotechnology strategy including ALD coatings for Honeywell International and Specialty Materials.
- Negotiated and closed a $5M collaboration agreement with Albany Nanotech.
- Led technology integration of $1.2B UOP acquisition.

General Electric Company, GE Plastics Division, Pittsfield, MA

$8B world leader of engineering thermoplastic solutions, serving automotive, telecom, display, and security industries.

GE Plastics, Structured Products Business, Pittsfield MA

Global Market Development Manager, Optical Film **2002-2003**

Responsible for $60M P&L, 4 market managers for display, automotive, appliance, and electronics markets.

- Developed 3-year strategic plan that catalyzed transformation of the GE Film business.
- Responsible for $5M growth of GE Structured Products America's $60M Film P&L.
- Led product team that launched new Sollx®, Xylex®, Ultem® and Lexan® Films in 2002-2003.
- Developed optical film strategy and guided development that resulted in new Illuminex® product line.

Business Development Manager, Director of Ovonic Media, LLC **2000-2002**

Responsible for BD process, integration of Honeywell's Film business, and managing $7M JV company

- Created and led new business development pipeline process. Evaluated >15 BD opportunities.
- Negotiated exclusive license agreement for Visgard® antifog coatings, delivered $2M revenue in 2002.
- Managed integration planning of $150M Honeywell Specialty Film P&L in 2001.
- Negotiated and led start-up of Ovonic Media LLC, a GE/ECD JV technology company.
- Led 15 member team of scientists and engineers that created a continuous, roll-to-roll manufacturing process for DVD-Rewritable media; Proved concept and produced working prototype in 12 months.

GE Plastics, Global Sourcing, Pittsfield MA

Global Sourcing Manager **1998-2000**

Responsible for $110M buy including fiberglass, impact modifiers, fluoro-polymers, and process chemicals.

- Negotiated $15M in direct material savings on a total portfolio of $110M in 18 months.
- Managed complex matrix of site buys, second sources, and low-cost country development.
- Managed 1 student intern, and influenced sourcing decisions of several manufacturing sites.

GE Plastics, Lexan and Valox Polyester Business Groups, Mt. Vernon IN

New Product and Process Development **1991-1998**

General Electric, Corporate Research and Development, Schenectady NY

Applied Research, Flame Retardant Laboratory **1988-1991**

EDUCATION:

- MSM, Krannert Executive Masters of Business Management, Purdue, West Lafayette IN.
- Ph.D., Synthetic Organic Chemistry, UC Davis.
- B.S., Chemistry, UC Davis.

TRAINING:

- Crucial Conversations, Loveland CO (2012)
- Outcome Driven Innovation, Voice of the Customer, Loveland CO (2011)
- Danaher Problem Solving Process, Loveland CO (2011)
- Danaher Business System (DBS) Tools, Loveland CO (2008 – 2012)
- Danaher Business System Leadership Orientation, Wood Dale IL (2008)
- Building Science Program, Johns Manville Technical Center, Littleton CO (2007).
- Management Development Program (MDP), Honeywell International, Morristown NJ (2006).
- Strategic Marketing Program, Honeywell International, Morristown NJ (2005).
- Disruptive Business Models, Clayton Christensen, Florham Park NJ (2005).
- Lead User Workshop, Eric Von Hippel, Stevens Institute of Technology, Hoboken NJ (2005).
- Opportunity Analysis Training, Honeywell International, Morristown NJ (2004).
- MIT Innovations in Management, MIT Sloan School, Cambridge MA (2004).
- Mergers & Acquisitions Course, GE Headquarters, Fairfield CT (2000).
- Management Development Course (MDC), GE Plastics, Crotonville NY (1999).
- 6 Sigma MAIC, DFSS, FMEA Training; Green Belt certification, GE Plastics, Mt Vernon IN (1996-1997).
- Management Skills Development Course (MSDC), GE Plastics (1995).
- Managing Plastics Programs, GE Plastics.
- VPI Polymer Synthesis and Characterization, GE CRD.
- Chemical & Materials Leadership Program (CMP), GE Plastics.

Attachment G

	12/10/2025	*10/22/2025*	*9/24/2025*	*8/27/2025*	*7/23/2025*	*6/25/2026*	*5/28/2025*	*4/23/2025*	*3/26/2025*
Edward Egnatios		x	excused	x	x	x			
Brain Gaddie		excused	x	x	x	x	x	excused	x
Ole Gjerde		x	x	x	x	x	x	x	x
David Hammelman		excused	x	x	x	x	x	x	x
Melanie Penoyar-Perez		x	x	x	excused	x	x	x	x
Tony Rathbun		x	x	x	x	x	x	x	x
Kevin Snow		x	x	x	x	x			

Past Commissioners

Angie Brown								x	excused
Bill Leung								NA	NA
KiKi Miller							excused	x	x
Cortland Wolfe								NA	NA

Boxes highlighted in yellow designated when joined remotely

Attachment G

2/26/2025	*1/22/2025*	*12/11/2024*	*10/30/2024*	*9/25/2024*	*8/28/2024*	*7/24/2024*	*6/26/2024*	*5/22/2024*	*4/24/2024*	*3/27/2024*
x	x	x	x	x	x	x	x	x	x	x
excused	x	x	joined 11/15							
x	x	x	excused	x	x	x	x	x	x	x
excused	x	x	x	x	x	x	excused	x	excused	x
x	excused	x	x	excused	x	x	x	x	x	x

x	x	x	x	x	x	excused	x	x	x	x
NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
x	x	x	x	excused	x	x	absent	excused	x	x
NA	NA	NA	x	x	x	x	x	x	x	x

Attachment G

2/28/2024	*1/24/2024*	*12/13/2023*	*November*	*10/25/2023*	*9/27/2023*	*8/23/2023*	*7/27/2023*	*6/28/2023*
x	x	x	NA	x	x	excused	x	x
x	x	x	NA	x	x	x	x	x
excused	x	x	NA	x	x	x	x	excused
excused	x	x	NA	x	x	excused	x	x
joined 7/26	x	x	NA	NA	NA	NA	NA	NA
NA	NA	NA	NA	NA	x	x	x	x
x	x	x	NA	x	excused	x	x	x
x	x	x	NA	x	x	x	excused	x

PUBLIC HEARING

ORDINANCE AMENDING VARIOUS SECTIONS OF THE CASTLE ROCK MUNICIPAL CODE REGARDING BOARD AND COMMISSION MEMBERSHIP, ABSENCES, TERM LIMITS, AND MEETINGS

DAVID L. CORLISS, TOWN MANAGER
JANUARY 20, 2026

TOWN OF CASTLE ROCK COLORADO

TOWN CODE: BOARDS & COMMISSIONS

CHANGES – MEMBERSHIP: TOWN RESIDENTS

Section 1 of the ordinance requires all Board members to be Town residents, except:

- Downtown Development Authority (DDA) members because their requirements are set by state law;
- if Council would in the future expressly allow a non-resident by ordinance;
- if they were appointed before the expected effective date of this ordinance.

TOWN CODE: BOARDS & COMMISSIONS

CHANGES – UNEXCUSED ABSENCES

Section 2 retains the absence provisions of the existing Town Code which is based on the required schedule of meetings of a particular board, and adds a new provision:

"In no event shall a board or commission member have unexcused absences in excess of 15% of the total meetings held in the immediately preceding twelve-month period."

Council can set a percentage they determine appropriate.

The existing Code sets unexcused absences based on board meeting schedules, ranging from:

- Four unexcused absences for boards scheduled to meet twice a month,
- Three unexcused absences if the board meets monthly,
- No more than one unexcused absence if the board meets quarterly or as needed.

TOWN CODE: BOARDS & COMMISSIONS

CHANGES – TERMS AND TERM LIMITS

Section 3 changes the terms to three years (from the existing two years) and limits terms to two consecutive terms.

Exceptions for the Downtown Development Authority (DDA) and Design Review Board (DRB).

TOWN CODE: BOARDS & COMMISSIONS

CHANGES - MEETINGS

Section 4 provides that remote attendance and participation by board members shall not be permitted.

2.16.080 - Meetings.
The Planning Commission shall hold regular public meetings, AS NEEDED.

D. Meetings. The Board shall hold REGULAR PUBLIC meetings at regularly scheduled intervals, AS NEEDED.

15.64.030 - Historic Preservation Board established.
B. Meetings. The Board shall hold REGULAR PUBLIC meetings at regularly scheduled intervals, AS NEEDED.

TOWN CODE: BOARDS & COMMISSIONS

Staff did receive some comments that these changes will make some board participation more difficult going forward and those comments are included in the agenda packet.

TOWN CODE: BOARDS & COMMISSIONS

PROPOSED MOTION:

“I move to approve the Ordinance as introduced by title.”

ALTERNATIVE MOTIONS:

“I move to approve the Ordinance with the following changes: _____.”

“I move to continue this item to [date] to allow time for: ____.”

QUESTIONS?

Castle Rock Water Commission Attendance Policy

Purpose

The purpose of this policy is to ensure consistent attendance at meetings; active participation and ability to provide relevant input and feedback; pertinent review and recommendations on Castle Rock Water projects, policies and programs; and effective governance overall for the Castle Rock Water Commission.

Applicability

This policy applies to all appointed members of the Castle Rock Water commission unless otherwise specified by ordinance or resolution.

Attendance Requirements

1. **Overall Attendance Standard**
   Members are expected to regularly attend and actively participate in meetings. Excessive absences or overreliance on virtual attendance undermines the effectiveness of boards and commissions.
2. **Absence Limitation**
   - A member may not miss more than **26% of scheduled meetings within a rolling 12-month period**.
   - Missing more than 26% of meetings (excused or unexcused) within the rolling period shall result in **automatic removal**.
3. **Virtual Attendance Limitation**
   - A member may attend no more than **25% of scheduled meetings virtually within a rolling 12-month period**.
   - Members must attend **at least 75% of meetings in person** during the same rolling period.
   - Exceeding the virtual attendance limit shall result in **automatic removal**.
4. **Combination of Absences and Virtual Attendance cannot exceed 5 within a rolling 12-month period.**
   - Absences and virtual attendance are tracked independently.
   - However, exceeding either threshold, or a combination that results in absences plus virtual attendance exceeding 5 in any 12-month period, constitutes grounds for removal.

Removal for Noncompliance

A member shall be removed from their Castle Rock Water Commission Member seat if any of the following occur within a rolling 12-month period:

- The member has **four (4) absences**.
- The member attends **four (4) meetings virtually**.

The member attends **three (3) meetings virtually and has three (3) absences.** Removal shall be processed in accordance with applicable Town procedures and appointment authority.

Tracking and Notification

- Attendance shall be tracked by staff and reviewed on a rolling basis.
- Members approaching the attendance thresholds shall be notified in writing.
- Notification does not waive enforcement of this policy.

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 14. **File #:** ORD 2026-005

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, P.E., Director, Development Services
Brad Boland, AICP, Planning Manager

Ordinance Amending Various Sections of Chapter 2.16 of the Castle Rock Municipal Code Regarding the Castle Rock Planning Commission (First Reading)

Executive Summary

At the January 20, 2026 Town Council meeting, staff presented proposed amendments to the Town Code related to the Planning Commission and the Comprehensive Master Plan. Town Council provided direction for staff to proceed with preparation of an ordinance for consideration at the next meeting.

The proposed amendments update outdated language, clarify the advisory role of the Planning Commission, and better align the Code with current planning practices, statutory authority, and how the Town of Castle Rock uses its Comprehensive Master Plan today.

Discussion

At the prior Town Council meeting, staff requested direction to proceed with amendments to Town Code provisions related to the Planning Commission and the Comprehensive Master Plan. Town Council provided direction for staff to move forward with preparation of an ordinance for consideration at the next meeting.

During the recent review of Town Code, staff identified that the existing language governing the Planning Commission's role and the content of the Comprehensive Master Plan has not been updated in many years. The proposed updates are intended to modernize and clarify the code and are not intended to expand or alter the fundamental authority of the Planning Commission or Town Council.

The proposed changes would:

- Clarify the Planning Commission's advisory role in the Comprehensive Master Plan process;
- Reinforce that the Comprehensive Master Plan is an advisory policy document;

- Make clear that the Comprehensive Master Plan does not adopt or amend zoning or subdivision regulations, but instead provides guidance for future regulatory actions;
- Improve overall readability and organization of the code language.

The comprehensive plan elements outlined in the code are intended to be broad in nature and do not preclude the incorporation of additional elements or topics that may be identified through public engagement or by the Town Council as beneficial to the community.

Updating this code language at this time is beneficial as the Town prepares to initiate an update to the Comprehensive Master Plan and provides logical transition into planning for that future process.

Budget Impact

No fiscal impact is associated with these code amendments. The proposed changes are organizational and clarifying in nature and do not create new programs, staffing requirements, or regulatory obligations.

Staff Recommendation

Staff recommends updating Chapter 2.16 of the Castle Rock Municipal Code to remove outdated language, clarify the advisory role of the Planning Commission, and better align the Code with current planning practices, statutory authority, and how the Town of Castle Rock uses its Comprehensive Master Plan today.

Proposed Motion

Option 1: Approval

“I move to approve the ordinance, as introduce by title.”

Option 2: Approval with Conditions

“I move to approve the Ordinance, with the following conditions: “ (list conditions)

Option 3: Continue item to next hearing (need more information to make decision)

“I move to continue this item to the Town Council meeting on [date], at [time].”

Attachments

Attachment A: Proposed Ordinance

Meeting Date: February 3, 2026

AGENDA MEMORANDUM

To: Honorable Mayor and Members of Town Council

Through: Dave Corliss, Town Manager

From: Tara Vargish, P.E., Director, Development Services
Brad Boland, AICP, Planning Manager

Title: **ORDINANCE 2026-005: AN ORDINANCE AMENDING VARIOUS SECTIONS OF CHAPTER 2.16 OF THE CASTLE ROCK MUNICIPAL CODE REGARDING THE CASTLE ROCK PLANNING COMMISSION (FIRST READING)**

Executive Summary

At the January 20, 2026, Town Council meeting, staff presented proposed amendments to the Town Code related to the Planning Commission and the Comprehensive Master Plan. Town Council provided direction for staff to proceed with preparation of an ordinance for consideration at the next meeting.

The proposed amendments update outdated language, clarify the advisory role of the Planning Commission, and better align the Code with current planning practices, statutory authority, and how the Town of Castle Rock uses its Comprehensive Master Plan today.

Background

Town Council directed staff to review and return with recommended changes related to the Town's Boards and Commissions regarding various items such as term lengths, residency and attendance. As part of this effort, staff reviewed Chapter 2.16 of the Castle Rock Municipal Code, which addresses the Planning Commission and its role in relation to the Comprehensive Master Plan. Through this review, staff identified several areas where updates to the code language may be appropriate.

Pursuant to Chapter 2.16 of the Castle Rock Municipal Code, the Planning Commission is empowered to review and make recommendations to Town Council regarding the Comprehensive Master Plan and related planning matters. While the Planning Commission's role has remained consistent, the code language related to the Comprehensive Master Plan has not been updated in some time. Staff identified opportunities to refresh the language to improve clarity and better reflect current best practices for comprehensive planning.

Staff believes this is an appropriate time to consider updates to this language, as the Town is anticipated to begin the next update to the Comprehensive Master Plan in 2026.

Discussion

At the prior Town Council meeting, staff requested direction to proceed with amendments to Town Code provisions related to the Planning Commission and the Comprehensive Master Plan. Town Council provided direction for staff to move forward with preparation of an ordinance for consideration at the next meeting.

During the recent review of Town Code, staff identified that the existing language governing the Planning Commission's role and the content of the Comprehensive Master Plan has not been updated in many years. The proposed updates are intended to modernize and clarify the code and are not intended to expand or alter the fundamental authority of the Planning Commission or Town Council.

The proposed changes would:

- Clarify the Planning Commission's advisory role in the Comprehensive Master Plan process;
- Reinforce that the Comprehensive Master Plan is an advisory policy document;
- Make clear that the Comprehensive Master Plan does not adopt or amend zoning or subdivision regulations, but instead provides guidance for future regulatory actions;
- Improve overall readability and organization of the code language.

The comprehensive plan elements outlined in the code are intended to be broad in nature and do not preclude the incorporation of additional elements or topics that may be identified through public engagement or by the Town Council as beneficial to the community.

Updating this code language at this time is beneficial as the Town prepares to initiate an update to the Comprehensive Master Plan and provides logical transition into planning for that future process.

Fiscal Impact

No fiscal impact is associated with these code amendments. The proposed changes are organizational and clarifying in nature and do not create new programs, staffing requirements, or regulatory obligations.

Recommendation

Staff recommends updating Chapter 2.16 of the Castle Rock Municipal Code to remove outdated language, clarify the advisory role of the Planning Commission, and better align the Code with current planning practices, statutory authority, and how the Town of Castle Rock uses its Comprehensive Master Plan today.

Proposed Motion

Option 1: Approval

"I move to approve the ordinance, as introduce by title."

Option 2: Approval with Conditions

"I move to approve the Ordinance, with the following conditions: " (list conditions)

Option 3: Continue item to next hearing (need more information to make decision)

"I move to continue this item to the Town Council meeting on [date], at [time]."

Attachments

Attachment A: Proposed Ordinance

ORDINANCE NO. 2026-005

AN ORDINANCE AMENDING VARIOUS SECTIONS OF CHAPTER 2.16 OF THE CASTLE ROCK MUNICIPAL CODE REGARDING THE CASTLE ROCK PLANNING COMMISSION

WHEREAS, Town Council desires to provide clarity and updates to the Castle Rock Municipal Code (the "Code") regarding the Castle Rock Planning Commission and its role in reviewing and making recommendations on the Comprehensive Master Plan; and

WHEREAS, the Town Council has determined that amendments to the Code are necessary to provide said clarity and updates.

NOW, THEREFORE, IT IS ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO:

Section 1. **Amendment**. Section 2.16.010 of the Castle Rock Municipal Code is amended to read as follows:

2.16.010 - Authorization.

There is authorized by this Chapter ~~in accordance with Section 31-23-202, C.R.S.,~~ the Castle Rock Planning Commission. ~~Except as modified or superseded by~~ IT IS THE INTENT OF THE TOWN COUNCIL THAT THE PROVISIONS OF this Chapter SHALL, IN ALL RESPECTS, SUPERSEDE the provisions of Parts 2 and 3, Article 23, Title 31, C.R.S., ~~shall be applicable to~~ WITH REGARD TO THE PURPOSES, POWERS, AND DUTIES OF the Planning Commission.

Section 2. **Amendment**. Section 2.16.030 of the Castle Rock Municipal Code is amended to read as follows:

2.16.030 - Powers.

A. The Planning Commission shall be empowered and authorized to review, act upon and advise the Town Council with respect to all zoning, rezoning, planning, subdividing, platting, annexation and other related activities as provided in the zoning and subdivision ordinances of the Town.

B. The Planning Commission is empowered to REVIEW AND make ~~and submit~~ RECOMMENDATIONS to the Town Council ~~for the Council's approval~~ REGARDING a COMPREHENSIVE master plan for the physical development of the municipality. The master plan ~~for the community of Castle Rock~~ IS INTENDED TO BE AN ADVISORY DOCUMENT TO GUIDE LAND DEVELOPMENT DECISIONS AND shall contain ~~the Planning Commission's recommendations with respect to~~ the following ~~matters~~:

1. ~~A comprehensive~~ POLICY GUIDANCE RELATED TO zoning and subdivision ~~ordinance together with a zoning plan~~ REGULATIONS;

2. Appropriate plans showing the general location, character and extent of streets, bridges, boulevards, parkways and other types of transportation corridors ~~within and without the community of Castle Rock~~;

3. A plan for the location and extent of public utilities, including, but not limited to, water and sewer development, public communications, gas and electrical extensions, together with the location and extent of other public improvements ~~to be created within the Town~~, such as parks, fire departments, police stations, schools and other public buildings; AND

4. Any ~~and all~~ plans for the eventual redesignation of specific areas within the community, ~~condemnation plans,~~ change of use plans or other alterations regarding the existing community structure.

~~C. The Planning Commission is empowered with any and all further powers delineated within Parts 2 and 3, Article 23, Title 31, C.R.S.~~

Section 3. **Repeal**. Section 2.16.110 of the Castle Rock Municipal Code is repealed in its entirety:

~~2.16.110 - Scope of Chapter.~~

~~This Chapter designates the purposes, powers and duties of the Planning Commission. The provisions of the statutory authority shall be applicable only in the instance of silence of this Chapter, or where the general intent of the Legislature as to scope and authority deemed proper for a Planning Commission can lend meaningful direction for the assistance and interpretation of this Chapter.~~

Section 4. **Severability.** If any part or provision of this Ordinance or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this Ordinance which can be given effect without the invalid provisions or application, and to this end the provisions of this Ordinance are declared to be severable.

Section 5. **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 3rd day of February, 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 17th day of February, 2026, by the Town Council of the Town of Castle Rock, Colorado, by a vote of ___ for and ___ against.

ATTEST:

_____
Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK

_____
Jason Gray, Mayor

Approved as to form:

_____
Michael J. Hyman, Town Attorney

Approved as to content:

_____
Tara Vargish, Director of Development Services

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 15. **File #:** RES 2026-012

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Mark Marlowe, P.E., Director of Castle Rock Water
Mark Henderson. P.E., Assistant Director of Castle Rock Water
Lauen Moore, Water Resources Manager

Resolution Approving the Amended and Restated Intergovernmental Agreement for Water Service Between Dominion Water and Sanitation District, Acting in its Capacity as a Water Activity Enterprise and the Town of Castle Rock Acting Through the Town of Castle Rock Water Enterprise *[Castle Rock Water's distribution and transmission system inside the Town of Castle Rock to connection on the Northwest side of Town at the edge of unincorporated Douglas County, Colorado]*

Executive Summary

Castle Rock Water (CRW) is seeking Town Council approval of a Resolution (***Attachment A***) amending and restating the 2016 Firming Service Water Service Intergovernmental Agreement (IGA) (see ***Exhibit 1***) between Castle Rock and Dominion Water and Sanitation District (Dominion). The purpose for amending and restating this agreement is to clarify the mechanics and accounting and billing aspects of the agreement, improve the understanding of the implementation of the agreement between the parties, clarify how the 2014 IGA and this amended and restated Firming Service IGA work together, update the agreement to reflect the final resources that are the subject of the agreement, and revise and simplify the approach for Dominion to replace their non-renewable water supply over time.

The key purpose of this Firming Service IGA is to provide Dominion with a water supply to firm the first 700-acre feet (AF) of their WISE subscription (WISE 700). In exchange for this service, Dominion has provided a non-renewable water resource, paid and continues to pay system development fees to CRW, contributed funding to capital assets for CRW, and committed to replacing the non-renewable water resource over time with a renewable resource through funding to CRW.

Key aspects of the amended and restated IGA include:

- Creating consistency and clarity between the 2014 IGA and the Firming Service IGA in water accounting in accordance with an accounting spreadsheet that is an exhibit to the Firming

Service IGA;

- Clarifying that billing and accounting will occur monthly and will be based on the WISE water year, with an annual reconciliation in July of each year.
- Formalizing the capacity limitations in the Firming Service IGA (0.685 million gallons per day capacity cap and 700 AF per year maximum firming).
- Restating the remaining system development fees to be paid by Dominion which account to $753,500 and the timeframe for payment (5 years)'
- Clarifying the rates associated with each type of water supply in the 2014 and Firming Service IGAs; and
- Creating a revised and simplified approach to replacement of the non-renewable water supply Dominion dedicated to CRW and attaching that replacement to the percent usage annually of the total allowed withdrawal (also known as the total legal supply available) from the non-renewable wells Dominion originally provided. The replacement calculation is based on CRW's most current renewable Water Resources System Development Fee and includes a 25% surcharge.

The rate that Castle Rock will charge Dominion for Firming Service is $6.17 per 1,000 gallons under the current year's rate. The calculation of the rate will continue to be updated on an annual basis. Dominion began taking deliveries under the 2014 IGA in May 2025 and utilized the Firming Service IGA in November 2025, when WISE was offline for annual maintenance activities.

Budget Impact

The Firming Service Agreement has positive impacts on the Water Resources budget by providing several revenue streams as noted in the Discussion section.

Staff Recommendation

Staff recommends Town Council approve the amended and restated Firming Service IGA.

Proposed Motion

"I move to approve the Resolution as introduced by title."

Alternative Motions

"I move to approve the resolution as introduced by title, with the following conditions: (list conditions).

"I move to continue this item to the Town Council meeting on _____ date to allow additional time to (list information needed)."

Attachments

Attachment A: Resolution
Exhibit 1: Amended and Restated IGA
Attachment B: Map of Dominion Connections

STAFF REPORT

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

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

Title: **Resolution Approving the Amended and Restated Intergovernmental Agreement (IGA) for Water Service between the Dominion Water and Sanitation District, Acting in its Capacity as a Water Activity Enterprise, and the Town of Castle Rock, Acting Through the Town of Castle Rock Water Enterprise** *[Castle Rock Water's distribution and transmission system inside the Town of Castle Rock to connection on the Northwest side of Town at the edge of unincorporated Douglas County, Colorado]*

Executive Summary

Castle Rock Water (CRW) is seeking Town Council approval of a Resolution (***Attachment A***) amending and restating the 2016 Firming Service Water Service Intergovernmental Agreement (IGA) (see ***Exhibit 1***) between Castle Rock and Dominion Water and Sanitation District (Dominion). The purpose for amending and restating this agreement is to clarify the mechanics and accounting and billing aspects of the agreement, improve the understanding of the implementation of the agreement between the parties, clarify how the 2014 IGA and this amended and restated Firming Service IGA work together, update the agreement to reflect the final resources that are the subject of the agreement, and revise and simplify the approach for Dominion to replace their non-renewable water supply over time.

The key purpose of this Firming Service IGA is to provide Dominion with a water supply to firm the first 700 acre feet (AF) of their WISE subscription (WISE 700). In exchange for this service, Dominion has provided a non-renewable water resource, paid and continues to pay system development fees to CRW, contributed funding to capital assets for CRW, and committed to replace the non-renewable water resource over time with a renewable resource through funding to CRW.

Key aspects of the amended and restated IGA include:

- Creating consistency and clarity between the 2014 IGA and the Firming Service IGA in water accounting in accordance with an accounting spreadsheet that is an exhibit to the Firming Service IGA;
- Clarifying that billing and accounting will occur on a monthly basis and will be based on the WISE water year, with an annual reconciliation in July of each year;
- Formalizing the capacity limitations in the Firming Service IGA (0.685 million gallons per day capacity cap and 700 AF per year maximum firming);
- Restating the remaining system development fees to be paid by Dominion which account to $753,500 and the timeframe for payment (5 years)'
- Clarifying the rates associated with each type of water supply in the 2014 and Firming Service IGAs; and
- Creating a revised and simplified approach to replacement of the non-renewable water supply Dominion dedicated to CRW and attaching that replacement to the percent usage annually of the total allowed withdrawal (also known as the total legal supply available) from the non-renewable wells Dominion originally provided. The replacement calculation is based on CRW's most current renewable Water Resources System Development Fee and includes a 25% surcharge.

The rate that Castle Rock will charge Dominion for Firming Service is $6.17 per 1,000 gallons under the current year's rate. The calculation of the rate will continue to be updated on an annual basis. Dominion began taking deliveries under the 2014 IGA in May 2025 and utilized the Firming Service IGA in November 2025, when WISE was offline for annual maintenance activities.

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

On December 11, 2013, CRW Water Commission recommended approval of the 2014 Water Service IGA by Council.

On January 7, 2014, Town Council approved the 2014 Water Service IGA.

On August 24, 2016, CRW Water Commission recommended approval of the 2016 Firming Service IGA by Council.

On September 29, 2016, Town Council approved the 2016 Firming Service IGA.

On May 21, 2019 Town Council approved the First Amendment to the 2014 Water Service IGA.

On April 15, 2025, Town Council approved the Second Amendment to the 2014 Water Service IGA.

On July 23, 2025, CRW Water Commission recommended approval of the Amended and Restated Firming Service IGA by Council.

Discussion

CRW has two agreements related to moving water supplies through our distribution and transmission system for Dominion Water, the 2014 Water Service IGA and the 2016 Firming Service Agreement. The Firming Service IGA also provides actual firming water supplies to Dominion during times when WISE water may not be available. CRW is proposing an amended and restated Firming Service Agreement to clarify aspects of the 2016 version and ensure compatibility with the 2014 Water Service IGA. The 2014 Water Service IGA started to move water last year in May. Per the 2014 Dominion Wheeling IGA, Dominion will have the ability to move up to 4.0 million gallons per day (MGD) of their water through the Town's system and other facilities shared by the Town and Dominion up to a maximum annual total of 4,500 AF. The Firming Service IGA requires CRW to provide up to 0.685 MGD of additional water supply up to a maximum annual amount of 700 AF.

Under the Firming Service IGA, Dominion provided CRW with 400 AF of non-renewable groundwater supply with water banking provisions for an annual supply up to 700 AF. CRW has been able to utilize these supplies since they were dedicated in 2016 and added to CRW's combined well field water rights decree. In November 2025, CRW was able to use this supply for Dominion, securing deliveries to Dominion when WISE was offline for several weeks due to maintenance activities at Aurora's Binney WTP. Water delivered to Dominion through the 2014 Water Service IGA and the Firming Service IGA is supplied to Dominion at the Dominion connection point (located on the northwestern side of Town, near Atrium drive and Highway 85, which feeds into Dominion's Eastern Regional Pipeline). Dominion's water supplies are received through CRW's WISE connection, see ***Attachment B***.

As part of the Dominion Firming Service IGA, Dominion was required to provide non-renewable water supply, system development fees and funding for CRW capital assets. The water supply was provided in 2016. Since signing of the IGA, Dominion has made the following payments as part of the IGA - $5,834,642.50 total received.

- Initial Payment: $3,000,000, paid 11/22/2017
- Wells Payment (Founders wells 226 and 227): $1,937,192.89, paid 9/24/2019
- ASR Wells Payment (RW wells 232 and 233): $897,449.61, paid 10/3/2022

Dominion has a remaining balance of $753,500 in system development fees through the Firming Service IGA to be paid over the next five years. In exchange for the firming service CRW provides through this IGA, CRW gets the following additional benefits:

- Dominion pays for transmission of all water supplies through our system with a 5% loss provided to CRW;
- For any WISE 700 water retimed by Dominion in CRW's system, CRW receives a 10% provision of the renewable water supply for use and reuse to extinction at no cost; and
- Dominion pays for all firming supplies at a competitive retail rate which will provide revenues to CRW and better utilize capital assets.

All firming service water supplies must be replaced over time by Dominion, as used, by paying our renewable water resources fee plus a 25% surcharge.

Budget Impact

The Firming Service Agreement has positive impacts to the Water Resources budget by providing a number of revenue streams as noted in the Discussion section.

Staff Recommendation

Staff recommends Town Council approve the amended and restated Firming Service IGA.

Proposed Motion

"I move to approve the Resolution as introduced by title."

Alternative Motions

"I move to approve the resolution as introduced by title, with the following conditions: (list conditions).

"I move to continue this item to the Town Council meeting on _____ date to allow additional time to (list information needed)."

Attachments

Attachment A: Resolution
Exhibit 1: Amended and Restated IGA
Attachment B: Map of Dominion Connections

RESOLUTION NO. 2026-012

A RESOLUTION APPROVING THE AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT FOR WATER SERVICE BETWEEN DOMINION WATER AND SANITATION DISTRICT, ACTING IN ITS CAPACITY AS A WATER ACTIVITY ENTERPRISE AND THE TOWN OF CASTLE ROCK ACTING THROUGH THE TOWN OF CASTLE ROCK WATER ENTERPRISE

WHEREAS, the Town of Castle Rock (the Town") and Dominion Water and Sanitation District (the "District') are members of the South Metro WISE Authority and participants in the WISE Project, a cooperative regional water supply project, under the South Metro WISE Authority Formation and Organizational Intergovernmental Agreement and the Amended and Restated WISE Partnership – Water Delivery Agreement; and

WHEREAS, the Town and Dominion have entered into that certain Intergovernmental Agreement for Water Service dated January 7, 2014, as amended by the First Amendment dated May 21, 2019, and the Second Amendment dated April 15, 2025 (collectively, the "2014 IGA"), which allows Dominion to transmit any water, including but not limited to water from the WISE Project, directly through the Town's water system; and

WHEREAS, the Town and Dominion have entered into that certain Intergovernmental Agreement for Water Service dated November 22, 2016 (the "2016 Firming IGA"), under which the Town provides firming and retiming capacity within the Town's system for up to 700 acre-feet of Dominion's WISE Subscription at the interconnection between the Town's water system and Dominion's regional infrastructure ("Firming Services"); and

WHEREAS, in addition to paying the Town a per gallon rate for Firming Services, Dominion has conveyed 400 acre-feet of non-renewable groundwater to the Town and has financed the design and construction of Town Wells CR-226 and CR-227 and the installation of Town aquifer storage equipment; and

WHEREAS, to further clarify the process by which Firming Services are to be provided and paid for, the Town and Dominion wish to amend and restate the 2016 Firming IGA; and

WHEREAS, at their meeting on July 23, 2025, the Castle Rock Water Commission voted unanimously to recommend Town Council approval of the 2016 Firming IGA; and

WHEREAS, the Town Council hereby finds and determines that it is in the best interests of the Town and its residents to enter into the 2016 Firming IGA with Dominion.

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

Section 1. **Approval**. The Amended and Restated Intergovernmental Agreement for Water Service between the District and the Town 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 3rd day of February, 2026, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading by a vote of __ for and __ against.

ATTEST:

_____
Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK:

_____
Jason Gray, Mayor

Approved as to form:

_____
Michael J. Hyman, Town Attorney

Approved as to content:

_____
Mark Marlowe, Director, Castle Rock Water

AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT FOR WATER SERVICE BETWEEN DOMINION WATER AND SANITATION DISTRICT, ACTING IN ITS CAPACITY AS A WATER ACTIVITY ENTERPRISE AND THE TOWN OF CASTLE ROCK ACTING THROUGH THE TOWN OF CASTLE ROOK WATER ENTERPRISE

(FIRMING AGREEMENT)

THIS AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT ("Amended & Restated IGA") is executed this 3rd day of February, 2026, by and between Dominion Water and Sanitation District, acting in its capacity as a Water Activity Enterprise ("Dominion"), and the Town of Castle Rock, a Colorado home rule municipal corporation by and on behalf of the Town of Castle Rock Water Enterprise (the "Town") (jointly "Parties").

RECITALS

WHEREAS, Dominion is a quasi-municipal corporation and political subdivision of the State of Colorado formed and organized pursuant to Title 32 of the Colorado Revised Statutes; and

WHEREAS, the Town is a home rule municipal corporation; and

WHEREAS, Dominion is authorized, pursuant to its service plan, to provide water services to customers located both within and outside of its boundaries for multiple uses, including for municipal and household use, commercial, irrigation, industrial and other uses; and

WHEREAS, Dominion provides wholesale water service to the Sterling Ranch development northwest of the Town; and

WHEREAS, Dominion may provide wholesale water service to other retail customers per Dominion's Rules and Regulations and contractual agreements; and

WHEREAS, pursuant to its municipal charter, Title 31, C.R.S. and the Castle Rock Municipal Code, the Town is authorized to provide water services to customers located both within and outside of its boundaries; and

WHEREAS, pursuant to the Colorado Constitution, Article XIV, Section 18(2)(a) and Section 29-1-203, local governments may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each; and

WHEREAS, the Town and Dominion support regional water supply projects, recognizing such projects benefit participants by reducing duplication of facilities and operations, thereby reducing the costs to the Town's citizens and Dominion's customers; and

WHEREAS, Dominion has opportunities to acquire water from various sources, which can be incorporated into the Town's potable water system, including surface and ground water rights in various locations; and

WHEREAS, both the Town and Dominion are members of the South Metro WISE Authority and participants in the WISE Project under the South Metro WISE Authority Formation and Organizational Intergovernmental Agreement ("South Metro WISE IGA") and the Amended and Restated WISE Partnership – Water Delivery Agreement ("WDA"), a cooperative regional water supply project; and

WHEREAS, the Town and Dominion entered into the Intergovernmental Agreement for Water Service dated January 7, 2014 as amended on May 21, 2019 (1st amendment) and on April 15, 2025 (2nd amendment) (collectively "2014 IGA"), attached as **EXHIBIT A**, which allows Dominion to transmit any water, including but not limited to water from the WISE Project, directly through the Town's water system; and

WHEREAS, the 2014 IGA allows for the Town to wheel water for Dominion using the Town's water infrastructure, subject to the approval of the Town as defined in the 2014 IGA; and

WHEREAS, the Town may wheel up to 4.2 million gallons per day (MGD) for Dominion per the 2014 IGA;

WHEREAS, the 2014 IGA allows Dominion to take delivery of wheeled water at the Dominion Delivery Point defined below up to 4.2 MGD (less a 5% imputed loss) and 4,500 acre-feet per Water Year; and

WHEREAS, Dominion connected its regional infrastructure to the Town's System at the Dominion Delivery Point defined below and is accepting water deliveries pursuant to the 2014 IGA; and

WHEREAS, the Town and Dominion desire to amend certain provisions of the 2014 IGA, while the other terms of the 2014 IGA remain in full force and effect; and

WHEREAS, the Town and Dominion entered into the Intergovernmental Agreement for Water Service dated November 22, 2016 ("2016 Firming Agreement"), under which the Town provides firming and retiming capacity within the Town's system for up to 700 acre-feet of Dominion's WISE Subscription at the Dominion Delivery Point and as further defined below; and

WHEREAS, Dominion agrees that Other Direct Deliveries, as defined below, are not to be retimed through the Town's system, and the Town agrees that Other Direct Deliveries are not subject to the additional imputed 10% loss for said deliveries at the Dominion Delivery Point; and

WHEREAS, the Town and Dominion acknowledge that deliveries to the Town's Inflow Point, as defined below, through the WISE System are variable and managed by others, and as such, this agreement provides flexibility with monthly tracking and an annual reconciliation of accounting to reduce the risk of unanticipated billing; and

WHEREAS, the Town and Dominion desire to amend and restate the 2016 Firming Agreement by this Amended & Restated IGA; and

WHEREAS, wheeling water through the Town's System and cost sharing results in expanded conjunctive use opportunities for the Town and Dominion, additional infrastructure capacity available to the Town, additional renewable water to the Town, reduced capital for required infrastructure, and lower operating costs to both parties; and

WHEREAS, pursuant to the 2016 Firming Agreement, Dominion conveyed Dedicated Water defined below to the Town and paid for the design and construction of Well CR-226 and Well CR-227 as production wells and the installation of aquifer storage equipment for a total value to the Town of approximately $6,642,045.00.

WHEREAS, the Town agrees to maintain supplies and capacity in its water system sufficient to enable it to meet its commitments under this Amended & Restated IGA and Dominion agrees to meet all of its commitments under this Amended & Restated IGA; and

WHEREAS, both the Town and Dominion are committed to providing an adequate water supply in terms of quality, quantity, and dependability through the conjunctive use of water combining renewable supplies with Denver Basin ground water, supported by aggressive demand management, conservation and reuse; and

WHEREAS, this Amended & Restated IGA - in conjunction with the 2014 IGA - will supplement and firm Dominion's WISE 700; and

WHEREAS, this Amended & Restated IGA provides the Town with additional renewable water supplies as compensation for firming service and a first right of refusal for WISE deliveries that Dominion may not elect to take: and

WHEREAS, the Parties' systems will be interconnected, giving them the ability by future agreement to participate in additional mutually beneficial cooperative activities.

AGREEMENT

NOW THEREFORE, in consideration of the mutual promises and benefits described herein, the adequacy and sufficiency of which are hereby acknowledged, Dominion and the Town hereby agree as follows:

1. **Definitions.** The following capitalized words are defined in this Amended & Restated IGA.

1.1. **2014 Wheeled Water** – Water wheeled by the Town through the Town's System for Dominion pursuant to the 2014 IGA.

1.2. **700 WISE Direct Deliveries** – Direct deliveries of 700 WISE Water to Dominion within the same month as it was delivered to the Town by WISE.

1.3. **700 WISE Water** – Deliveries to Dominion of up to the first 700 acre-feet of Dominion's WISE Subscription, whether directly or retimed.

1.4. **Other Direct Deliveries** – Direct deliveries to Dominion of renewable or non-renewable supplies owned by Dominion, other than the 700 WISE Direct Deliveries and Other Dominion WISE Deliveries, delivered to Dominion within 24 hours of it being delivered to the Town.[1]

1.5. **Other Direct Water** – Water delivered to Dominion from renewable or non-renewable supplies, other than the 700 WISE Water and Other Dominion WISE Water, delivered to the Town for benefit of Dominion and delivered to Dominion within the 24 hours of it being delivered to the Town.

[1] Currently approved Other Direct Deliveries include Dominion's water from: Aurora in the amount of 250 acre-feet through October 31, 2031; Dominion's South Platte Diversion; and/or water delivered from Aurora in the amount of 570 acre-feet through January 31, 2028.

1.6. **700 WISE Re-Timed Deliveries –** Deliveries to Dominion of 700 WISE Water through the Town's System after delivery to the Town's System from WISE, but within the same Water Year.

1.7. **Remaining 700 WISE Re-Timed Water –** Any 700 WISE Re-Timed Water in the Town's System on May 31 of any Water Year.

1.8. **FSC Firming Water** – Any water owned or controlled by the Town and used to make FSC Firming Water Deliveries.

1.9. **FSC Firming Water Deliveries** – Water delivered to Dominion by the Town through the Town's System in excess of 700 WISE Re-Timed Deliveries, 700 WISE Direct Deliveries, Other Direct Deliveries.

1.10. **Other Dominion WISE Water** – Water from Dominion's WISE Subscription in excess of the 700 WISE Water.

1.11. **Other Dominion WISE Deliveries** - Water delivered to Dominion by the Town through the Town's System from Dominion's WISE Subscription in excess of the 700 WISE Water.

1.12. **Dominion Delivery Point –** The interconnection between the Town's System and Dominion's regional infrastructure located near the intersection of Promenade Parkway and State Highway 85.[2]

1.13. **Water Year** –June 1 of one year to May 31 of the following year.

1.14. **Town Inflow Point** – The interconnection between the WISE System and the Town's System for delivery of all WISE water.[3]

1.15. **WISE Subscription -** Dominion's subscription to WISE pursuant to the WDA, which is currently 1,325 acre-feet.

1.16. **Town's System** – The Town's proprietary water storage and distribution system, facilities, water rights, technical systems and administration systems.

1.17. **Dominion Valve** - A valve owned and controlled by Dominion downstream of the Dominion Delivery Point.

1.18. **Town Valve** - A valve owned and controlled by Town at the Dominion Delivery Point.

2 Additional Dominion Delivery Points can be added per the 2014 IGA.

[3] Currently, the Town Inflow Point is the Ray Waterman Regional Water Treatment Plant, but additional Town Inflow Points can be added per the 2014 IGA.

1.19. **Dominion Set Flow Rate –** The rate at which Dominion shall elect to take deliveries at the Town Valve.

1.20. **Dedicated Water** - 400 acre-feet of non-renewable groundwater water decreed in Case No. 03CW116.

1.21. **Dominion's System** – Dominion's proprietary water distribution system, facilities, water rights, technical systems and administration systems, including Dominion's Eastern Regional Pipeline.

1.22. **Town's Wheeled Water** – Water wheeled by Dominion for the benefit of the Town within Dominion's System, pursuant to a future agreement between the Town and Dominion.

2. Town Firming Water Service Commitment to Dominion.

2.1. Firming Service Commitment.

2.1.1. The Town shall furnish to Dominion firming water service on and subject to the terms and conditions provided in this Amended & Restated IGA (the "Firming Service Commitment" or "FSC"). The Firming Service Commitment supplements but does not replace the Service Commitment separately made under the 2014 IGA. All water delivered pursuant to the FSC in this Amended & Restated Agreement is also delivered pursuant to the Service Commitment in the 2014 IGA. The 2014 IGA remains in full force and effect except as expressly modified by this Amended & Restated IGA; however, the 2016 Firming Agreement is superseded in its entirety by this Amended & Restated IGA.

2.1.2. FSC Firming Water shall firm the 700 WISE Water only. It shall not firm any Other Dominion WISE Water or Other Direct Water. Dominion remains responsible for securing the means to firm any portion of its Other Dominion WISE Water and/or Other Direct Water.

2.1.3. The Town shall transmit 2014 Wheeled Water through the Town's System pursuant to the Service Commitment under the 2014 IGA. The Town will meet the 2014 Wheeled Water delivery obligation using the Town's System. The Town shall only retime WISE 700 Water.

2.1.4. The Town will provide the FSC Firming Water using any available means in the Town's sole discretion from the Town's System. The Town will provide FSC Firming Water under this Amended & Restated IGA only when the volume of 700 WISE Direct Deliveries plus 700 WISE Re-timed Deliveries plus FSC Firming Water already delivered is less than 700 AF in the current Water Year.

2.1.5. The Town will provide meter information from the Town Inflow Point and the Dominion Delivery Point daily to allow Dominion to reconcile deliveries of water either through the 2014 IGA or this Amended & Restated IGA.

2.1.6. **Maximum Deliveries.**

2.1.6.1. Total deliveries to Dominion of water under the combination of this Amended & Restated IGA and the 2014 IGA shall not exceed 4.2 MGD, with no minimum delivery and a maximum delivery of 4,500 acre-feet per Water Year at the Dominion Delivery Point.

2.1.6.2. The sum of 700 WISE Re-timed Deliveries and FSC Firming Water Deliveries pursuant to this Amended & Restated IGA shall not exceed a rate of 0.685 MGD ("Firming Service Maximum Delivery Rate"). The sum of 700 WISE Direct Deliveries, 700 WISE Re-timed Deliveries and FSC Firming Water Deliveries shall not exceed 700 acre-feet per Water Year at the Dominion Delivery Point ("Firming Service Maximum Annual Delivery Volume")

2.1.6.3. All water delivered to the Dominion Delivery Point pursuant to this Amended & Restated IGA shall be subject to the 5% loss in Section 5 of the 2014 IGA, as amended in Section 2.1.6.4 below.

2.1.6.4. Section 5 of the 2014 IGA is specifically amended to remove the sentence that states:

"Dominion Water inflows and deliveries to and from the Town System shall be accounted for and reconciled on a 24-hour basis"

The sentence shall be replaced with the following sentences:

The 2014 IGA accounted for and reconciled Dominion inflows and deliveries to and from the Town System on a 24-hour basis. The Amended & Restated IGA balances deliveries using monthly accounting as a basis for a final annual reconciliation. To simplify the Town's accounting and reconciliation for the water delivered to Dominion, the Town and Dominion agree that the Town may, in the Town's sole discretion, implement monthly accounting for deliveries under the 2014 IGA, with a final annual reconciliation. While the Town may implement monthly accounting with annual reconciliation, the Town will not use the Town's System to retime, store or otherwise manage direct deliveries, except the WISE 700 Water, under the 2014 IGA for more than 24 hours. The Town will receive water and deliver water to Dominion within 24 hours, under the 2014 IGA. Upon written notice to Dominion, the Town reserves the right to resume accounting and reconciliation on a 24-hour basis, in its sole discretion, for any direct deliveries beyond the WISE 700 Water, if it determines Dominion is using the Town's System to retime, store or otherwise manage direct deliveries beyond the WISE 700 Water under the 2014 IGA.

3. **Conditions to Service Commitment**. The Town shall provide the Firming Service Commitment upon Dominion's continued satisfaction of the following.

3.1 **Initial Treatment Fee.** Dominion and the Town set the initial treatment capacity at 0.685 MGD ("Initial Treatment Capacity"). The Town charged Dominion $2,200,000 per 1 MGD of Initial Treatment Capacity or $1,507,000 ("Initial Treatment Fee"). Dominion is required to make ten annual payments of $150,700. As of the date of this Amended & Restated IGA, Dominion has made 4 payments, and Dominion shall continue to pay $150,700 annually by October 31st each year up to and including in 2030.

3.2 **Rates for FSC Firming Water.**

3.2.1 **Rates and Fees for FSC Firming Water.** Dominion shall pay for all FSC Firming Water delivered under this Amended & Restated IGA at the Dominion Delivery Point at the rates in effect for that year expressed per 1,000 gallons ("FSC Firming Dominion Water Rate"). The FSC Firming Dominion Water Rate may be adjusted no more often than once annually, effective January 1st, except the Town may change the rate in the event of an emergency in the Town System as detailed in Section 3.2.4.

3.2.2 **Rate Calculation for FSC Firming Water.** The FSC Firming Dominion Water Rate shall consist of the Town's Winter Season Block 1 residential average winter monthly consumption rate and Irrigation Season Block 1 residential rate, where the FSC Firming Dominion Water Rate will be calculated based on the sum of sixty percent of the Town's Winter Season Block 1 and forty percent of the Irrigation Season Block 1 residential rates multiplied by 1.35 such that: FSC Firming Dominion Water Rate = 1.35 (0.6 Town's Winter Season Block 1 residential rate + 0.4 Town's Irrigation Block 1 residential rate).

3.2.3 **Notice of Changed Water Rate for FSC Firming Water.** The Town shall notify Dominion of the FSC Firming Dominion Water Rate for the upcoming Water Year by October 1 of each year together with an explanation of the basis for the adjustment. If requested by Dominion, the Town shall make accommodation for public comment by Dominion representatives and ratepayers on the FSC Firming Dominion Water Rate at a designated Town Council meeting.

3.2.4 **Rates and Fees for FSC Firming Water During an Emergency.** The Town may adjust the FSC Firming Dominion Water Rate in the event of an emergency in the Town System ("FSC Firming Emergency Water Rate"). In an emergency, the Town will provide Dominion written notice of the FSC Firming Emergency Water Rate within 48 hours together with an explanation of the anticipated duration and basis for the emergency. The FSC Firming Emergency Water Rate will only be implemented by the Town should the Town adopt or implement an emergency water rate within the service area boundary of the Town. If requested by Dominion, the Town shall make accommodation for public comment by Dominion representatives and ratepayers on the FSC Firming Emergency Water Rate at a designated Town Council meeting.

3.3 **Priority of Dominion Water Deliveries**. The Town and Dominion agree that water delivered to Dominion will be delivered in the following order:

3.3.1 700 WISE Retimed Deliveries
3.3.2 Other Direct Deliveries
3.3.3 700 WISE Direct Deliveries
3.3.4 Other Dominion WISE Deliveries
3.3.5 FSC Firming Water Deliveries

3.4 **Monthly Accounting for Water Under the 2014 IGA and this Amended & Restated IGA.**

3.4.1 Subject to the Town's reserved right to resume accounting on a 24-hour basis described in Section 2.1.6.4, for the purposes of the 2014 IGA and this Amended & Restated IGA, the Town shall account monthly for the rate and volume of: 2014 Wheeled Water transmitted in the Town's System in accordance with the 2014 IGA; 700 WISE Direct Deliveries in accordance with the 2014 IGA; 700 WISE Re-timed Deliveries in accordance with the 2014 IGA for rate purposes and this Amended & Restated IGA for accounting and water loss purposes; FSC Firming Water Deliveries in accordance with this Amended & Restated IGA; Other Direct Deliveries in accordance with the 2014 IGA; and Other Dominion WISE Deliveries in accordance with the 2014 IGA. Accounting will be accomplished using the Excel spreadsheet attached as **EXHIBIT B.** The Town will provide a monthly summary of the accounting for Dominion's use.

3.4.2 The Parties acknowledge that deliveries through the WISE System are variable and managed by others. Operational changes and system capacities may cause variations in delivery volumes at the Town Inflow Point. To the extent practicable, the Parties agree to manage Dominion's monthly deliveries to minimize fluctuations. The Town will provide daily meter reading data from the Town Inflow Point and the Dominion Delivery Point to help with tracking WISE deliveries on a daily basis.

3.4.3 The 2014 IGA is expressly amended to include Sections 3.4.1 and 3.4.2, above.

3.5 **Monthly Billing for Water Under the 2014 IGA and this Amended Restated IGA.**

3.5.1 Section 5 of the 2014 IGA is specifically amended to remove the sentences that state:

The Town shall read the meters described in Section 6 once each month and shall bill Dominion for the cost of treated water delivered by the Town (computed in accordance with Section 8 measured at the Dominion Delivery Point) during the preceding month at the applicable rate provided in Section 8. Dominion shall pay Town the amount of such statement within 30 days after receiving receipt.

This sentence in Section 5 of the 2014 IGA shall be replaced with the language in Section 3.5.2 below.

3.5.2 For the purposes of the 2014 IGA and this Amended & Restated IGA, the Town shall read the meters on the Town Inflow Point and Dominion Delivery Point to determine a daily total, which will be provided to Dominion as part of the monthly invoice. The Town shall invoice Dominion for all water delivered by the Town during the preceding month at the applicable rates in Section 8 of the 2014 IGA and Section 3.2 of this Amended & Restated IGA. All FSC Firming Water delivered to Dominion in the preceding month shall be billed under this Amended & Restated IGA. All 700 WISE Re-Timed Deliveries and 2014 Wheeled Water delivered to Dominion (whether part of its WISE Subscription or from a third party) shall be billed under the 2014 IGA. The invoice shall allocate to and bill Dominion for the previous month's deliveries under the 2014 IGA and this Amended & Restated IGA. Dominion shall pay to Town the amount of such invoice within 60 days after receipt.

3.6 **Annual Reconciliation of Accounting for Final Invoice.**

3.6.1 Final accounting for FSC Firming Water Deliveries ("Final Water Year Accounting") will be completed during the annual reconciliation. In July of each year, the Town will provide Dominion with the Final Water Year Accounting. The Final Water Year Accounting will reconcile water deliveries: i) pursuant to the FSC provisions of this Amended & Restated IGA; ii)the 2014 Wheeled Water deliveries to Dominion pursuant to the 2014 IGA; iii) the Town's Wheeled Water delivered by Dominion to the Town; and iv) accounting corrections for water owed to Dominion or other WISE partners based on WISE's operations. Dominion shall have 30 days to review and comment upon the Final Water Year Accounting.

3.6.2. After the 30-day period described in Section 3.6.1, the Town shall issue the July invoice based on the Final Water Year Accounting ("Reconciled Invoice"). The Reconciled Invoice shall credit or debit amounts to allocate all deliveries properly, under the 2014 IGA and this Amended & Restated IGA. Dominion reserves the right to dispute the Final Water Year Accounting and/or the Reconciled Invoice and to seek to negotiate with the Town for any potential reduction or adjustments to payments.

3.6.3 Dominion reserves the right to request reconciliation of accounting at any time in writing. The Town shall have 30 days to submit a reconciled accounting.

3.6.4. The 2014 IGA is expressly amended to include Sections 3.6.1 through 3.6.3, above.

3.7. **Annual Payment of Renewable Water Replacement Fee.**

3.7.1 Dominion dedicated to the Town non-renewable non-tributary ground water pursuant to Section 2.2 of the 2016 Firming Agreement ("Dedicated Water") that Town may use to provide FSC Firming Water under this Amended & Restated IGA. The Dedicated Water has an allowed withdrawal of 400 acre-feet multiplied by 100 years or 40,000 acre-feet total. The Dedicated Water will be accounted for as being used to meet deliveries to Dominion until the total volume of 40,000 acre-feet is accounted for as being exhausted and/or as long as this Amended & Restated Agreement remains in full force and effect. Since the Dedicated Water is not a renewable water supply, Dominion shall be subject to payment of the Renewable Water Replacement Fee, only for the FSC Firming Water, as described in Section 3.7.2 to pay to backfill this non-renewable supply.

3.7.2. The Renewable Water Replacement Fee shall be calculated as follows.

3.7.2.1. The Town will calculate the Renewable Replacement Fee on a monthly basis and shall include the fee as a line item on Dominion's monthly invoice, subject to annual reconciliation described in Section 3.6 of this Amended & Restated IGA.

3.7.2.2. The monthly FSC Firming Water Deliveries shall be converted into acre-feet and divided by 100 ("Replacement Fee Volume").

3.7.2.3. The Replacement Fee Volume shall be converted to single family equivalents (SFEs) by dividing the Replacement Fee Volume by 0.45 acre-feet ("Replacement SFE"), rounded to the nearest 10^{th} of a SFE.

3.7.3. The Replacement SFE shall be multiplied by the Town's then-current renewable water fee for a ¾-inch meter in Castle Rock System Development Fees and multiplied by 1.25 (to impose a 25% percent surcharge). The Town shall notify Dominion of any adjustments to the Renewable Water Replacement Fee for the upcoming Water Year by October 1 of each year together with an explanation of the basis for the adjustment. If requested by Dominion, the Town shall make accommodation for public comments by Dominion representatives and ratepayers on the Dominion Renewable Water Replacement Fee rate at a designated Town Council meeting.

For example, assume…

- FSC Firming Water = 700 acre-feet (AF)
- Replacement Fee Volume = 7 AF (700 AF / 100)
- Replacement SFE = 15.6 SFE (7 AF / 0.45)
- 2025 ¾ inch fee = $33,485 per SFE x 1.25 surcharge
- Fee = $652,958

3.9 **Retained Water.** As consideration for retiming the 700 WISE Water for Dominion, all WISE 700 Re-timed Deliveries will be subject to an additional 10% delivery reduction (for a total of 15% when combined with the 5% loss described in Section 2.1.6.3) ("Retained Water"). The Town shall earn the Retained Water when Dominion does not

take delivery of WISE 700 Water in the Town's System in the same month when the Town took delivery of the WISE 700 Water. The Town shall have the right to use, reuse and successively use to extinction the Retained Water for its own purposes in its discretion. Retained Water is subject to the annual reconciliation.

3.10 **Excess WISE Deliveries.** As consideration for this Amended & Restated IGA, Dominion grants the Town the right to use in any Water Year the unused, Offered WISE Delivery Amount (as defined in the WDA) available to Dominion in excess of the 700 WISE Direct Deliveries ("Excess WISE Delivery") for the term of this Amended & Restated IGA, should Dominion elect not to take deliveries of the Offered WISE Delivery Amount. As soon as practicable, Dominion shall provide the Town with notice of the availability of Excess WISE Delivery for that Water Year. The Town shall have the right but not the obligation to accept and use Excess WISE Delivery, provided Town shall pay charges for Excess WISE Delivery under the WDA and South Metro WISE IGA. The Town shall provide notice to Dominion as soon as practicable if it will not accept deliveries of Excess WISE Delivery in an effort to provide some time to allow Dominion to determine if other WISE partners will accept deliveries of Excess WISE Delivery water. Dominion retains the right to use the Offered WISE Delivery Amount allocated WISE Delivery Amount and this term only applies to unused WISE Delivery Amount that Dominion elects not to take.

4. Mechanics of Service Commitment.

4.1. **Delivery Point(s).** Dominion shall take deliveries under this Amended & Restated IGA at the Dominion Delivery Point; provided, however, that the Parties recognize that additional delivery points may be added pursuant to the 2014 IGA. Dominion has connected to the Town System at the Dominion Delivery Point and has constructed the Dominion Valve. The Town acknowledges that the existing Dominion Valve does not enable Dominion to regulate its deliveries and that Dominion is actively evaluating a replacement. Once the new valve is installed, Dominion will be responsible for managing and regulating its water deliveries at the Dominion Valve. The Town installed the Town Valve. By the first day of each month, Dominion shall inform the Town verbally, and confirm in writing, the flow rate at which the Town should set the Town Valve. The flow rate should be approximately the sum of: 1) the flow rate needed to utilize all 700 WISE Re-timed Deliveries, if any, at a consistent rate throughout the month; 2) the flow rate at which Dominion desires the Town to deliver water from all sources, including the 700 WISE Direct Deliveries and the Other Direct Water delivered for the benefit of Dominion at the Town Inflow Point under the 2014 IGA; 3) the flow rate for any FSC Firming Water Deliveries Dominion desires the Town to deliver and 4) the flow rate for the Town's Wheeled Water ("Monthly Set Flow Rate"). The Town shall adjust the Town Valve to the Monthly Set Rate on the first day of the month and not change the rate, unless requested by Dominion as set forth in Sections 4.1.1 or 4.1.2.

4.1.1. The goal of the Monthly Set Flow Rate is for Dominion to control its deliveries to ensure that Dominion does not take delivery of FSC Firming Water without its knowledge. If Dominion needs to increase its deliveries above the Monthly Set Flow Rate, then Dominion shall inform the Town verbally, and confirm in writing. The parties agree that monthly accounting and invoicing shall be provided to Dominion to assist the parties in determining the applicable water rate to be applied to additional water, if any, delivered to Dominion.

4.1.2. Another goal of the Monthly Set Flow Rate is for Dominion to control its deliveries to ensure that Dominion knows when it is retiming its 700 WISE Water. Dominion acknowledges that if Dominion sets the Dominion Valve below the Monthly Set Flow Rate, then it may be retiming the 700 WISE Water or forfeiting water, as detailed in Section 4.1.3, subject to monthly accounting and invoicing of water deliveries.

4.1.3. Remaining 700 WISE Re-Timed Water will roll over to the new Water Year to be used by Dominion within 30 days (by June 30th). The Town, at its sole discretion, may allow Dominion to use the Remaining 700 WISE Re-Timed Water and/or any 700 WISE Re-timed Deliveries identified during the annual reconciliation within 60 days (by July 31st). Any Remaining 700 WISE Re-Timed Water not used within the appropriate timeline and any water delivered to the Town for Dominion's benefit from any source [other than the WISE 700 Water] that Dominion does not take delivery of within 24 hours, shall be forfeited by Dominion to the Town ("Forfeited Water"). Dominion's forfeiture of Forfeited Water at any time, or from time to time, does not create any right in the Town to receive Forfeited Water in the future, other than as defined herein. Any Forfeited Water shall be available for use, reuse and successive use to extinction by the Town for its own purposes in its discretion.

4.1.4. If, at any time, the Dominion Valve or Town Valve cannot accurately control the flow for Dominion's deliveries, the Parties agree to collaboratively work together to adjust set points. Either Party shall notify the other verbally and confirm in writing any changes needed to the Dominion Valve or Town Valve.

4.1.5. Dominion acknowledges that Dominion is solely responsible for knowing when it may be taking FSC Firming Deliveries or 700 WISE Re-Timed Deliveries. The Town is not required to notify Dominion when it may be taking FSC Firming Deliveries or 700 WISE Re-Timed Deliveries.

4.2 **Reuse Rights.** Dominion shall have the right to reuse, successively use, and dispose of all 2014 Wheeled Water and FSC Firming Water deliveries to Dominion pursuant to the 2014 IGA and this Amended & Restated IGA. However, the Town shall have the right to reuse, successively use, and dispose of any Retained Water, Forfeited Water and Excess WISE Delivery taken by Town pursuant to this Amended & Restated IGA.

4.3 **Timing of Deliveries.** Deliveries to Dominion under this Amended & Restated IGA began October 1, 2025.

4.4 **Operations & Maintenance Activities.**

4.4.1. Dominion acknowledges that the Town and WISE may need to complete upgrades or conduct operation and maintenance activities ("O&M"). Dominion and the Town agree to work together during these periods to coordinate delivery schedules.

4.4.2. If: i) WISE cannot deliver water to the Town for the benefit of Dominion for any reason; or ii) any part of the WISE delivery system (including the local WISE infrastructure and Town Inflow Point) (collectively "WISE Delivery System") is out of

service, then any deliveries, other than Other Water Deliveries, to Dominion on a modified schedule shall either be FSC Firming Water Deliveries or 700 WISE Re-timed Deliveries, as applicable.

4.4.3. If WISE can deliver water to the Town and the WISE Delivery System is in-service, but the Town cannot make deliveries for the benefit of Dominion because of O&M of the Town System, then water delivered to Dominion on a modified schedule shall:

4.4.3.1. not be charged the fees described in Section 3.2 and 3.7 associated with FSC Firming Water Deliveries;

4.4.3.2. not be charged the 10 percent loss surcharge associated with 700 WISE Re-timed Deliveries; and

4.4.3.3. count towards the 700 WISE Water, if 700 WISE Water was available for delivery and the amount had not been exhausted for the water year.

4.4.3.4. The Town shall work with Dominion , to the extent practicable, to deliver Dominion's WISE Subscription to other WISE partners to offset financial impacts to Dominion.

5. **Term.** The term of the 2014 IGA and this Amended & Restated IGA shall be perpetual, unless the Parties mutually agree to terminate the same by written instrument or this Amended & Restated IGA terminates by the terms and conditions expressly stated hereunder.

6. **Potable Water Quality.** The Town shall deliver water to Dominion under this Amended & Restated IGA, pursuant to the water quality terms of Section 3 of the 2014 IGA.

7. **Miscellaneous Provisions.**

7.1 **Amendment.** Except as otherwise provided herein, this Amended & Restated IGA may be modified, amended, changed, or terminated, in whole or in part, only by an agreement in writing duly authorized and executed by both parties.

7.2 **Enforcement-Generally.** Subject to the provisions of Sections 7.3 and 7.4, this Amended & Restated IGA may be enforced in law or equity, damages or such other legal and equitable relief as may be available to a Party. Except as otherwise provided herein, each party waives any right to special, indirect, consequential and punitive damages, including lost revenue. Prior to commencing such legal action, the non-defaulting party shall give written notice to the defaulting party. The defaulting party shall have 30 days to cure any default, except for a monetary default described in Section 7.3.

7.3 **Remedies for Monetary Defaults.** If Dominion does not timely satisfy any of its payment obligations under this Amended & Restated IGA, Town may give Dominion a written notice of default. If Dominion does not cure the default by making full payment within 120 days from receipt of the default notice, Town, in addition to pursuing any other remedies available to it at law or in equity, may suspend deliveries to Dominion.

7.4 **Dispute Resolution.** In the case of any dispute under the Amended & Restated IGA, prior to commencing legal action, the parties shall meet within 30 days to attempt to

resolve the issues. Participants in the meeting shall include the Director of Castle Rock Water for the Town and the General Manager of Dominion. In the event the Parties are unable to resolve their differences following such meeting, either Party shall be entitled to pursue the remedies set forth in Sections 7.3 or 7.4 above.

7.5 **Notice.** For purposes of notice pursuant to this IGA, the Parties' representative shall be:

For the Town:
Town of Castle Rock
Castle Rock Water
Attn: Director of Castle Rock Water
175 Kellogg Court
Castle Rock, CO 80109

With a copy to:
Town Attorney
Town of Castle Rock
100 Wilcox Street
Castle Rock, CO 80104

For Dominion:
Dominion Water & Sanitation Dist.
Attn: General Manager
9250 E. Costilla Avenue, Suite 400
Greenwood Village, CO 80112

With a copy to:
Whitebear, Ankele, Tanaka & Waldron
Attn: Blair M. Dickhoner, Esq.
2154 E. Commons Ave., Suite 2000
Centennial, Colorado 80122

Any notices required or permitted to be given hereunder shall be in writing and shall be deemed given when given personally or sent by certified or registered mail, return receipt requested, postage prepaid. Either party hereto may designate a new address by giving written notice thereof to the other party as provided herein. Notice shall be effective upon receipt.

7.6 **Assignment.** This Amended & Restated IGA shall be assignable by Dominion to another governmental entity providing water service to the Dominion service area, except that such assignment shall first be approved in writing by the Town, such approval not to be unreasonably withheld. Due to the unique nature of the services provided under this Amended & Restated IGA, Town's rights or obligations may be assigned by Town only together with ownership and control of the Town's water system. Any assignment not in compliance with the terms hereof shall be void and of no force or effect. Notwithstanding the foregoing, the Town acknowledges that Dominion, as a wholesale water provider, will be providing service to Dominion's retail customers, which will in turn provide retail services to residents.

7.7 **Successors and Assigns.** The terms, conditions, and provisions of this Amended & Restated IGA shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

7.8 **Governing Law.** The terms, conditions, and provisions of this Amended & Restated IGA shall be governed by and construed in accordance with the laws of the State of Colorado.

7.9 **Failure to Perform Due to Force Majeure.** Subject to the terms and conditions of this paragraph, no party to this Amended & Restated IGA shall be liable for any delay or failure to perform under this Amended & Restated IGA due solely to conditions or events of force majeure, as that term is specifically defined herein; provided that: i) the non-performing party gives the other party prompt written notice describing the particulars of the occurrence of the force majeure; ii) the suspension of performance is of no greater scope and of no longer duration than is required by the force majeure event or condition; and iii) the non-performing party proceeds with all necessary diligence to remedy its inability to perform, As used herein, force majeure shall mean any delay or failure of a party to perform its obligations under this Amended & Restated IGA caused by events beyond the party's reasonable control and without the fault or negligence of the party, including, without limitation, (a) acts of God, (b) sudden actions of the elements such as floods, earthquakes, rock slides, avalanches, or tornadoes, (c) sabotage, (d) vandalism beyond that which can be reasonably prevented by the party, (e) terrorism, (f) war, (g) riots, (h)fire, (i) explosion, (j) extreme weather, (k) extreme snow, (l) blockades, (m) insurrection, (n) strike, slowdown or other labor disruptions, and/or (o) pandemics.

7.10. **Defense Against Third Parties.** In the event of litigation by any third party concerning this Amended & Restated IGA, and to the extent permitted by law, the Parties agree to jointly defend any such third-party action.

7.11. **No Third-Party Beneficiaries.** Except as otherwise explicitly provided for herein, there are no third-party beneficiaries of this Amended & Restated IGA. No third party has any right to enforce this Amended & Restated IGA.

7.12. **Sole Obligation of Water Activity Enterprise.**

7.12.1 This Amended & Restated IGA shall never constitute a general obligation or other indebtedness of the Town or Dominion, or a multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the Town or Dominion within the meaning of the Constitution and laws of the State of Colorado or of the service plan, rules or regulations of the Town or Dominion.

7.12.2 In the event of a default by either party of any of its obligations under this Amended & Restated IGA, the non-defaulting party shall have no recourse for any amounts owed to it against any funds for the services furnished by, or the direct or indirect use of each party's water system and herein the contrary, nothing in this Amended & Restated IGA shall be construed as creating a lien upon any revenues of the Town or the Dominion Water Activity Enterprise.

7.12.3 The Town represents that this Amended & Restated IGA has been duly authorized, executed and delivered by the Town and constitutes a valid and legally binding obligation of the Town, and to applicable bankruptcy, insolvency and similar laws affecting the enforceability of the rights or creditors generally and to general principles of equity.

7.12.4 Dominion represents that this Amended & Restated IGA has been duly authorized, executed and delivered by Dominion and constitutes a valid and legally binding obligation of Dominion, enforceable against Dominion in

accordance with the terms hereof, subject only to the terms hereof and to applicable bankruptcy, insolvency and similar laws affecting the enforceability of the rights of creditors generally and to general principles of equity.

7.13. **Entire Agreement.** The 2014 IGA and this Amended & Restated IGA represent the entire agreement of the parties and neither party has relied upon any fact or representation not expressly set forth.

7.14. **Counterparts.** This Amended & Restated IGA may be executed in any number of counterparts, each of which shall be deemed original, but all of which constitute one and the same agreement.

7.15. **Non-severability and Effect of Invalidity.** Each provision of this Amended & Restated IGA is integral to the others and is not severable from the others. If any portion of this Amended & Restated IGA is held invalid or unenforceable for any reason by a court of competent jurisdiction as to either party or as to both parties, the parties will immediately attempt to negotiate either valid alternative portions that as near as possible give effect to any stricken portions or a valid replacement agreement.

7.16 **No Attorney's Fees and Costs.** In the event of any litigation arising out of this Amended & Restated IGA, the parties agree that each will be responsible for their own attorney's fees and costs associated with any such legal action.

7.17 **Joint Draft.** The parties agree they drafted this Amended & Restated IGA jointly with each having the advice of legal counsel and an equal opportunity to contribute to its content. Therefore, this IGA shall not be construed for or against a party on the basis of authorship.

7.18 **Inconsistencies.** To the extent of any inconsistencies between this Amended & Restated IGA and the terms and conditions of the 2014 IGA, the terms and conditions of this Amended & Restated IGA shall prevail.

7.19 **Intent of Amended & Restated IGA.** This Amended & Restated IGA is intended to describe the rights and responsibilities of and between the parties and is not intended to and shall not be deemed to confer rights upon any persons or entities not signatories hereto nor to limit, impair, or enlarge in any way the powers, regulatory authority and responsibilities of either party or any other governmental entity not a party hereto.

7.20 **Non-Business Days.** If any date for any action under this Amended & Restated IGA falls on a Saturday, Sunday or a holiday, as such term is defined in Rule 6 of the Colorado Rules of Civil Procedure, then the relevant date shall be extended automatically until the next business day.

7.21 **Payment Dates.** Notwithstanding anything to the contrary contained herein, upon mutual agreement of the Director of Castle Rock Water for the Town and the General Manager of Dominion, any payments to be made hereunder may be scheduled for different dates than set forth herein, so long as they occur in the same fiscal year as contemplated herein, such that payments hereunder may align with payments to be made by Dominion pursuant to the 2014 IGA.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date first above written. By the signature of its representative below, each Party affirms that it has taken all necessary action to authorize said representative to execute this Agreement.

ATTEST:

_____
Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK

_____
Jason Gray, Mayor

Approved as to form:

_____
Michael J. Hyman, Town Attorney

Approved as to content:

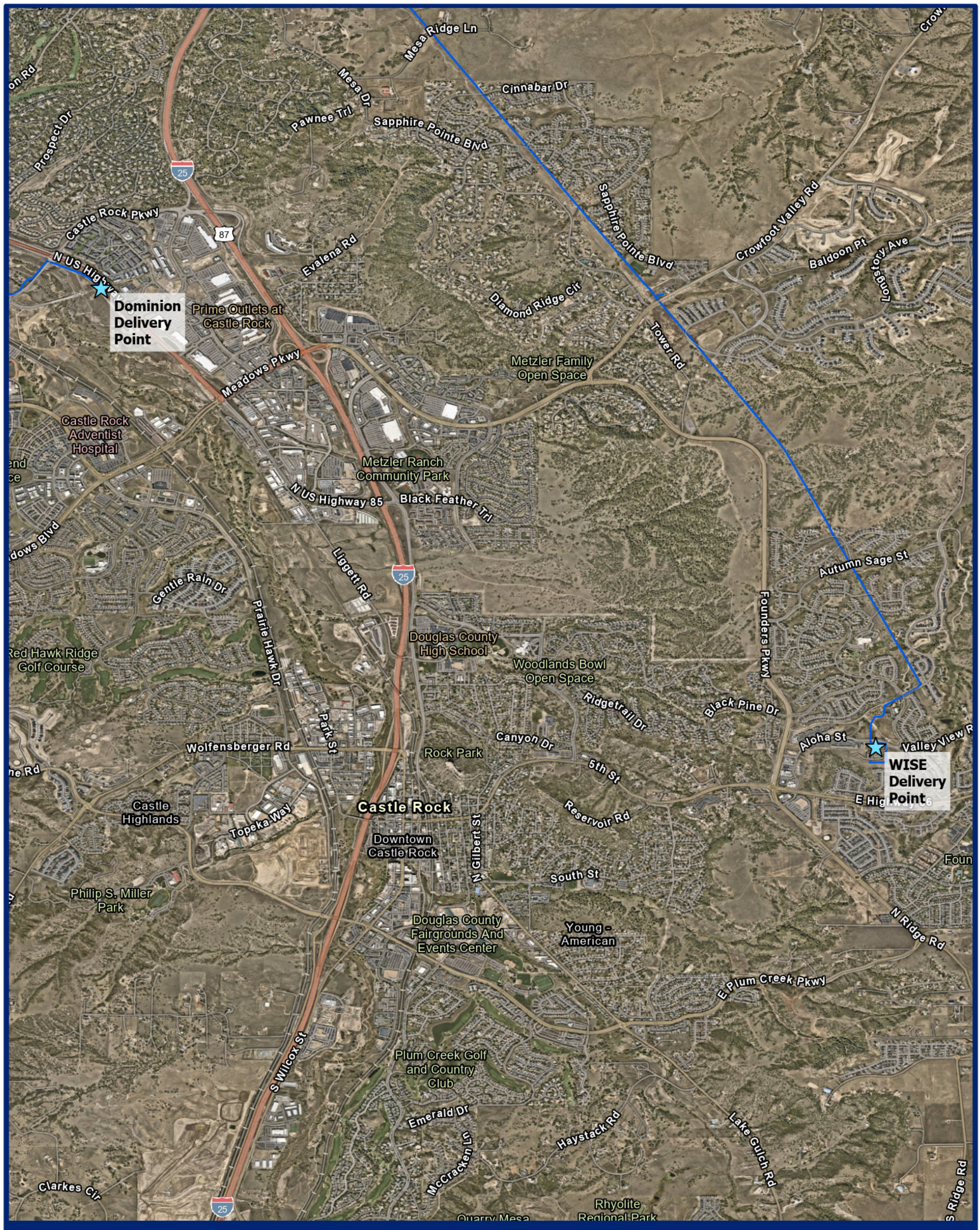
_____
Mark Marlowe, Director of Castle Rock Water

DISTRICT:
DOMINION WATER AND SANITATION DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado

_____
John Ostermiller, Officer of the District

ATTEST:

_____
Andrea Cole, General Manager



Dominion and WISE Delivery Points

CASTLE ROCK Qwater
Securing our future drop by drop

Legend

- Delivery Point
- Water Main

0 0.5 1
Miles

Creation Date: 1/22/2026

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 or submit an accommodation request form at CRgov.com/A11yRequest.

Town of Castle Rock

Agenda Memorandum

Agenda Date: 2/3/2026

Item #: 16. **File #:** RES 2026-013

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Mark Marlowe, P.E., Director of Castle Rock Water
Shawn Griffith, Assistant Director of Operations
Hannah Branning, Water Quality & Regulatory Compliance Manager
Mark Billman, EHS Program Manager

Resolution Approving a Services Agreement with Burns & McDonnell Engineering Company, Inc. for Arc Flash Safety Assessment Services *[Entire Castle Rock Water Service Area]*

Executive Summary

Castle Rock Water (CRW) staff requests Town Council approval for a services agreement to conduct a comprehensive arc flash hazard and short-circuit study across all CRW electrical facilities with Burns & McDonnell Engineering for $481,017, with a 5% Town-managed contingency of $24,051, for a total authorization request of $505,068 ***(see Attachment A).*** The study will be completed by December 28, 2026.

Arc flash and electrical shock hazards have long been known to pose significant risk in the workplace, potentially causing severe injuries or fatalities. CRW has been doing arc flash studies for new projects on an inconsistent basis and in many cases these studies have not been completed for older facilities. This study will bring all CRW's facilities up to current standards in accordance with National Fire Protection Association standard 70E and help reinforce CRW's commitment to developing and maintaining safe workplaces across all facilities regarding electrical safety. Arc flash studies typically are updated every five years. The scope for an update would be significantly lower in cost.

Budget Impact

Funding for this project will come from the Water, Water Resources, and Wastewater Plant Engineering Services funds after a first-quarter budget amendment, as follows:

Fund Name	Account Number	Cost	Contingency	Balance after Budget Amendment
Water	210-4230-442.30-40	$160,339	$8,017	$168,356
	211-4340-443.30-40	$160,339	$8,017	$168,356
	213-4530-445.30-40	$160,339	$8.017	$168,356
Total		**$481,017**	**$24,051**	**$505,068**

There will be additional much smaller future costs to update the arc flash studies on a five-year basis.

Staff Recommendation

Staff recommends a services agreement with Burns & McDonnell Engineering for $481,017, with a 5% Town-managed contingency of $24,051, for a total authorization request of $505,068.

Proposed Motion

"I move to approve the Resolution as introduced by title."

Alternative Motions

"I move to approve the resolution as introduced by title, with the following conditions: (list conditions).

"I move to continue this item to the Town Council meeting on _____ date to allow additional time to (list information needed)."

Attachments

Staff Report
Attachment A: Resolution
Exhibit 1: Contract

STAFF REPORT

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Mark Marlowe, P.E., Director of Castle Rock Water
Shawn Griffith, Assistant Director of Operations
Hannah Branning, Water Quality & Regulatory Compliance Manager
Mark Billman, EHS Program Manager

Title: **Resolution Approving an Agreement between the Town of Castle Rock and Burns & McDonnell for an Arc Flash Study** *[Entire Castle Rock Water Service Area]*

Executive Summary

Castle Rock Water (CRW) staff requests Town Council approval for a services agreement to conduct a comprehensive arc flash hazard and short-circuit study across all CRW electrical facilities with Burns & McDonnell Engineering for $481,017, with a 5% Town-managed contingency of $24,051, for a total authorization request of $505,068 ***(see Attachment A).*** The study will be completed by December 28, 2026.

Arc flash and electrical shock hazards have long been known to pose significant risk in the workplace, potentially causing severe injuries or fatalities. CRW has been doing arc flash studies for new projects on an inconsistent basis and in many cases these studies have not been completed for older facilities. This study will bring all CRW's facilities up to current standards in accordance with National Fire Protection Association standard 70E and help reinforce CRW's commitment to developing and maintaining safe workplaces across all facilities regarding electrical safety. Arc flash studies typically are updated every five years. The scope for an update would be significantly lower in cost.

Notification and Outreach Efforts

No public outreach is planned. Work will be performed at various CRW facilities, out of the public eye, to conduct a CRW facility equipment worker health and safety assessment.

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

Castle Rock Water Commission was provided with a presentation on the Arc Flash Study at their January 28, 2026, meeting and voted unanimously 7 to 0 to recommend Town Council approval of the Resolution as presented.

Discussion

The purpose of this project is to collect data from electrical equipment across forty-nine (49) CRW sites, to provide individual short-circuit, arc flash hazard, and device coordination reports for each site in accordance with NFPA standard 70E. This data will be used by Burns & McDonnell Engineering to provide updated electrical one-line diagrams and arc flash and shock hazard labels put in place for each piece of equipment covered by the reports. The electrical one-line diagrams are not needed for the arc flash work but provide an additional benefit for the project as we have many old sites that do not have these diagrams. These diagrams are required for doing any major electrical work, troubleshooting or maintenance.

The CRW sites include:

- Five water treatment facilities
- Eleven pump stations
- Nine lift stations
- One surface water diversion site
- Twenty-three groundwater well sites.

CRW has updated our process so that an arc flash study and the resultant labeling is required for new electrical equipment going forward. Based on best practice, arc flash studies need to be updated every five years.

Through a competitive bid process, CRW solicited proposals from three qualified engineering firms; their proposal costs are shown below:

Vendor	**Proposal**
Burns & McDonnell Engineering	$481,017
Logical Systems LLC	$500,300
Tetra Tech	Declined to Bid

Staff selected Burns & McDonnell Engineering as they have a fully staffed, local electrical engineering team prepared to provide CRW with the best value and pricing to complete the work. Tetra Tech attended the pre-bid project walk, but declined to bid as they did not have adequate local electrical engineering staffing to complete the project.

Budget Impact

Funding for this project will come from the Water, Water Resources, and Wastewater Plant Engineering Services funds after a first-quarter budget amendment, as follows:

Fund Name	Account Number	Cost	Contingency	Balance after Budget Amendment
Water	210-4230-442.30-40	$160,339	$8,017	$168,356
	211-4340-443.30-40	$160,339	$8,017	$168,356
	213-4530-445.30-40	$160,339	$8.017	$168,356
Total		**$481,017**	**$24,051**	**$505,068**

There will be additional much smaller future costs to update the arc flash studies on a five-year basis.

Staff Recommendation

Staff recommends a services agreement with Burns & McDonnell Engineering for $481,017, with a 5% Town-managed contingency of $24,051, for a total authorization request of $505,068.

Proposed Motion

"I move to approve the Resolution as introduced by title."

Alternative Motions

"I move to approve the resolution as introduced by title, with the following conditions: (list conditions).

"I move to continue this item to the Town Council meeting on _____ date to allow additional time to (list information needed)."

Attachments

Attachment A: Resolution
Exhibit 1: Contract

RESOLUTION NO. 2026-013

A RESOLUTION APPROVING A SERVICES AGREEMENT WITH BURNS & MCDONNELL ENGINEERING COMPANY, INC. FOR ARC FLASH SAFETY ASSESSMENT SERVICES

WHEREAS, the Town of Castle Rock, Colorado (the "Town") has determined that Burns & McDonnell Engineering Company, Inc. (the "Consultant") is best suited to provide arc flash safety assessment services for a comprehensive arc flash hazard and short circuit study of Castle Rock Water's electrical facilities (the "Study"); and

WHEREAS, subject to Town Council's approval, the Town and the Consultant have agreed to the terms and conditions by which the Consultant will provide arc flash safety assessment services for the Study (the "Agreement"); and

WHEREAS, Town Staff recommends Town Council approve the Agreement with the Consultant.

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

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

Section 2. **Encumbrance and Authorization for Payment**. In order to meet the Town's financial obligations under the Agreement, the Town Council authorizes the expenditure and payment in an amount not to exceed $481,017.00, plus a Town-managed contingency in the amount of $24,051.00, unless otherwise authorized in writing by the Town. The total authorized potential payment, including the contingency, is $505,068.00.

PASSED, APPROVED AND ADOPTED this 3rd day of February, 2026, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading, by a vote of ___ for and ___against.

ATTEST:

Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK

Jason Gray, Mayor

Approved as to form:

Michael J. Hyman, Town Attorney

Approved as to content:

Mark Marlowe, Director of Castle Rock Water

TOWN OF CASTLE ROCK
SERVICES AGREEMENT
(Arc Flash Safety Assessment Program – Castle Rock Water)

DATE: _January 30, 2026.

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

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

RECITALS:

I. The Town issued a Request for Proposals from qualified consultants with experience in performing comprehensive arc flash hazard assessment and short-circuit study services.

II. Consultant timely submitted its Proposal.

III. The Town wishes to engage Consultant to provide the services more fully described in the following Agreement and Exhibits.

TERMS:

1. **Scope of Services.** Consultant shall provide to the Town all of the services as set forth on ***Exhibit 1*** ("Services"). Consultant shall complete the Services consistent with standards and practices of the profession.

2. **Payment**. Consultant shall invoice Town for the Services rendered in accordance with the rate and fee schedule set forth in ***Exhibit 1***. The Town shall not be required to pay for Services found to be defective, untimely, unsatisfactory, or otherwise not conforming to this Agreement, or not in conformance with applicable federal, state, and local laws, ordinances, rules and regulations. Subject to the foregoing, the Town shall remit payment to Consultant within thirty (30) days of receipt of such invoice. In no event shall the total payment to Consultant for the Services under this Agreement exceed **$481,017.00**, unless authorized in writing by Town.

3. **Term.** The term of this Agreement shall commence upon execution of this Agreement and expire on **December 31, 2026** (the "Term"). The Parties may mutually agree to extend the Term of this Agreement under the same terms and conditions by executing a written amendment to this Agreement prior to the expiration of this Agreement. Nothing in this Section prohibits the Parties from amending the payment section should the Parties elect to extend the Term of the Agreement. Consultant shall complete any Services in progress as of the expiration date unless directed otherwise by the Town. Consultant shall devote adequate resources for timely completion of the Services in accordance with the standards specified in this Agreement. Consultant shall perform the Services under this Agreement using a standard of care, skill and

diligence ordinarily used by reputable professionals performing under circumstances similar to those required by this Agreement.

4. **Termination.** Town shall have the right to terminate this Agreement with or without cause at any time with ten (10) days' written notice to Consultant. The Town's only obligation in the event of termination shall be payment of fees and expenses incurred up to and including the effective date of termination. Upon termination, Consultant shall immediately turn over all work product, materials, and deliverables created up to the point of termination.

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

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

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

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

9. **Insurance.**

A. **General Conditions:** Consultant agrees to secure, at or before the time of execution of this Agreement, the following insurance covering all operations, goods or services provided pursuant to this Agreement. Consultant shall keep the required insurance coverage in force at all times during the term of the Agreement, including any extension thereof, and during any warranty period. The required insurance shall be underwritten by an insurer licensed or authorized to do business in Colorado and rated by A.M. Best Company as "A-VII" or better. Each policy shall require notification to the Town in the event any of the required policies be canceled or non-renewed before the expiration date thereof. Such written notice shall be sent to the Parties identified in the Notices section of this Agreement. Such notice shall reference the Town. Said notice shall be sent thirty (30) days prior to such cancellation or non-renewal unless due to non-payment of premiums for which notice shall be sent ten (10) days prior. If such written notice is unavailable from the insurer, Consultant shall provide written notice of cancellation, non-renewal and any reduction in coverage to the Town by certified mail, return receipt requested within three (3) business days of such notice by its insurer(s). Consultant shall be responsible for the

payment of any deductible or self-insured retention. The insurance coverages specified in this Agreement do not lessen or limit the liability of the Consultant. The Consultant shall maintain, at its own expense, any additional kinds or amounts of insurance that it may deem necessary to cover its obligations and liabilities under this Agreement. All commercial and automobile liability policies shall have the following additional provisions:

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

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

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

D. **Waiver of Subrogation:** For all coverages required under this Agreement, with the exception of Professional Liability, Town and Consultant's insurer shall waive subrogation rights against each other and their elected and appointed officials, officers, employees, agents and volunteers acting within the course and scope of their duties for the Town.

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

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

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

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

I. **Professional Liability (Errors & Omissions):** Consultant shall maintain limits of $1,000,000 per claim and $1,000,000 policy aggregate limit. The policy shall be kept in force, or a Tail policy placed, for three (3) years after the completion of the services.

10. **No Waiver of Colorado Governmental Immunity Act.** The Parties understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, §24-10-101, *et seq.,* C.R.S., as from time to time amended, or otherwise available to Town, its officers, or its employees.

11. **Indemnification.** Consultant expressly agrees to indemnify the Town or any of its officers, agents or employees from any and all claims for bodily injury and property damage or claims resulting from Consultant's professional services which are the subject of this Agreement, including by, but not limited to, any person, firm, partnership, or corporation, to the extent caused by the negligent acts, errors or omissions of Consultant or any of their employees or agents in performing Services pursuant to this Agreement. In the event that any such suit or action is brought against Town, Town will give notice within ten (10) days thereof to Consultant. These defense and indemnification obligations shall survive the expiration or termination of this Agreement.

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

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

14. **Time is Important.** If any payment or any other condition, obligation, or duty is not timely made, tendered or performed by either Party, then this Agreement, at the option of the

Party who is not in default, may be terminated by the non-defaulting Party, in which case, the non-defaulting Party may recover such damages as may be proper.

15. **Default and Remedies**. In the event either Party should default in performance of its obligations under this Agreement, and such default shall remain uncured for more than ten (10) days after notice of default is given to the defaulting Party, the non-defaulting Party shall be entitled to pursue any and all legal remedies (subject to the following limitations on damages), and recover its reasonable attorney's fees and costs in such legal action. In no event shall either Party be liable for lost profits or incidental, consequential, punitive or exemplary damages. Consultant's liability hereunder shall be limited to (a) insurance proceeds paid, or (b) in the event that insurance does not timely pay, to the payment made to Consultant under this Agreement; provided however, that should insurance proceeds not be available or paid out due to Consultant's failure to possess or maintain insurance coverage as required by this Agreement, or through any other act or failure to act by Consultant impacting the availability or payment of insurance proceeds, the aforementioned limitation on liability shall not apply. Town's liability shall be limited up to the payment made to Consultant under this Agreement.

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

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

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

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

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

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

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

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

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

24. **Digital Accessibility.** Consultant shall be responsible for verifying that all deliverables, work, services, or equipment developed, designed, constructed or produced pursuant to this Agreement comply with Colorado law governing digital accessibility, including but not necessarily limited to at a minimum conforming with the current Web Content Accessibility

Guidelines ("WCAG") followed by the State of Colorado. To the extent any deliverables, work, services, or equipment developed, designed, constructed or produced pursuant to this Agreement fail to comply with the requirements of this Section, Consultant releases and indemnifies the Town, its officers, agents, and employees from any and all claims, damages, suits, costs, expenses, liabilities actions or proceedings of any kind or nature whatsoever, of or by anyone whomsoever, in any way resulting from, or arising out of, directly or indirectly, said failure. These defense and indemnification obligations shall survive the expiration or termination of this Agreement.

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

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

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

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

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

30. **Work with Construction Contractors.** In the event the Town enters into a construction contract with a third-party contractor ("Construction Contractor"), and Consultant works with the Construction Contractor on the Arc Flash Safety Assessment Program Project, this Section applies to the Agreement. Consultant shall not be responsible for the construction means, methods, techniques, sequences, or procedures, or safety precautions or programs for which the Construction Contractor is responsible for. Nor will Consultant be responsible for a Construction Contractor's failure to perform construction work in accordance with a contract entered into between the Town and the Construction Contractor, nor will Consultant be responsible for damage to the Project site solely attributable to a Construction Contractor, and nothing in this Agreement is intended to create any such responsibility of Consultant. Consultant shall not have control over or charge of, and shall not be responsible for, ensuring the Construction Contractor is performing construction work in accordance with a construction contract entered into between the Town and the Construction Contractor.

31. **Priority of Provisions.** In the event that any terms of this Agreement and any Exhibit, attachment, or other referenced document are inconsistent, the following order of priority shall control: (1) this Agreement; (2) Exhibit containing Consultant's Certificate of Insurance; (3) Exhibit containing Scope of Services and Fee Schedule; and (4) all other documents.

ATTACHED EXHIBITS:
EXHIBIT 1 – SCOPE OF SERVICES AND FEE SCHEDULE
EXHIBIT 2 – CONSULTANT'S CERTIFICATE OF INSURANCE

[SIGNATURE PAGE TO FOLLOW]

ATTEST:

Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK

Jason Gray, Mayor

Approved as to form:

Kaitlin Parker, Assistant Town Attorney

Approved as to content:

Mark Marlowe, Director of Castle Rock Water

CONSULTANT:

BURNS & MCDONNELL ENGINEERING COMPANY, INC.

By: _____
(Signature)

Jason Schaefer
(Print Name)

Its: Vice President
(Title)

EXHIBIT 1

SCOPE OF SERVICES AND FEE SCHEDULE

Section 1 Scope of Services

Electrical System Studies Project

The Town of Castle Rock's Water Department (Town) requested Burns & McDonnell (Consultant) complete individual Arc Flash studies (i.e. short-circuit, protective device coordination, and arc flash analysis) and updated as-found one-line diagrams for forty-nine (49) CRW sites, inclusive of five WTPs, eleven Pump Stations, nine Lift Stations, one Surface Water and twenty-three Well Sites

This scope includes site investigation of the electrical equipment, condition assessment, as-found one-line, coordination studies, required breaker setpoints, and arc flash labels for the facilities.

Scope of Services

Consultant will perform the following engineering services at the following:

- Five (5) WTP: Founders, Miller, Ray Waterman, PCWPF and Meadows
- Eleven (11) Pump Stations: Hillside, Crystal Valley, Plum Creek, Red Zone, Citadel, Blue Zone, Diamond Ridge, Milestone, Tan Zone, Ravenna, and Plum Creek Diversion & Pump Station;
- Nine (9) Lift Stations: Mitchell Creek, Castlewood 1, Castlewood 2, Sellars Gulch, Meadows 5, Meadows 15, Meadows 17, Castle Oaks, and Maher;
- One Surface Water: CR-1;
- Twenty-three (23) Well Sites: Enderud Well House (WH), Weaver 1 WH, Weaver 2 WH, Meadows A7 WH, Meadows A3/D5 WH, Meadows A4 WH, Meadows A5 WH, Meadows A1 WH, Meadows A2 WH, Meadows A8 WH, Meadows A11 WH, Meadows A13 WH, Meadows A12 WH, Woodlands 1 WH, Castle Oaks 8 WH, Castle Oaks 7 WH, Castle Oaks 6 WH, Canyon South 1 WH, Well 204 site, Lost Canyon well site, Lanterns well site, Meadows well site, and Heckendorf well site.

Task 101 – Project Initiation and Management

This task includes reviewing the existing one-line diagrams and reviewing input information and then comparing that data to the existing system. Once the comparison is complete, Consultant will identify additional required information. Consultant will lead a kickoff meeting in person. During the visit, the Consultant will hold a kickoff meeting between the Consultant and Town to review the following:

- Site visit schedule and expectations.
- Project team members.
- Roles and responsibilities.
- Administrative procedures covering correspondence and tracking systems for transmittals.
- Town review process, hold points, and durations.
- Project schedule and milestones.
- Scope overview.
- Project one-lines and equipment to be labeled.

Consultant will lead virtual bi-weekly progress meetings over Teams. Each meeting is assumed to last one-hour and attended by Project Manager and Electrical Engineer.

Task 102 – Field Data Collection

Following the kickoff meeting, Consultant will perform a site visit to collect data as required to identify key parameters of major electrical equipment and system configuration.

- Consultant will work with Town's electrical staff to gather data from major electrical equipment through planned outage(s).
- It is anticipated that all sites can be shut down for data collection.
- Any required outages will be discussed and scheduled with Town staff and planned through a Method of Procedure (MOP) two weeks prior to the outage.
- A Town representative will accompany field data gathering efforts to provide access to all sites.
- A Town Electrician will de-energize equipment and act as the qualified personnel to examine electrical equipment.
- Outstanding data not collected during the site survey will be collated into a data request for the Town to provide.

The Consultant shall work with the Town to understand the efforts for recent and planned CRW projects where arc-flash studies are completed or underway. This includes reviewing and validating information from such projects against current field conditions.

Task 103 - Model Creation, Coordination Study, and Arc Flash Analysis

Using the data provided by the Town and from the Consultant's site visit, the Consultant will:

- Create a new ETAP model for each Facility based on the previous Study data as well as the results of the data collection effort. The latest version of ETAP will be utilized for the Study, which permits the use of IEEE 1584 equations.
- Configure up to five (5) operating scenarios within the ETAP (all motors on, all motors off, min/max utility and generator contribution), which will be used to execute the arc flash analysis. These scenarios will be approved by Town before the analysis is performed.
- Perform a short circuit study to evaluate the momentary and interrupting duties of the plant equipment compared to the available fault current. Both normal and abnormal (but plausible) operating conditions will be evaluated. A short-circuit narrative summarizing the system and the results will be included in the full report.
- Develop time-current coordination curves for the MV and LV switchgear and MCC buses. Consultant will then perform a protective device coordination study to determine if protective devices provide adequate selectivity to balance between operations and maintenance of equipment.
- Perform an Alternating Current (AC) arc flash analysis for systems greater than 208V less than or equal to 13.8kV. The following equipment will be studied.
  - Medium Voltage (MV) switchgear buses.
  - MV motor control centers.
  - Low Voltage (LV) switchgear buses.
  - LV motor control center buses.
  - LV distribution panelboards (except as excluded above).
  - LV control panels (except as excluded above).
  - DC system analysis is not included but can be provided for an additional fee.

As part of model development, Consultant will structure the ETAP models to support direct generation of one-line diagrams. These one-lines will then be converted to AutoCAD 2022 format.

Task 104 – Reporting, Review and Closeout

Once the ETAP model is built and the studies are performed, Consultant will perform the following:

- Develop a draft arc flash study report and issue it to Town for review. The draft Study report will include the results of the incident energy calculations for each bus. An example One-line generated from ETAP will be issued with draft Study report.

- Where the incident energy exceeds the incident energy thresholds based on the equipment type and voltage below, Consultant will provide a list of potential mitigation alternatives for future evaluation.

    - MV switchgear, starters, and similar equipment: >40 cal/cm2.
    - Secondaries of medium to low voltage transformers protected by upstream devices: >40 cal/cm2.
    - LV substation switchgear/switchboard buses (load side of main breakers, including tie and feeder breaker cells): >40 cal/cm2.
    - LV motor control centers, power panels, and similar equipment directly supplied from low voltage switchgear/switchboard feeder breakers: >12 cal/cm2.
    - LV equipment supplied from MCCs, power panels, etc.: >8 cal/cm2.
    - Secondary devices of LV isolation transformers on VFD, UPS, 240V equipment with available fault current 2000A or greater, etc.: >8 cal/cm2.

Town will have two (2) weeks to review the draft study report and provide comments. Following receipt of Town's review comments to the draft Study report and One-lines. Consultant will host an in-person review meeting to discuss the outcomes of the report and Town's review comments. Each review meeting is assumed to last (4) four hours and will be attended by Project Manager and Electrical Engineer.

Following completion of the draft study and prior to issuance of the final report, the Consultant shall provide overcurrent protective device setting setpoints recommended by the study. Town shall work with their electricians to perform overcurrent protective device (OCPD) setting adjustments per recommendation. Consultant shall prepare and apply updated arc flash labels to all the equipment after Town confirms adjustment of OCPD settings.

- Final study report shall be issued after the arc flash labels are applied.

Following completion of the final report, the consultant shall provide final As-found One-lines to the Town.

Consultant shall develop all one-line diagrams directly from the ETAP model created as part of this Agreement. This is to ensure consistency between the study results and the record drawings, and to eliminate the need to recreate data. All one-line diagrams shall be delivered to the Town in AutoCAD format.

Deliverables

- Consultant will provide the following deliverables for each of the forty-nine sites:
    - Kickoff meeting agenda and notes.
    - Data request package.
    - Draft Study report.
    - Final Study report, including:
        - Electronic copy of the final report.
        - Single-line drawings from ETAP
        - PDFs of the arc flash labels.
    - Arc flash labels.
    - Labels will be based on Town's standard labels.
    - Electronic copy of the final ETAP model.

- One-line diagrams in AutoCAD 2022 format.
- Electronic documentation will be provided on two (2) sets of secure cloud-based file transfer or Town-approved electronic delivery method.

Responsibilities of Town

- Town will provide in connection with this Scope of Services the following:
  - Provide current versions of the facility's one-line drawings within two (2) weeks of Notice to Proceed.
  - Provide the facility's current protective relay settings.
  - Provide safe access to the site as required.
  - Provide site data requested by Consultant, where data was unable to be collected during the site visit.
  - Designate a person to act as Town's representative with respect to this Scope of Services. Such person shall have authority to transmit instructions, receive information, interpret and define Town's policies and decisions with respect to the project.
  - Provide a dedicated, qualified person to safely open equipment doors, cabinets and locks to allow Consultant to verify nameplate data and protective device settings for the duration of the data collection effort during planned outages.
  - Perform OCPD settings adjustments through their electricians.
  - Provide equipment manufacturers' field services where protective device settings must be performed by a manufacturer's representative.
  - Assist Consultant by placing at their disposal all available information pertinent to the scope of services. Consultant will rely on information made available by Town as accurate without independent verification.

Assumptions and Clarifications

The following assumptions were made regarding this proposal:

- This proposal assumes the following information will be available and can be used for the development of this study.
  - Motor data for inaccessible nameplates.

- This proposal assumes ETAP will be used for system modeling and analysis. If the Town prefers the use of an alternate industry-recognized software platform, Consultant will verify with the Town to confirm software selection and any related considerations prior to initiating detailed modeling.

- Consultant will rely on prior arc flash/short-circuit/coordination studies provided by Town as accurate without independent verification.

- Assume that electrical equipment will be de-energized where it is possible to allow data collection.

- The ETAP electrical system configuration/operating scenarios will be developed based on Town input and recommendations.

- Access will be provided to existing equipment and devices so that site data collection can be accomplished by two (2) engineers in twenty (20) weekdays for all forty-nine (49) sites.

- Consultant's scope of work includes listing observed electrical hazards in the Study report. However, the Consultant will not certify that all electrical hazards were observed or identified.

- Consultant will provide up to 1000 arc flash labels.

- In IEEE 1584, two new parameters must be considered for each apparatus type (i.e. switchgear, switchboard, MCC, or panelboard): a) Enclosure Size Correction Factor, and b)

Electrode Configuration. Apparatuses are represented as buses in ETAP. It is therefore necessary to update each bus in the model with the newly required information. Our approach to implementing these changes is as follows:

  - Enclosure Size Correction Factor: We will use typical value for each type of equipment as outlined in IEEE Std 1584-2018 Table 8, unless the field walkdown results in observation of equipment significantly different from these dimensions. Table 8 provides typical enclosure sizes for compartments within switchgear, switchboards, MCC's, and panelboards. In previous studies, we have found these dimensions to be realistic and conservative.

  - Electrode Configuration: Five electrode configurations are defined in IEEE Std 1584. The electrode configurations are abbreviated as VCB, VCCB, HCB, HOA, and VOA. IEEE-1584 Table 9 provides guidance regarding electrode configurations for apparatus including switchgear, switchboards, MCCs, and panelboards. It is not realistic or safe to open equipment to evaluate actual electrode configurations as part of this project. Consequently, Consultant will select the electrode configuration based upon site walkdown data, and otherwise upon experience and judgment.

- Consultant's modeling and analysis assumes the Facility equipment is NEC compliant and properly maintained.

- Where accurate cable lengths are not available, Consultant will estimate these based on observed field routing and plan drawings or other agreed-upon means.

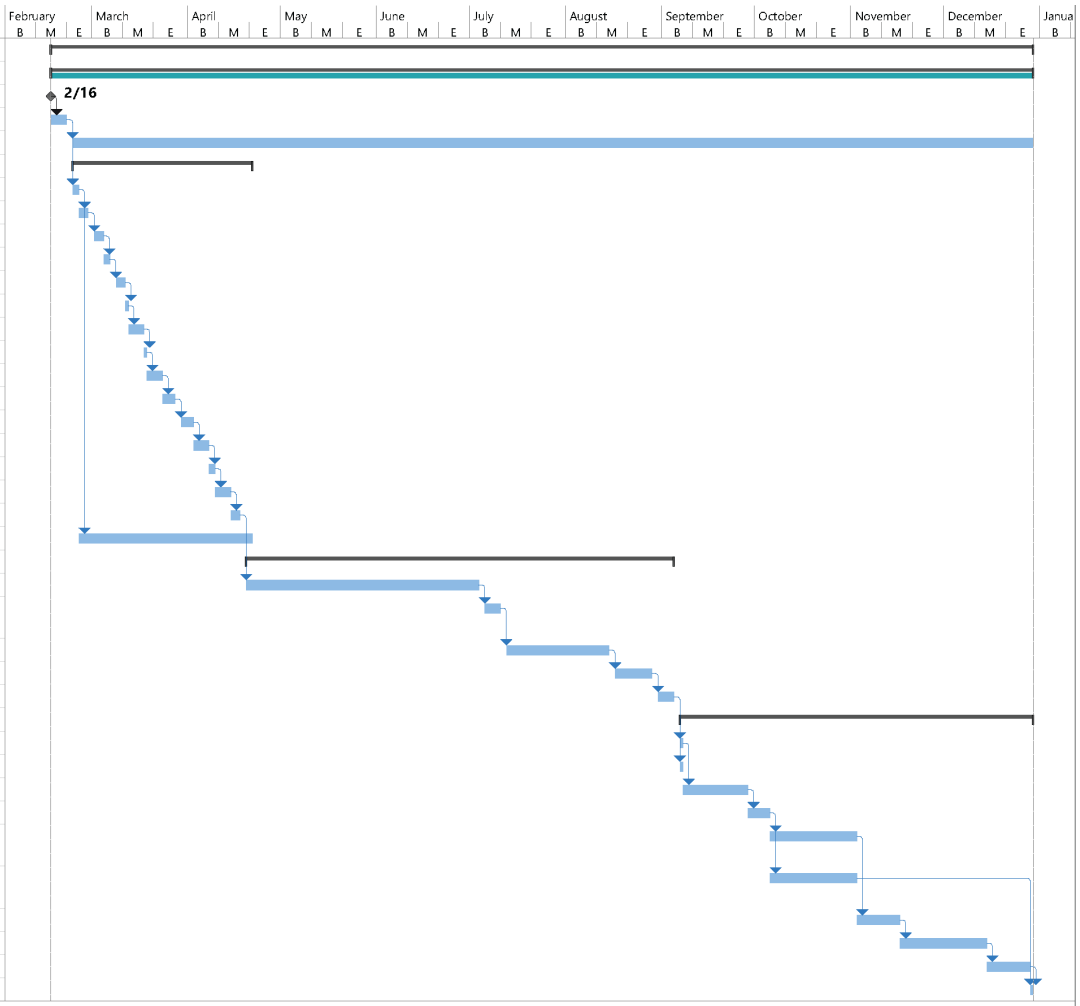
- NFPA 70E – Standard for Electrical Safety in the Workplace Table 130.5(C) will be used to determine the tasks which Consultant may perform during field investigation. Any task with the likelihood of an arc flash occurrence will not be performed by Consultant personnel.

- One-line drawings will be developed from the completed ETAP model and converted to AUTOCAD 2022 format.

- Consultant may engage or obtain assistance from its affiliates and subsidiaries including, without limitation, Burns & McDonnell Canada Ltd., Burns & McDonnell Global, Inc. and Burns & McDonnell Engineering India Pvt. Ltd. ("Affiliates") to fulfill Consultant's performance obligations under this Agreement. The Parties agree that contracts, purchase orders or similar agreements between Consultant and any Affiliates are not subcontracts and persons from such Affiliates shall be billed to Owner according to the rate sheet/billing rate defined for the applicable Purchase Order.

Section 2 Action Plan & Schedule

ID	Task Mode	Task Name	Duration	Start	Finish
1		**Schedule**	**227 days**	**Mon 2/16/26**	**Tue 12/29/26**
2		**Task 101 - Project Initiation and Management**	**227 days**	**Mon 2/16/26**	**Tue 12/29/26**
3		Kickoff Meeting	0 days	Mon 2/16/26	Mon 2/16/26
4		Project Controls Setup and Communications Plan	5 days	Mon 2/16/26	Fri 2/20/26
5		Biweekly Meetings	222 days	Mon 2/23/26	Tue 12/29/26
6		**Task 102 - Field Data Collection**	**42 days**	**Mon 2/23/26**	**Tue 4/21/26**
7		Mobilization and Site Access Coordination	2 days	Mon 2/23/26	Tue 2/24/26
8		PCWPF Data Collection	3 days	Wed 2/25/26	Fri 2/27/26
9		Gap Buffer 1 CRW Availability	3 days	Mon 3/2/26	Wed 3/4/26
10		Ray Waterman WTP Data Collection	2 days	Thu 3/5/26	Fri 3/6/26
11		Gap Buffer 2 CRW Availability	3 days	Mon 3/9/26	Wed 3/11/26
12		Founders WTP Data Collection	1 day	Thu 3/12/26	Thu 3/12/26
13		Gap Buffer 3 CRW Availability	3 days	Fri 3/13/26	Tue 3/17/26
14		Meadows WTP Data Collection	1 day	Wed 3/18/26	Wed 3/18/26
15		Gap Buffer 4 CRW Availability	3 days	Thu 3/19/26	Mon 3/23/26
16		Pump Stations Data Collection (11 sites)	4 days	Tue 3/24/26	Fri 3/27/26
17		Gap Buffer 5 CRW Availability	4 days	Mon 3/30/26	Thu 4/2/26
18		Lift Stations Data Collection (9 sites)	3 days	Fri 4/3/26	Tue 4/7/26
19		Gap Buffer 6 CRW Availability	2 days	Wed 4/8/26	Thu 4/9/26
20		Well Sites Data Collection (23 sites)	3 days	Fri 4/10/26	Tue 4/14/26
21		Remote Sites Data Collection (10 sites)	3 days	Wed 4/15/26	Fri 4/17/26
22		Daily Data QA and Logging (continuous)	40 days	Wed 2/25/26	Tue 4/21/26
23		**Task 103 - Modeling and System Studies**	**100 days**	**Mon 4/20/26**	**Fri 9/4/26**
24		ETAP Model Development (All Sites)	55 days	Mon 4/20/26	Fri 7/3/26
25		Supplemental Missing Data Collection and Resolution	5 days	Mon 7/6/26	Fri 7/10/26
26		Study Analysis (Short Circuit, Coordination, Arc Fl	25 days	Mon 7/13/26	Fri 8/14/26
27		Internal QA/QC Review of Models and Results	10 days	Mon 8/17/26	Fri 8/28/26
28		Draft Master Report Development (all sites)	5 days	Mon 8/31/26	Fri 9/4/26
29		**Task 104 - Reporting, Review, and Closeout**	**82 days**	**Mon 9/7/26**	**Tue 12/29/26**
30		Issue Draft Master Report to CRW	1 day	Mon 9/7/26	Mon 9/7/26
31		Issue One-Lines for Review to CRW	1 day	Mon 9/7/26	Mon 9/7/26
32		CRW Review Period	15 days	Tue 9/8/26	Mon 9/28/26
33		Workshop Review Meeting and Comment Captur	5 days	Tue 9/29/26	Mon 10/5/26
34		Finalize Study and Produce Protective Device Settings	20 days	Tue 10/6/26	Mon 11/2/26
35		One-Line Comment Incorporation and As-Found Updates	20 days	Tue 10/6/26	Mon 11/2/26
36		CRW OCPD Adjustments	10 days	Tue 11/3/26	Mon 11/16/26
37		Print and Apply Arc Flash Labels	20 days	Tue 11/17/26	Mon 12/14/26
38		Final Report Preparation and Delivery	10 days	Tue 12/15/26	Mon 12/28/26
39		Issue As-Found One-Lines to CRW	1 day	Tue 12/29/26	Tue 12/29/26



Project: CRW_Arc_Flash_Schedu
Date: Tue 12/16/25

Task | Split | Milestone | Summary
Project Summary | Inactive Task | Inactive Milestone | Inactive Summary
Manual Task | Duration-only | Manual Summary Rollup | Manual Summary
Start-only | Finish-only | External Tasks | External Milestone
Deadline | Progress | Manual Progress

Page 1

Fee Schedule: Consultant will perform the following engineering services according to the following fee schedule:

BURNS McDONNELL

Town of Castle Rock

2026 Electrical System Study Project

		Project Manager	Electrical Engineer	CAD	Quality Control	Total Hours	Total Cost	Expenses	Subcontracts	Subtotal
		Vamsi Patwari	Alicia McDonald Aaron Hsu	Amelia Rendon	Brian Graeber Paul Swearingen					
Task Series 100	**Project Initiation and Management**									
Task 101	Project Initiaion and Management	120	48			168	$ 46,032	$ 6,241	$ -	$ 52,273
Task 102	Field Data Collection	80	400			480	$ 114,960	$ 7,873	$ -	$ 122,833
Task 103	Model Creation, Coordination Study, and Arc Flash Analysis	40	520	40		600	$ 139,080	$ 6,833	$ -	$ 145,913
Task 104	Reporting, Review, Closeout	40	400	120	80	640	$ 151,440	$ 8,558	$ -	$ 159,998
Task Subtotal		**280**	**1368**	**160**	**80**	**1888**	**$ 451,512**	**$ 29,505**	**$ -**	**$ 481,017**
Project Total		**280**	**1368**	**160**	**80**	**1888**	**$ 451,512**	**$ 29,505**	**$ -**	**$ 481,017**

Town of Castle Rock Arc Flash Study

No.	Site Name	Quantity	Unit	Total Price
1	Founders WTP	1	LS	$20,733
2	Miller WTP	1	LS	$10,781
3	Ray Waterman WTP	1	LS	$35,662
4	Plum Creek WPF	1	LS	$54,736
5	Meadows WTP	1	LS	$20,733
6	Hillside Pump Station	1	LS	$5,805
7	Crystal Valley Pump Station	1	LS	$7,464
8	Plum Creek Pump Station	1	LS	$8,293
9	Red Zone Pump Station	1	LS	$7,464
10	Citadel Pump Station	1	LS	$3,317
11	Blue Zone Pump Station	1	LS	$7,464
12	Diamond Ridge Pump Station	1	LS	$16,587
13	Milestone Pump Station	1	LS	$7,464
14	Tan Zone Pump Station	1	LS	$6,635
15	Ravenna Pump Station	1	LS	$4,147
16	Plum Creek Diversion & Pump Station	1	LS	$19,075
17	Mitchell Creek Lift Station	1	LS	$11,611
18	Castlewood 1 Lift Station	1	LS	$4,976
19	Castlewood 2 Lift Station	1	LS	$4,147
20	Sellars Gultch Lift Station	1	LS	$6,635
21	Meadows 5 Lift Station	1	LS	$4,976
22	Meadows 15 Lift Station	1	LS	$6,635
23	Meadows 17 Lift Station	1	LS	$4,147
24	Castle Oaks Lift Station	1	LS	$7,464
25	Maher Lift Station	1	LS	$5,805
26	CR-1 Surface Water	1	LS	$3,317
27	Enderud Well House	1	LS	$8,293
28	Weaver 1 Well House	1	LS	$7,464
29	Weaver 2 Well House	1	LS	$8,293
30	Meadows A1 Well House	1	LS	$6,635
31	Meadows A2 Well House	1	LS	$7,464
32	Meadows A3 Well House	1	LS	$7,464
33	Meadows A4 Well House	1	LS	$7,464
34	Meadows A5 Well House	1	LS	$8,293
35	Meadows A7 Well House	1	LS	$8,293
36	Meadows A8 Well House	1	LS	$4,147
37	Meadows A11 Well House	1	LS	$10,781
38	Meadows A12 Well House	1	LS	$9,952
39	Meadows A13 Well House	1	LS	$10,781
40	Woodlands 1 Well House	1	LS	$8,293
41	Castle Oaks 6 Well House	1	LS	$8,293
42	Castle Oaks 7 Well House	1	LS	$8,293
43	Castle Oaks 8 Well House	1	LS	$8,293
44	Canyon South 1 Well House	1	LS	$8,293
45	Well 204 Well Site	1	LS	$7,464
46	Lost Canyon Well Site	1	LS	$9,123
47	Lanterns Well Site	1	LS	$8,293
48	Meadows Well Site	1	LS	$8,293
49	Heckendorf Well Site	1	LS	$4,976
			Sum Total:	$481,017

Schedule of Hourly Professional Service Billing Rates

Position Classification	Classification Level	Hourly Billing Rate
General Office *	5	$83.00
Technician *	6	$105.00
Assistant *	7	$127.00
	8	$176.00
	9	$208.00
Staff *	10	$237.00
	11	$256.00
Senior	12	$292.00
	13	$316.00
Associate	14	$324.00
	15	$326.00
	16	$328.00
	17	$332.00

NOTES:

1. Position classifications listed above refer to the firm's internal classification system for employee compensation. For example, "Associate", "Senior", etc., refer to such positions as "Associate Engineer", "Senior Architect", etc.

2. For any nonexempt personnel in positions marked with an asterisk (*), overtime will be billed at 1.5 times the hourly labor billing rates shown.

3. For outside expenses incurred by Burns & McDonnell, such as authorized travel and subsistence, and for services rendered by others such as subcontractors, the client shall pay the cost to Burns & McDonnell plus 10%.

4. The services of contract/agency and/or any personnel of a Burns & McDonnell parent, subsidiary, affiliate, related, or associated entity shall be billed to Owner according to the rate sheet as if such personnel is a direct employee of Burns & McDonnell.

5. The rates shown above are effective for services through December 31, 2026, and are subject to revision thereafter, upon execution of a written amendment to the Agreement by both Parties. The composition or build-up of the rates shown above are not subject to audit, inspection, or review.

EXHIBIT 2

CONSULTANT'S CERTIFICATE OF INSURANCE

CERTIFICATE OF LIABILITY INSURANCE

12/1/2026

DATE (MM/DD/YYYY): 1/30/2026

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

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

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

COVERAGES **CERTIFICATE NUMBER:** 22958862 **REVISION NUMBER:** XXXXXXX

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

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

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

RE: PROJECT: ELECTRICAL SYSTEM STUDIES PROJECT.

SEE ATTACHED

CERTIFICATE HOLDER

22958862
TOWN OF CASTLE ROCK, A MUNICIPAL CORPORATION
100 N. WILCOX ST.
CASTLE ROCK CO 80104

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

Joseph M Agnello

© 1988-2015 ACORD CORPORATION. All rights reserved.

TOWN OF CASTLE ROCK ITS ELECTED AND APPOINTED OFFICIALS, OFFICERS, EMPLOYEES, AGENTS AND VOLUNTEERS ACTING WITHIN THE COURSE AND SCOPE OF THEIR DUTIES FOR THE TOWN ARE ADDITIONAL INSUREDS AS RESPECTS GENERAL LIABILITY AND AUTO LIABILITY, AND THESE COVERAGES ARE PRIMARY AND NON-CONTRIBUTORY, IF REQUIRED BY WRITTEN CONTRACT. WAIVER OF SUBROGATION APPLIES TO GENERAL LIABILITY, AUTO LIABILITY AND WORKERS COMPENSATION/ EMPLOYER'S LIABILITY WHERE ALLOWED BY STATE LAW AND AS REQUIRED BY WRITTEN CONTRACT. THIRTY (30) DAYS NOTICE OF CANCELLATION BY THE INSURER WILL BE PROVIDED TO THE CERTIFICATE HOLDER, TEN (10) DAYS NOTICE IN THE EVENT OF NONPAYMENT OF PREMIUM.

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

EIDE BAILLY LLP
MASTER SERVICES AGREEMENT

GENERAL

1) This Master Services Agreement ("Agreement") describes Eide Bailly LLP's standard terms and conditions applicable to the provision of Eide Bailly's services to the Client. For the purposes of this Master Services Agreement, any reference to "Eide Bailly" is a reference to Eide Bailly LLP. Any reference to "Client" is a reference to the party or parties that have engaged Eide Bailly to provide services and the party or parties ultimately responsible for payment of Eide Bailly's fees and costs. Client acknowledges and agrees that Eide Bailly is not in a fiduciary relationship with it and Eide Bailly has no fiduciary responsibilities to Client in the performance of its services described herein or in any applicable Statement of Work. As between this Agreement and any applicable Statement of Work, the language in this Agreement will control.

BILLING, PAYMENT, & TERMINATION

2) Billing and Payment Terms. Eide Bailly will bill Client for its professional fees and costs as provided in a Statement of Work. All bills are payable upon receipt and will include actual out-of-pocket expenses, administrative charges, and a technology fee. If collection action is necessary, expenses and reasonable attorney's fees will be added to the amount due.

Should our relationship terminate before the services provided for in a separate Statement of Work are completed, Client will be billed for services to the date of termination.

3) Termination. Either party may terminate this Agreement by written notice to the other party at any time for any reason, except Eide Bailly shall not terminate in a manner that causes undue harm to Client. Nothing in this Agreement shall prohibit Eide Bailly from terminating this Agreement or any Statement of Work where termination is required by applicable professional standards.

INFORMATION AND DATA

4) Sharing of Information. During the course of the engagement, Eide Bailly will only provide confidential engagement documentation to Client via Eide Bailly's secure portal or other secure methods, and request that Client uses the same or similar tools in providing information to Eide Bailly. Should Client choose not to utilize secure communication applications, Client acknowledges that such communication contains a risk of the information being made available to unintended third parties. Similarly, Eide Bailly may communicate with Client or its personnel via e-mail or other electronic methods. Client acknowledges that communication in those mediums contains a risk of misdirected or intercepted communications.

5) Remote Access. Should Client provide Eide Bailly with remote access to its information technology environment, including but not limited to its financial reporting system, Client agrees to (1) assign unique usernames and passwords for use by Eide Bailly's personnel in accessing the system and to provide this information in a secure manner; (2) limit access to "read only" to prevent any unintentional deletion or alteration of Client's data; (3) limit access to the areas of Client's technology environment necessary to perform the procedures agreed upon; and (4) disable all usernames and passwords provided to Eide Bailly upon the completion of procedures for which access was provided. Eide Bailly agrees to only access Client's technology environment to the extent necessary to perform the identified procedures.

6) Electronic Sites. Regarding the electronic dissemination of audited financial statements, including financial statements published electronically on Client's website or elsewhere, Client understands that electronic sites are a means to distribute information and, therefore, Eide Bailly is not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

7) Data and Records. Eide Bailly cannot agree to be the sole host and/or the sole storage for Client's financial and nonfinancial data. It is Client's responsibility to maintain Client's original data and records and Eide Bailly cannot be responsible to maintain such original information. By signing this Agreement, Client affirms that it has all the data and records required to make its books and records complete.

8) Mandatory Disclosures. Eide Bailly may be requested to make certain engagement

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

documentation available to outside parties, including regulators, pursuant to authority provided by law or regulation or applicable professional standards. If requested, access to such engagement documentation will be provided under the supervision of Eide Bailly's personnel. Furthermore, upon request, Eide Bailly may provide copies of selected engagement documentation to the outside party, who may intend, or decide, to distribute the copies of information contained therein to others, including other governmental agencies. Eide Bailly will be compensated for any time and expenses, including time and expenses of legal counsel, it may incur in making such documentation available or in conducting or responding to discovery requests or participating as a witness or otherwise in any legal, regulatory, or other proceedings as a result of Eide Bailly's performance of these services. Client and its attorney will receive, if lawful, a copy of every subpoena Eide Bailly is asked to respond to on its behalf. Wherever possible and as permitted under applicable court rules, Eide Bailly will work with Client to limit costs Client may incur.

9) Service Providers. Eide Bailly may use third-party service providers and/or affiliated entities (including Eide Bailly Shared Services Private Limited) (collectively, "service providers") in order to facilitate delivering its services to Client. Eide Bailly's use of service providers may require access to Client information by the service provider. Eide Bailly will take reasonable precautions to determine that such service providers have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. Eide Bailly will remain responsible for the confidentiality of Client information accessed by such service provider and any work performed by such service provider. Client acknowledges that its information may be disclosed to such service providers, including those outside the United States.

10) Use of Artificial Intelligence. While providing the services set forth in this Agreement, in order to enhance the quality and efficiency of services provided, Eide Bailly may use tools incorporating artificial intelligence, including, but not limited to, algorithms, machine learning, and automated processes ("AI"). The use of such technologies will comply with applicable laws and regulations. Eide Bailly will use appropriate due diligence and best practices to ensure that any AI tools and methods are secure.

11) Confidential Information. Neither of us may use or disclose the other's confidential information for any purpose except as permitted under this Agreement or as otherwise necessary for Eide Bailly to provide the services. Client's confidential information is defined as any information it provides to Eide Bailly that is not available to the public. Eide Bailly's confidential information includes its engagement documentation for engagements performed under this Agreement. Eide Bailly's engagement documentation, including all workpapers, shall at all times remain the property of Eide Bailly. The confidentiality obligations described in this paragraph shall supersede and replace any and all prior confidentiality and/or nondisclosure agreements (NDAs) between us.

12) Retention Period. Eide Bailly agrees to retain its documentation or work papers for a period of at least eight years from the date of a report, other engagement deliverables, and/or completion of the engagement.

DISPUTES & LIMITATIONS

13) Mediation. Any disagreement, controversy, or claim arising out of or related to any aspect of Eide Bailly's services or relationship with Client (hereafter a "Dispute") shall, as a precondition to litigation in court, first be submitted to mediation. In mediation, the parties attempt to reach an amicable resolution of the Dispute with the aid of an impartial mediator. Mediation shall begin by service of a written demand. The mediator will be selected by mutual agreement. If we cannot agree on a mediator, one shall be designated by the American Arbitration Association ("AAA"). Mediation shall be conducted with the parties in person in Minneapolis, Minnesota. Each party will bear its own costs in the mediation. The fees and expenses of the mediator will be shared equally by the parties. Neither party may commence a lawsuit until the mediator declares an impasse.

14) Limitation of Liability. Unless disallowed by law or regulation, the exclusive remedy available to Client for any alleged loss arising from or related to Eide Bailly's services shall be the right to pursue claims for actual damages that are directly caused by Eide Bailly's breach of this Agreement or Eide Bailly's violation of applicable professional standards. In no event shall Eide Bailly's aggregate liability to Client exceed five times fees paid under the applicable Statement of Work, nor shall Eide Bailly ever be liable to Client for indirect, special, incidental, consequential, punitive, or exemplary damages.

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

15) Time Limitation. Unless disallowed by law or regulation, Client may not bring any legal proceeding against Eide Bailly unless it is commenced within twenty-four (24) months ("limitation period") after the date when Eide Bailly delivered the report, return, or other deliverable as identified in a relevant Statement of Work or upon termination of the Statement of Work, whichever is earlier, regardless of whether Eide Bailly performs other services for Client. The limitation period applies and begins to run even if Client has not suffered any damage or loss or has not become aware of a possible dispute.

16) Limited Indemnity. Eide Bailly shall not be responsible for any misstatements in its deliverables to Client that it may fail to detect as a result of misrepresentations or concealment of information by any of Client's owners, directors, officers, or employees. Unless disallowed by law, regulation, or applicable professional standards, Client shall indemnify and hold Eide Bailly harmless from any claims, losses, settlements, judgments, awards, damages, and attorneys' fees arising from any such misstatement or concealment of information.

If, through no fault of Eide Bailly, it is named as a party to a dispute between Client and a third party, Client shall indemnify and hold Eide Bailly harmless against any losses, damages, settlements, judgments, awards, and the costs of litigation (including attorneys' fees) it incurs in connection with the dispute.

Eide Bailly shall not be entitled to indemnification under this Agreement unless the services were performed in accordance with professional standards in all material respects.

17) Governing Law and Venue. Any Dispute between us, including any Dispute related to the engagement contemplated by this Agreement, shall be governed by Minnesota law. Any unresolved Dispute shall be submitted to a federal or state court located in Minneapolis, Minnesota.

18) Assignment. Client shall not assign, sell, barter, or transfer any legal rights, causes of actions, claims, or Disputes it may have against Eide Bailly to any person.

OTHER

19) U.S. Securities and Exchange Commission ("SEC") and other Regulatory Bodies. Where Eide Bailly is providing services either for (a) an entity that is registered with the SEC, (b) an affiliate of such registrant, or (c) an entity or affiliate that is subject to rules, regulations, or standards beyond those of the American Institute of Certified Public Accountants ("AICPA"), any term of this contract that would be prohibited by or impair our independence under applicable law or regulation shall not apply to the extent necessary only to avoid such prohibition or impairment.

20) HLB International. Eide Bailly is a member of HLB International, a worldwide organization of accounting firms and business advisors ("HLB"). Each member firm of HLB, including Eide Bailly, is a separate and independent legal entity and is not owned or controlled by any other member of HLB. Each member firm of HLB is solely responsible for its own acts and omissions, and no other member assumes any liability for such acts or omissions. Neither Eide Bailly nor any of its affiliates are responsible or liable for any acts or omission of HLB or any other member firm of HLB and hereby specifically disclaim any and all responsibility, even if Eide Bailly or any of its affiliates are aware of such acts or omissions of another member of HLB. Engagements referred among HLB member firms may result in the payment and receipt of a referral fee.

21) Eide Bailly Alliance. Eide Bailly formed the Eide Bailly Alliance, a network for small to mid-sized CPA firms across the nation. Each member firm of The Eide Bailly Alliance, including Eide Bailly, is a separate and independent legal entity and is not owned or controlled by any other member of The Eide Bailly Alliance. Each member firm of The Eide Bailly Alliance is solely responsible for its own acts and omissions, and no other member assumes any liability for such acts or omissions. Neither Eide Bailly, nor any of its affiliates, are responsible or liable for any acts or omission of The Eide Bailly Alliance or any other member firm of The Eide Bailly Alliance and hereby specifically disclaim any and all responsibility, even if Eide Bailly, or any of its affiliates are aware of such acts or omissions of another member of The Eide Bailly Alliance.

22) Severability. In the event that any term or provision of this Agreement shall be held to be invalid, void, or unenforceable, the remainder of this Agreement shall not be affected, and each such term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

23) Use of Deliverables and Drafts. Client agrees it will not modify any deliverables or drafts prepared by Eide Bailly for internal use or for distribution to

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

third parties. Client also understands that Eide Bailly may, on occasion, send Client documents marked as draft and understand that those are for Client's review purpose only, should not be distributed in any way, and should be destroyed as soon as possible. When the engagement provides for the issuance of a report on financial or non-financial information, and/or other deliverables, Client may make copies of the report and/or other deliverables, but only if the entirety of the relevant underlying information, exactly as accompanying our report and/or deliverable, as appropriate, are reproduced and distributed with the report and/or other deliverables. Client agrees not to reproduce or associate our report and/or other deliverables with any other financial or non-financial information, or portions thereof, that are not the subject of our engagement.

Acknowledged and agreed:

Eide Bailly LLP

EIDE BAILLY LLP

CLIENT

_____
Signature

_____
Name

_____
Title

_____
Date

Eide Bailly Use:
Client ID: 123468
Account Name: Town of Castle Rock
Address: 100 N Wilcox St, Castle Rock, CO 80104
SR ID: SR-0065517

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

EIDE BAILLY LLP
TECHNOLOGY CONSULTING ADDENDUM
to MASTER SERVICES AGREEMENT

GENERAL

1) This Addendum only applies in conjunction with an associated Statement of Work for technology consulting services. All terms of the Master Services Agreement shall remain in full force and effect.

SERVICES AND DELIVERABLES

2) **Incorporation of Design Documentation**. The Deliverables identified in a Statement of Work may include Design Documentation. Any Design Documentation shall be submitted to Client for written approval. Upon Client's written approval, any Design Documentation shall be incorporated into the Deliverables described in a Statement of Work. If the Design Documentation conflicts with any such Deliverables, the Design Documentation shall control.

3. Work Outside of Scope. Eide Bailly shall have no obligation to provide any Deliverables or perform any Services not specifically set forth in a Statement of Work or Design Documentation. Client may request additional Deliverables and Services only pursuant to the Change Control procedures described immediately below.

4. Change Control. If either Party identifies a need to supplement or revise the Services or Deliverables described in a Statement of Work, the Party may create a change request ("Change Request"). The Change Request shall include relevant details such as changes to scope, assumptions, cost estimates, timelines, risks, and the like. Both Parties shall accept the terms of a Change Request before work outside the scope of a Statement of Work may continue. Eide Bailly shall charge Client, and Client shall pay Eide Bailly, on an hourly basis at Eide Bailly's normal hourly rates for any services or deliverables requested by Client that are not specified in a Statement of Work or an accompanying Change Request. Any signed Change Request shall thereafter be incorporated into the Statement of Work to which it refers.

5. HIPAA. Unless agreed by Eide Bailly in a separate signed writing:

a) Client has not relied on Eide Bailly to opine upon Eide Bailly's actual or potential status as a Business Associate (as that term is defined in the Health Insurance Portability and Accountability Act of 1996, as amended and supplemented ("HIPAA"));

b) In providing the Services, Eide Bailly is not acting as a Business Associate on Client's behalf;

c) The Services and Deliverables may not be used to store, maintain, process, or transmit protected health information ("PHI") (as that term is defined in HIPAA); and

d) The Services and Deliverables will not be used in any manner that would require the Services or Deliverables to be HIPAA compliant.

OWNERSHIP RIGHTS

6. Eide Bailly's Ownership Rights. Eide Bailly retains all rights, titles, and interests, including Intellectual Property Rights, in any Preexisting Materials, including the right to use, reuse, or otherwise exploit any Preexisting Materials for its other clients. In addition, Eide Bailly retains all rights, titles, and interests, including all Intellectual Property Rights, in the Services, Software, Design Documentation, and Deliverables, including the right to provide similar services and deliverables to other clients.

7. Client Ownership Rights. Client retains all rights, titles, and interests, including all Intellectual Property Rights, in the Client Materials. Client grants Eide Bailly the right to use the Client Materials to provide the Services and Deliverables to Client. Eide Bailly shall not market, distribute, reproduce, or seek to commercially exploit the Client Materials.

8. Contingent License. Provided Client has fulfilled its obligations under this Agreement, Eide Bailly grants Client a perpetual, non-exclusive, transferable, worldwide, and royalty free license to use, reproduce, copy, perform, display, modify or have modified by third parties, create or have created by third parties derivative works of, the Services, Software, Design Documentation, and/or Deliverables.

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

CLIENT ENGAGEMENT RESPONSIBILITIES

9. Appointment of Coordinator. Client shall designate one individual and one alternate to serve as Eide Bailly's primary point of contact for the relationship contemplated by this Agreement (the "Coordinator"). The Coordinator shall have the authority to act for Client as to all aspects of this Agreement. Eide Bailly shall be entitled to rely on all statements and agreements made by the Coordinator during the term of this Agreement.

10. Third-Party Products and License Terms. In connection with the receipt of any services or the use of any third-party products, software, tools, or components incorporated into or referenced in any applicable Statement of Work, Client expressly acknowledges and agrees to be bound by the terms and conditions of any applicable third-party license agreements, whether such terms are provided directly by the third party or referenced by Eide Bailly. Client further agrees that:

a) **No Objection**. Client shall not contest, object to, or otherwise challenge, the enforceability or applicability of any such third-party license terms.

b) **Deemed Receipt**. Client acknowledges that it has received, reviewed, and understood all applicable third-party license agreements, or, where such agreements are publicly available or referenced in the Statement of Work, that it has had a reasonable opportunity to do so. Client shall not assert any claim or defense based on non-receipt or lack of awareness of such terms.

c) **Indemnification**. Unless disallowed by law, regulation, or applicable professional standards, Client shall indemnify, defend, and hold harmless Eide Bailly from and against any and all claims, liabilities, damages, losses, or expenses (including reasonable attorneys' fees) arising out of or related to Client's breach of any third-party license terms.

d) **Survival**. The provisions of this section shall survive the termination or expiration of the applicable Statement of Work or this Agreement.

WARRANTIES

11) **Express Warranty**. Eide Bailly shall perform all Services, and the Deliverables shall have been prepared in a workmanlike manner.

12) **Warranty Against Non-Infringement**. Any Services, Software, or Deliverables, when properly used as contemplated by this Agreement, shall not infringe or misappropriate any United States copyright, trademark, patent, or other trade secrets of any third parties. Eide Bailly has any necessary rights and permissions to use any Third-Party Software in the manner contemplated by this Agreement.

13) **Warranty Disclaimers**. Except as specifically described in this Warranties section, all Services, Software, Third-Party Software, Deliverables, and any other product or service provided by Eide Bailly to Client are furnished "as is" and without any other express or implied warranties of any kind. Eide Bailly expressly disclaims any and all such warranties, such as, but without limitation, any implied warranties of merchantability, or fitness for a particular purpose. Eide Bailly does not warrant that any Services, Software, Third-Party Software, or Deliverables will be uninterrupted or error free.

14) **Remedies for Breach of Warranty**. The exclusive remedy to Client for a breach of any warranty arising under this Agreement shall be the repair or replacement of the Services, Software, Deliverables, or any other product or service provided to Client by Eide Bailly. If a court of competent jurisdiction determines that this remedy fails of its essential purpose, Client's damages for breach of warranty shall be limited as described in the Master Services Agreement.

DEFINITIONS

15) As used in this Addendum:

a) "**Client Materials**" means all of Client's proprietary business information, methodologies, procedures, utilities, algorithms, models, documents, and concepts, and any Intellectual Property Rights therein, which are provided by Client to Eide Bailly in furtherance of this Agreement.

Docusign Envelope ID: 12B8FD07-95FA-490B-A3AA-75101C43BA45

b) "**Deliverables**" means only those tangible items Eide Bailly agrees in writing to provide to Client in a Statement of Work.

c) "**Design Documentation**" means a written description of requirements or functionality created through a collaborative process between Eide Bailly and Client for the purpose of analysis, planning, and implementation of the Services and/or Deliverables.

d) "**Intellectual Property Rights**" means patents, patent applications, patent rights, trademarks, trademark registrations, trademark applications, service marks, business marks, trade names, brand names, all other names and slogans embodying business or product goodwill (or both), copyright registrations, copyrights (including those in computer programs, software such as source code and object code, development documentation, programming tools, drawings, specifications and data), trade secrets, proprietary information, know-how, mask works, industrial designs, processes and technical information and all related rights now existing or hereafter created.

e) "**Preexisting Materials**" means Eide Bailly's proprietary business information, methodologies, programming, tools, know-how, procedures, utilities, algorithms, models, software libraries, source code, design, products, platform, and documents, and all Intellectual Property Rights therein.

f) "**Services**" means only those technology consulting services Eide Bailly agrees in writing to provide to Client in a Statement of Work.

g) "**Software**" means all computer code and related uses of information technology including but not limited to, all documentation, manuals, and instructions, that is used, designed, developed, and/or implemented by Eide Bailly for Client under this Agreement.

h) "**Third-Party Software**" means all software that is owned by an entity other than Eide Bailly or Client and is being used by Eide Bailly to provide the Services and/or Deliverables to Client.

16. Usage. All terms defined herein shall include the plural as well as the singular. Any undefined term shall be defined according to its plain English definition.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

December 17, 2025 #123468

Town of Castle Rock
100 N Wilcox St
Castle Rock, CO 80104

This document constitutes a statement of work ("SOW") under the most recently executed Master Services Agreement ("MSA"), made by and between Eide Bailly LLP ("Eide Bailly", "we," "us," and "our") and Town of Castle Rock ("Client," "you," "your," or "the entity"). We are pleased to confirm our understanding of the terms and objectives of our engagement and the nature and limitations of the services Eide Bailly will provide for the entity as of and for the year ended December 31, 2025.

Janeen Hathcock is the engagement partner for the audit services specified in this letter. The engagement partner's responsibilities include supervising services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the audit report.

Scope of Audit Services

Audit of the Financial Statements

We will audit the financial statements of governmental activities, business-type activities, aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements.

The Governmental Accounting Standards Board (GASB) provides for certain required supplementary information (RSI) to accompany the entity's basic financial statements. The RSI will be subjected to certain limited procedures, but will not be audited.

If presented, we will also evaluate and report on the presentation of supplementary information other than RSI accompanying the financial statements in relation to the financial statements as a whole.

Audit of Major Program Compliance

In addition, we will audit the entity's compliance over major federal award programs.

Schedule of Expenditures of Federal Awards

We will subject the schedule of expenditures of federal awards (SEFA) to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the schedule to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on whether the schedule of expenditures of federal awards is presented fairly in all material respects in relation to the financial statements as a whole.

eidebailly.com
7001 E. Belleview Ave., Ste. 700 • Denver, CO 80237-2733 • **TF** 866.740.4100 • **T** 303.770.5700 • **F** 303.770.7581 • EOE

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Other Information

Also, the document we submit to you will include the following other additional information that will not be subjected to the auditing procedures applied in our audit of the basic financial statements:

- Introductory section
- Statistical section

Audit Objectives

Our audits will be conducted with the objectives of our expressing an opinion on each opinion unit and an opinion on compliance regarding the entity's major federal award programs. The objectives of our audit of the financial statements are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with auditing standards generally accepted in the United States of America (GAAS) and in accordance with *Government Auditing Standards*, and/or any state or regulatory audit requirements will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

The objectives of our compliance audit are to obtain sufficient appropriate audit evidence to form an opinion and report at the level specified in the governmental audit requirement about whether the entity complied in all material respects with the applicable compliance requirements and identify audit and reporting requirements specified in the governmental audit requirement that are supplementary to GAAS and *Government Auditing Standards*, if any, and perform procedures to address those requirements.

Accounting principles generally accepted in the United States of America require that certain information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to the required supplementary information (RSI) in accordance with auditing standards generally accepted in the United States of America. We will not express an opinion or provide any form of assurance on the RSI.

Supplementary information other than RSI will accompany Town of Castle Rock's basic financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the basic financial statements and certain additional procedures, including comparing and reconciling the supplementary information to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and additional procedures in accordance with auditing standards generally accepted in the United States of America. We intend to provide an opinion on the following supplementary information in relation to the basic financial statements as a whole:

- Combining non-major fund financial schedules
- Other budgetary schedules
- Local highway finance report

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Auditor Responsibilities, Procedures, and Limitations

We will conduct our audit in accordance with GAAS, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States of America; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and, if applicable, in accordance with any state or regulatory audit requirements.

As part of our audit, we will:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the system of internal control in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements, including the amounts and disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the entity's ability to continue as a going concern for a reasonable period of time.

There is an unavoidable risk, because of the inherent limitations of an audit, together with the inherent limitations of internal control, that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with U.S. GAAS, *Government Auditing Standards* of the Comptroller General of the United States of America, and/or any state or regulatory audit requirements. Because we will not perform a detailed examination of all transactions, material misstatements, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity, may not be detected.

In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management and those charged with governance of any material errors, fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management and those charged with governance of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Audit of Major Program Compliance

Our audit of your major federal award program(s) compliance will be conducted in accordance with the requirements of the Single Audit Act, as amended; and the provisions the Uniform Guidance; and will include tests of accounting records, a determination of major programs in accordance the Uniform Guidance, and other procedures we consider necessary to enable us to express such an opinion on major federal award program compliance and to render the required reports. We cannot provide assurance that an unmodified opinion on compliance will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or withdraw from the engagement.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether material noncompliance with applicable laws and regulations, the provisions of contracts and grant agreements applicable to major federal award programs, and the applicable compliance requirements occurred, whether due to fraud or error, and express an opinion on the entity's compliance based on the audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the entity's compliance with the requirements of the federal programs as a whole.

As part of a compliance audit in accordance with GAAS, *Government Auditing Standards* of the Comptroller General of the United States of America, and/or any state or regulatory audit requirements, we exercise professional judgment and maintain professional skepticism throughout the audit. We also identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks.

Our procedures will consist of determining major federal programs and performing the applicable procedures described in the U.S. Office of Management and Budget *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the entity's major programs and performing such other procedures as we consider necessary in the circumstances. The purpose of those procedures will be to express an opinion on the entity's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Also, as required by the Uniform Guidance, we will obtain an understanding of the entity's internal control over compliance relevant to the audit in order to design and perform tests of controls to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the entity's major federal award programs. Our tests will be less in scope than would be necessary to render an opinion on these controls and, accordingly, no opinion will be expressed in our report. However, we will communicate to you regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we have identified during the audit.

We will issue a report on compliance that will include an opinion or disclaimer of opinion regarding the entity's major federal award programs, and a report on internal controls over compliance that will report any significant deficiencies and material weaknesses identified; however, such report will not express an opinion on internal control.

Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Management Responsibilities

Our audit will be conducted on the basis that management and, when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

a. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
b. For the design, implementation, and maintenance of the system of internal control relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to error fraudulent financial reporting, misappropriation of assets, or violations of laws, governmental regulations, grant agreements, or contractual agreements;
c. For identifying, in its accounts, all federal awards received and expended during the period and the federal programs under which they were received;
d. For maintaining records that adequately identify the source and application of funds for federally funded activities;
e. For preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with the Uniform Guidance requirements;
f. For designing, implementing, and maintaining effective internal control over federal awards that provides reasonable assurance that the entity is managing federal awards in compliance with federal statutes, regulations, and the terms and conditions of the federal awards;
g. For identifying and ensuring that the entity complies with federal laws, statutes, regulations, rules, provisions of contracts or grant agreements, and the terms and conditions of federal award programs and implementing systems designed to achieve compliance with applicable federal statutes, regulations, and the terms and conditions of federal award programs;
h. For disclosing accurately, currently, and completely the financial results of each federal award in accordance with the requirements of the award;
i. For identifying and providing report copies of previous audits, attestation engagements, or other studies that directly relate to the objectives of the audit, including whether related recommendations have been implemented;
j. For taking prompt action when instances of noncompliance are identified;
k. For addressing the findings and recommendations of auditors, for establishing and maintaining a process to track the status of such findings and recommendations and taking corrective action on reported audit findings from prior periods and preparing a summary schedule of prior audit findings;
l. For following up and taking corrective action on current year audit findings and preparing a corrective action plan for such findings;
m. For submitting the reporting package and data collection form to the appropriate parties;
n. For making the auditor aware of any significant contractor relationships where the contractor is responsible for program compliance;
o. To provide us with:
    i. Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements, including the disclosures, such as records, documentation, and other matters;
    ii. Additional information that we may request from management for the purpose of the audit;
    iii. Unrestricted access to persons within the entity and others from whom we determine it necessary to obtain audit evidence;
p. For identifying and ensuring that the entity complies with the laws and regulations applicable to its activities;

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

q. For adjusting the basic financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the current period under audit are immaterial, both individually and in the aggregate, to the financial statements as a whole;
r. For acceptance of nonattest services, including identifying the proper party to oversee nonattest work;
s. For maintaining adequate records, selecting and applying accounting principles, and safeguarding assets;
t. For informing us of any known or suspected fraud affecting the entity involving management, employees with significant role in the system of internal control and others where fraud could have a material effect on the financials;
u. For the accuracy and completeness of all information provided; and
v. If applicable, for including the auditor's report in any document containing financial statements that indicates that such financial statements have been audited by us, including:
    i. A written acknowledgement of all the documents that management expects to issue that will be included in the annual report and the planned timing and method of issuance of that annual report; and
    ii. A final version of the annual report (including all the documents that, together, comprise the annual report) in a timely manner prior to the date of the auditor's report.

With regard to the schedule of expenditures of federal awards referred to above, you acknowledge and understand your responsibility (a) for the preparation of the schedule of expenditures of federal awards in accordance with the applicable criteria, (b) to provide us with the appropriate written representations regarding the schedule of expenditures of federal awards, (c) to include our report on the schedule of expenditures of federal awards in any document that contains the supplementary information and that indicates that we have reported on such schedule, and (d) to present the schedule of expenditures of federal awards with the audited financial statements, or if the schedule of expenditures of federal awards will not be presented with the audited financial statements, to make the audited financial statements readily available to the intended users of the schedule no later than the date of issuance by you of the supplementary information and our report thereon.

With regard to the supplementary information referred to above, you acknowledge and understand your responsibility: (a) for the preparation of the supplementary information in accordance with the applicable criteria; (b) to provide us with the appropriate written representations regarding supplementary information; (c) to include our report on the supplementary information in any document that contains the supplementary information and that indicates that we have reported on such supplementary information; and (d) to present the supplementary information with the audited basic financial statements, or if the supplementary information will not be presented with the audited basic financial statements, to make the audited basic financial statements readily available to the intended users of the supplementary information no later than the date of issuance by you of the supplementary information and our report thereon.

Management agrees they are responsible for the distribution of reports issued in conjunction with this engagement to those charged with governance, entity officials, oversight bodies, or other organizations requiring audits, as applicable.

As part of our audit process, we will request from management and, when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Responsibilities and Limitations Related to Nonattest Services

For all nonattest services we may provide to you, management agrees to assume all management responsibilities for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) designing, implementing, and maintaining the system of internal control, including the process used to monitor the system of internal control.

We will provide the following nonattest services:

- Fraud hotline services
- Internal Control & Fraud Risk Consult

Our responsibilities and limitations of the nonattest services are as follows:

- We will perform the services in accordance with applicable professional standards.
- The nonattest services are limited to the services previously outlined above. Our firm, in its sole professional judgment, reserves the right to refuse to do any procedure or take any action that could be construed as making management decisions or assuming management responsibilities.

You are also responsible for ensuring that your data and records are complete and that you have received sufficient information to oversee the services.

Reporting

We will issue a written report upon completion of our audit of your financial statements. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph to our auditors' report, or if necessary, withdraw from the engagement. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If circumstances occur related to the condition of your records, the availability of sufficient, appropriate audit evidence, or the existence of a significant risk of material misstatement of the financial statements caused by error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment prevent us from completing the audit or forming an opinion on the financial statements, we retain the right to take any course of action permitted by professional standards, including declining to express an opinion or issue a report, or withdrawing from the engagement.

In accordance with the requirements of *Government Auditing Standards*, we will also issue a written report describing the scope of our testing over internal control over financial reporting and over compliance with laws, regulations, and provisions of grants and contracts, including the results of that testing. However, providing an opinion on internal control and compliance over financial reporting will not be an objective of the audit and, therefore, no such opinion will be expressed.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Data Collection Form

Prior to the completion of our engagement, we will complete the sections of the Data Collection Form that are our responsibility. The form will summarize our audit findings, amounts and conclusions. It is management's responsibility to submit a reporting package including financial statements, schedule of expenditure of federal awards, summary schedule of prior audit findings and corrective action plan along with the Data Collection Form to the Federal Audit Clearinghouse. The financial reporting package must be text searchable, unencrypted, and unlocked. Otherwise, the reporting package will not be accepted by the Federal Audit Clearinghouse. We will assist you in the electronic submission and certification. You may request from us copies of our report for you to include with the reporting package submitted to pass-through entities.

The Data Collection Form is required to be submitted within the earlier of 30 days after receipt of our auditors' reports or nine months after the end of the audit period, unless specifically waived by a federal cognizant or oversight agency for audits. Data Collection Forms submitted untimely are one of the factors in assessing programs at a higher risk.

Engagement Administration and Other Matters

We understand that your employees will prepare all confirmations, account analyses, and audit schedules we request and will locate any documents or invoices selected by us for testing. Details of information we expect to need for our audit and the dates required will be provided separately.

You agree to share all facts that may affect your financial statements, even if you first become aware of those facts after the date of the auditor's report but before the date your financial statements are issued.

Government Auditing Standards require that we provide, upon request, a copy of our most recent external peer review report and any subsequent review reports to the party contracting for the audit. Accordingly, we will provide a copy of our most recent peer review report at your request.

Engagement Fees

Our fees are based on the amount of time required at various levels of responsibility. We estimate that our fee for the audit will be:

Financial Statement Audit	$ 68,600	
Single Audit (if needed)	9,000	*
Subtotal Annual and Single Audit Fees	77,600	
Technology Fee	3,900	**
Estimated Out-of-Pocket Costs	ACTUAL	
Estimated Audit Fees and Costs	$ 81,500	
Other Consulting, if requested	$275-$425/hour	

* We estimate that our Single Audit will include testing of one major program for the year ended December 31, 2025. Our fees for major program testing are expected to be $9,500 per program.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

** This fee is a 5% administrative fee used to support and enhance the quality work we provide by investing in technology.

All bills are payable upon receipt. A service charge of 1% per month, which is an annual rate of 12%, will be added to all accounts unpaid 30 days after billing date.

The ability to perform and complete our engagement consistent with the estimated fee included above depends upon the quality of your underlying accounting records and the timeliness of your personnel in providing information and responding to our requests. To assist with this process, we will provide you with an itemized request list that identifies the information you will need to prepare and provide in preparation for our engagement, as well as the requested delivery date for those items. A lack of preparation, including not providing this information in an accurate and timely manner, unanticipated audit adjustments, and/or untimely assistance by your personnel may result in an increase in our fees and/or a delay in the completion of our engagement.

We will advise you if unexpected circumstances require significant additional procedures resulting in a substantial increase in the fee estimate.

Changes in Professional Standards

Standard setters and regulators continue to evaluate and modify standards. Such changes may result in new or revised financial reporting and disclosure requirements or expand the nature, timing, and scope of the activities we are required to perform. To the extent that the amount of time required to provide the services described in the Statement of Work increases due to such changes, our fee may need to be adjusted. We will discuss such circumstances with you prior to performing the additional work.

Use of Financial Statements

Should you decide to include or incorporate by reference these financial statements and our auditors' report thereon in a future private placement or other offering of equity or debt securities, you agree that we are under no obligation to reissue our report or provide consent for the use of our report in such a registration or offering document. We will determine, at our sole discretion, whether we will reissue our report or provide consent for the use of our report only after we have performed the procedures we consider necessary in the circumstances. If we decide to reissue our report or consent to the use of our report, we will be required to perform certain procedures including, but not limited to, (a) reading other information incorporated by reference in the registration statement or other offering document, and (b) subsequent event procedures. These procedures will be considered an engagement separate and distinct from our audit engagement, and we will bill you separately. If we decide to reissue our report or consent to the use of our report, you agree that we will be included on each distribution of draft offering materials, and we will receive a complete set of final documents.

If we decide not to reissue our report or decide to withhold our consent to the use of our report, you may be required to engage another firm to audit periods covered by our audit reports, and that firm will likely bill you for its services. While the successor auditor may request access to our workpapers for those periods, we are under no obligation to permit such access.

Termination

The engagement contemplated by this SOW shall terminate upon the earlier of completion of the services described herein or as described in the MSA.

Docusign Envelope ID: 1A4FE608-F9AF-41F7-B5F3-0301833760E5

Agreement

We appreciate the opportunity to provide the services described in this SOW under the MSA. This SOW and the MSA constitute the entire agreement regarding these services and supersedes all prior agreements (whether oral or written), understandings, negotiations, and discussions between you and Eide Bailly related to audit services. Please sign, date, and return this SOW to us to indicate your acknowledgment and understanding of, and agreement with, the arrangements for our audit of your financial statements including the terms of our engagement and the parties' respective responsibilities. By signing this SOW, you represent and warrant that you are authorized to sign on behalf of and bind each client and any affiliate identified herein.

Sincerely,

Eide Bailly LLP

Eide Bailly LLP

AGREED TO AND ACCEPTED:

DocuSigned by:

Name: Trish Muller

47B109A71C08406...

Title: Director of Finance

Date: 12/24/2025