



Castle Rock Water Commission Agenda - Final

Jerry Duncan
Edward Egnatios
Brian Gaddie
David Hammelman

Chuck Kocher
Melanie Penoyar-Perez
Kevin Snow

Wednesday, July 22, 2026

6:00 PM

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

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

6:00 pm CALL TO ORDER / ROLL CALL

COUNCIL UPDATE

COMMISSION COMMENTS

ADMINISTRATIVE BUSINESS

1. [WC 2026-079](#) Approval of June Meeting Minutes

Attachments: [Attachment A: June 24th Meeting Minutes](#)

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

2. [WC 2026-080](#) Resolution Approving the Third Amendment with W.W. Wheeler for Castle Rock Reservoirs No. 1 & 2 Construction Support Services [Sedalia, Colorado]
3. [WC 2026-081](#) Resolution Approving a Third Amendment to the Amended and Restated Intergovernmental Agreement with Douglas County for the Highway 85 Wastewater Collection and Treatment System [Located along the Highway 85 Corridor North of E. Happy Canyon Rd to W. Titan Rd in northern Douglas County]

Attachments: [Attachment A: Resolution](#)
[Attachment B Location Map.pdf](#)

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS

4. [WC 2026-082](#) Water Resources Strategic Mater Plan Update - Outreach Plan
5. [WC 2026-083](#) Additional Changes to the System Development Fees

6. [WC 2026-084](#) Next Town Council Dates & Items
7. [WC 2026-085](#) Upcoming Town Council Items

COMMISSIONER MEETING COMMENTS



Town of Castle Rock

Agenda Memorandum

Agenda Date: 7/22/2026

Item #: 1. **File #:** WC 2026-079

To: Members of the Castle Rock Water Commission

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

Approval of the June 24, 2026 Meeting Minutes
Town Council Agenda Date: NA

Executive Summary

Attached are the meeting minutes for the June 24, 2026 Water Commission Board meeting.

Proposed Motion

"I move to approve the Minutes as presented"

Attachments

Attachment A: June 24, 2026 Meeting Minutes



Castle Rock Water Commission Meeting Minutes - Draft

Jerry Duncan
Edward Egnatios
Brian Gaddie
David Hammelman

Chuck Kocher
Melanie Penoyar-Perez
Kevin Snow

Wednesday, June 24, 2026

6:00 PM

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

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CALL TO ORDER / ROLL CALL

- Present** 7 - Edward Egnatios, Jerry Duncan, Brian Gaddie, David Hammelman, Chuck Kocher, Melanie Penoyar-Perez, and Kevin Snow
- Attendance** 7 - Mark Marlowe, Mark Henderson, Paul Rementer, Josh Hansen, Lauren Moore, MaryJo Reese, and David Choi

COUNCIL UPDATE

Time was allowed for Mr. Marlowe to share a council update.

COMMISSION COMMENTS

Time was allowed for Commissioner Comments.

ADMINISTRATIVE BUSINESS

[WC 2026-068](#)

Selection of Chair and Vice Chair Town Council Agenda Date: NA

David Hammelman nominated Melanie Peynor-Perez as the Chair of the Castle Rock Water Commission.

David Hammelman nominated Brian Gaddie as the Vice Chair of the Castle Rock Water Commission.

- Yes:** 7 - Egnatios, Duncan, Gaddie, Hammelman, Kocher, Penoyar-Perez, and Snow

[WC 2026-069](#)

Approval of the May 27, 2026 Meeting Minutes Town Council Agenda Date: NA

I move to approve the Minutes as presented.

- Yes:** 5 - Egnatios, Gaddie, Hammelman, Kocher, and Penoyar-Perez

Abstain: 2 - Duncan, and Snow

[WC 2026-070](#)

November/December Meeting Dates

Town Council Agenda Date: NA

Chair Penoyar-Perez explained that the November meeting is on Thanksgiving eve and the December meeting is on the eve of Christmas Eve. Therefore, staff recommended canceling both the November and December meetings and scheduling one special meeting.

I move to cancel the regularly scheduled Water Commission meetings for November and December and schedule a Special Meeting on December 2, 2026.

Yes: 7 - Egnatios, Duncan, Gaddie, Hammelman, Kocher, Penoyar-Perez, and Snow

ACTION ITEMS (HIGH PRIORITY / TIME CRITICAL)

[WC 2026-071](#)

Ordinance Amending Ordinance No. 2023-021 Authorizing the Exercise of the Town's Powers of Eminent Domain to Acquire Certain Real Property Interests Necessary for the Plum Creek to Rueter-Hess Reservoir Pipeline Project

[Northern Castle Rock and Eastern Castle Pines] **DRAFT**

Town Council Agenda Date: July 21, 2026

Mr. Hansen shared that this is an ordinance to recommend Town Council amend Ordinance 2023-021 to authorize the use of eminent domain, for the acquisition of remaining easements needed for the Plum Creek to Rueter-Hess Reservoir (PCRHR) Pipeline Project. The amendment adds legal descriptions for the remaining properties to provide greater clarity regarding parcels that may be subject to acquisition while maintaining the Town's commitment to fair market value offers good-faith negotiations and separate Town Council authorization before eminent domain could be exercised on any individual property.

Mr. Hansen explained that the PCRHR project is a key component of Castle Rock Water's Water Resources Strategic Master Plan and will allow renewable and reusable water to be conveyed from the Plum Creek Basin to Rueter-Hess Reservoir for seasonal storage. The approximately seven-mile pipeline is designed to transfer up to 1,000 acre-feet of water annually during periods of surplus supply, improving the Town's ability to meet future peak irrigation demands. The alignment crosses 32 properties owned by approximately 20 different ownership entities. To date, easements have been completed on 11 properties, 13 remain under negotiation, and legal descriptions are being finalized for the remaining properties. Staff noted that completing the remaining acquisitions is critical to avoid delays that could increase project costs and affect the construction schedule. The current estimated construction cost for the overall project is approximately \$31.1 million, although the ordinance itself has no direct budget impact. Staff recommended approval of the amended ordinance for Town Council consideration.

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

Yes: 7 - Egnatios, Duncan, Gaddie, Hammelman, Kocher, Penoyar-Perez, and Snow

DIRECTOR FOLLOW-UP AND INFORMATIONAL / UPDATE ITEMS**[WC 2026-072](#)****Resolution Approving an Agreement between the Town of Castle Rock and XXXX for Construction Services for the Plum Creek to Rueter-Hess Reservoir Pipeline Project
Town Council Agenda Date: July 21, 2026**

Mr. Hansen provided an informational update on the upcoming construction contract for the South Phase of the Plum Creek to Rueter-Hess Reservoir (PCRHR) Pipeline Project, which is scheduled for Town Council consideration on July 21, 2026.

The PCRHR project is a key component of Castle Rock Water's Water Resources Strategic Master Plan and will ultimately construct approximately seven miles of pipeline and a pump station to convey renewable and reusable water from the Plum Creek Basin to Rueter-Hess Reservoir for seasonal storage. The overall project has been divided into four phases-South, Middle, North, and Pump Station-with the South Phase being expedited to accommodate planned development and capitalize on current easement acquisition opportunities. Final design of the overall project had previously been paused because of construction budget constraints, although the Town has secured a \$1.75 million federal grant and is pursuing additional funding through the Colorado Water Conservation Board.

The South Phase includes approximately 200 feet of pipe ramming beneath the Union Pacific Railroad and Highway 85, 1,500 feet of horizontal directional drilling beneath Promenade Parkway, and 1,350 feet of open-trench 16-inch PVC pipeline across adjacent private properties. CRW is requesting a sole-source construction contract with Global Underground valued at approximately \$4.0 million, along with approximately \$350,000 for design modifications, trenchless design, permitting, railroad licensing, insurance, flagging, and construction support services provided by Providence Infrastructure Consultants. Construction of the South Phase is expected to be completed by early 2027, with the remaining phases to be bid and constructed later in 2027.

Commission Kocher asked if soil samples had been taken? Mr. Hansen explained that extensive soil samples have been taken as part of the original design. Commissioner Snow asked why this item is being done as a sole source? Mr. Hansen explained that there is an urgency to complete this phase prior to development being started in this area. He also mentioned that Global has good experience with the railroad permitting process and has been the low responsible bidder on all recent directional drilling work done for Castle Rock Water. Both of these are important parts of this phase of the overall project.

Water Commission was supportive of the project through general consensus. Final Council memos and contracts will be provided to Commission ahead of the July 21, 2026, Council Meeting.

[WC 2026-073](#)**Resolution Approving an Agreement between the Town of Castle Rock and XXX for the Security Fencing around Castle Rock Reservoir 1 & 2
Town Council Agenda Date: July 21, 2026**

Mr. Choi reported that this is a resolution to authorize an Equipment and Services Agreement for installation of permanent security fencing around the newly constructed Castle Rock Reservoir No. 1 (CRR1) and Reservoir No. 2 (CRR2) in Sedalia. The purpose of this project is to install approximately 9,020 linear feet of six-foot black vinyl-coated chain-link fencing with three strands of barbed wire, along with rolling vehicle gates, swing gates, pedestrian gates and removal of the existing perimeter wire fence.

The reservoirs represent a significant investment in the Town's water storage system, and permanent perimeter security is needed to protect the facilities from unauthorized access, vandalism, wildlife damage, and other security risks while supporting safe operations and maintenance.

Estimated project cost is \$660,000. The anticipated schedule is to begin August 3, 2026 and be completed 90 days later.

Commissioner Kocher asked about the barb wire design. Mr. Choi explained the security oriented nature of the barb wire design.

Commissioner Gaddie questioned why the fencing wasn't part of the original contract? Staff explained that it was just an oversight in the original agreement but that it might have been a good thing as there are currently 17 vendors interested in bidding.

Water Commission was supportive of the project through general consensus.

Final Council memos and contracts will be provided to Commission ahead of the July 21, 2026, Council Meeting.

[WC 2026-074](#)

Resolution Approving a True-Up Payment for the WISE DIA Connection Project Invoice from South Metro WISE Authority

[Denver City and County]

Town Council Agenda Date: June 16, 2026

Ms. Moore shared that this was an informational update regarding a resolution authorizing Payment of a \$712,851.93 true-up invoice from the South Metro WISE Authority (SMWSA), representing Castle Rock Water's 22.5% share of the final costs for the WISE Denver International Airport (DIA) Connection Project. The total project true-up invoice is \$3,168,230.81.

She also explained that Castle Rock joined the South Metro WISE Authority in 2013 and has received WISE water since 2018. The DIA Connection Project was a collaborative effort between SMWSA, Denver Water, and Aurora Water to construct approximately six miles of 18-inch pipeline and a flow control and metering facility that connects Denver Water's DIA supplies to Aurora Water's Prairie Waters system. This infrastructure allows renewable and reusable water supplies to be treated and delivered to WISE member agencies while also providing Denver Water with an emergency drought supply. Construction began in June 2024 and is now complete.

Castle Rock Water's average WISE allocation is 2,250 acre-feet per year, providing an important renewable water source that is interruptible approximately two out of every ten years. Since joining the partnership, Castle Rock Water has invested nearly \$66 million in WISE infrastructure and water supply projects. Including this true-up payment, the Town's total contribution toward the DIA Connection Project will be approximately \$2.71 million. Staff also advised that one major WISE infrastructure component remains-the planned desalination facility, currently estimated to cost \$63.18 million for Castle Rock Water's share.

Commissioner Gaddie asked if this was originally committed at the beginning of the WISE agreement? Staff explained that yes CRW committed to the project and have been aware of the costs as the project was constructed and completed.

[WC 2026-075](#) **Update On Eminent Domain Hearings for the Sedalia Lift Station and Force Main Project**
Town Council Agenda Date: NA

Mr. Henderson shared that staff were able to complete all the necessary easements for the Sedalia Lift Station project, prior to the June 16th Town Council meeting.

Mr. Marlowe congratulated Mr. Henderson and Ms. Evans on the amazing work they did to get these completed.

[WC 2026-076](#) **2027 Proposed Capital Budget**
Town Council Agenda Date: NA

Mr. Rementer and Mr. Marlowe shared an update on the 2027 planned Capital Improvement projects.

[WC 2026-077](#) **Proclamation: Smart Irrigation Month - July 2026 and a Drought Update**
Town Council Agenda Date: 1st Reading June 16th, 2nd Reading July 7th

Mr. Marlowe explained that this is a proclamation claiming July as Smart Irrigation Month. Mr. Marlowe also shared a drought update.

[WC 2026-078](#) **Upcoming Town Council Items**
Town Council Agenda Date: NA

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

There were no items at this time.

COMMISSIONER MEETING COMMENTS

Time was allowed for Commissioner Comments.



Town of Castle Rock

Agenda Memorandum

Agenda Date: 7/22/2026

Item #: 2. **File #:** WC 2026-080

To: Members of the Castle Rock Water Commission

From: Mark Marlowe, P.E., Director of Castle Rock Water
Mark Henderson, Assistant Director of Castle Rock Water
Josh Hansen, P.E., Project Manager Supervisor
Emily Huth, P.E., Project Manager

Resolution Approving the third Amendment with W.W. Wheeler for Castle Rock Reservoirs No. 1 & 2 Construction Support Services [Sedalia, Colorado]
Town Council Agenda Date: August 18, 2026

Executive Summary

Castle Rock Water is seeking Town Council approval of a Resolution (**Attachment A**) approving the Third Amendment with W.W. Wheeler & Associates (Wheeler) to provide ongoing construction support services for the Castle Rock Reservoirs No 1. and 2 (CRR1&2) Project. The proposed amendment is an addition of contract fees in the amount of \$87,400 (total revised contract authorization of \$2,686,476) and will allow extension of engineering construction support and services to continue through construction completion and closeout anticipated in summer 2026. Various project circumstances have extended the original project construction duration by approximately one year from the original estimated two-year construction duration.

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

On April 4, 2023, Town Council voted unanimously to approve a services agreement with Wheeler in the amount of \$2,111,200 along with authorization of an additional \$105,560 (5%) in staff-managed contingency for construction support services for the CRR1&2 Project.

On August 27, 2025, Town Council voted unanimously to approve the Second Amendment to the CRR1&2 Construction Support Services Agreement to increase the total authorized contract amount to \$2,599,076 and extend the contract expiration date to November 30, 2026.

Discussion

Wheeler is the design engineer of record for the CRR1&2 Project. Town Council authorized a contract with Wheeler in April 2023 to provide construction engineering support services including the following:

- Full-time onsite construction observation and weekly meetings
- Formal responses to contractor requests for information
- Change Orders in accordance with State Engineer's Office Dam Safety Requirements
- Soil, concrete and pipeline testing review and coordination
- Reservoir liner testing, leak detection, and coordination
- Dam Safety final construction documentation for State Engineer's Office
- Floodplain Letter of Map Revision (LOMR)

The contract amount was \$2,111,200 and Council authorized an additional 5% (\$105,560) in staff-managed contingency. Based on the original construction contract completion term, Wheeler's contract assumed a two-year construction period from April 2023 through April 2025.

Various project circumstances have resulted in extension of the construction schedule through Summer of 2026. In April 2025, the Town Manager approved the First Amendment to the Wheeler Agreement which authorized utilization of the original 5% contingency to extend the total contract to \$2,216,760 and extended the contract date through November 30, 2026. At that time, it was anticipated that the additional approved \$105,560 in funding would allow construction support services to continue through July 2025 and that an additional Council-approved Second Amendment would be needed fund construction support services through completion and closeout of the project in 2026. The Second Amendment was approved in August 2025 to increase the total authorized contract amount by \$328,316 to \$2,599,076 to provide funding for additional onsite construction support, closeout assistance and post-construction documentation. No town managed contingency was added at this time.

Staff solicited a proposal from Wheeler to continue onsite construction support services through July 2026, which is beyond the April 2026 substantial completion date as onsite construction activities still required engineering oversight at those times. The extended duration of construction is primarily due to electrical and controls installation challenges, requiring additional time from both Wheeler and LSI. Several cathodic protection issues were also identified during the final cathodic protection testing, requiring additional support from Qualcorr. Wheeler is already scoped to provide other project closeout tasks (construction as-builts, dam safety documentation submittal with the state, LOMR) that will occur after the onsite construction support is complete, so this Amendment does not include fee for those activities. Wheeler's proposal for extension of services (**Attachment B**) is in the amount of \$87,400 and is based on the contractor's current schedule for construction completion in July 2026.

Budget Impact

This contract amendment will add authorization of \$87,400 in fees to the existing contract and Purchase Order 002638. The total authorization will be \$2,686,476. Given the project schedule, no town managed contingency is requested.

Project	Account Number	This Authorization	Total Authorization	Account Budget
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Item #: 2. File #: WC 2026-080

Capital Improvement Prgrm/ Reservoir Upgrades	211-4375- 443.79-15	\$ 87,400	\$2,686,476	\$634,545
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Staff Recommendation

Staff recommends approval of the Third Amendment to the Services Agreement with Wheeler for CRR1&2 Construction Support Services, increasing the total contract fees by \$87,400 to \$2,686,476.

Proposed Motion

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

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



Town of Castle Rock

Agenda Memorandum

Agenda Date: 7/22/2026

Item #: 3. **File #:** WC 2026-081

To: Members of the Castle Rock Water Commission

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

Resolution Approving a Third amendment to the Amended and Restated Intergovernmental Agreement with Douglas County for the Highway 85 Wastewater Collection and Treatment System *[Located along the Highway 85 corridor North of E. Happy Canyon Rd to W. Titan Rd in northern Douglas County]*
Town Council Agenda Date: August 18, 2026

Executive Summary

Castle Rock Water (CRW) staff recommends Town Council approval of a Resolution (**Attachment A**) approving a third amendment (**Exhibit 1**) to the previously approved Amended and Restated Intergovernmental Agreement (IGA) with Douglas County. The proposed third amendment will include a contribution from Douglas County to provide up to \$300,000 for design services for sanitary sewer main infrastructure in Sedalia. The County and the Town have partnered in the project to construct a sanitary sewer lift station and force main to Plum Creek Water Reclamation Authority. The County is investing over \$14 million in American Rescue Plan Act funding, and the Town of Castle Rock is providing over \$5 million in upfront funding to be recovered in system development fees. The IGA outlines that the Town will manage the project, and own and operate the sewer infrastructure once completed.

The sewer lift station and force main are the basis for centralized wastewater service in the area. However, funding is lacking to construct the gravity sewer mains that will allow existing residents, facilities, and businesses to stop using septic systems as well as provide for economic growth and development that will need centralized wastewater service. An initial phase for sewer main infrastructure has been identified that would run from the north side of Highway 85 through the Town of Sedalia to the lift station that will serve as the backbone for full buildout of sewer mains in Sedalia. CRW and Douglas County will partner on this first phase of sewer main infrastructure that can be later built out to connect more services in future phases. The initial phase would provide opportunity to connect a future planned Douglas County public works facility as well as CORE electric. The proposed amendment will allow CRW and Douglas County to partner on starting the design of the sewer main infrastructure.

Notification and Outreach Efforts

CRW has worked closely with potential customers in the corridor including Sedalia, CORE, the Douglas County School District and new proposed developments in northern Douglas County.

Douglas County has conducted outreach including posting a news article on their web page about the Highway 85 Southern Corridor Wastewater Project. Castle Rock Water has posted information on its web page about the project as well.

CRW publicly noticed the project for Location & Extents application that was submitted to the Douglas County Planning Commission, and the application was approved on January 5, 2026.

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

Castle Rock Water staff presented the Amended and Restated IGA with Douglas County at their meeting on May 22, 2024. Castle Rock Water Commission voted to unanimously (6 to 0) recommend Council approval of the Resolution.

Castle Rock Water staff presented the Amended and Restated IGA with Douglas County to Town Council on July 2, 2024. Town Council voted to unanimously (7 to 0) to approve the Resolution.

Castle Rock Water staff presented the Amendment to the Amended and Restated IGA with Douglas County at the Castle Rock Water Commission meeting on June 27, 2025. Castle Rock Water Commission voted unanimously (7-0) to recommend Council approval of the Resolution.

On July 15, 2025, Town Council approved an amendment to the IGA adjusting the project funding amount to \$18.8 million, with CRW funding a projected shortfall of approximately up to a maximum of \$4.8 million.

On December 10, 2025, Town Council approved a second amendment to the IGA that revised the amount that CRW will fund based on the funding shortfall for the project as a result of the increased guaranteed maximum price (GMP) that was negotiated with the design-builder. CRW's contribution was increased by \$984,296 to a total of \$5,784,296 for the project.

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

Castle Rock Water staff presented the second contract price amendment to the progressive design-build agreement with S. J. Louis Construction, Inc. for the Phase 2 Construction Services for the Sedalia Lift Station and Force Main to the Castle Rock Water Commission at their meeting held on December 10, 2025, and the Castle Rock Water Commission voted unanimously 7 to 0 to recommend Town Council approval of the Resolution as presented.

On December 16, 2025, Town Council approved the second contract price amendment to the progressive design-build agreement with S. J. Louis Construction, Inc. for Phase 2 Construction Services for the Sedalia Lift Station and Force Main which included the discussion of the need of the increased project budget and need to amend the IGA with Douglas County.

Discussion

The First Amendment to the IGA defined how a funding gap for the project would be covered before the project moved into final design and construction. CRW proposed to cover the funding gap and the amendment refined the financial structure and cost recovery terms associated with CRW's proposal to cover the funding gap. The key terms for the First Amendment included:

- Castle Rock Water will fund any funding shortfall for construction of the project up to a maximum of \$4.8 million.
- System development fees (SDFs) collected for connectors to the project will pay off the Castle Rock Water contribution to the project first before any of that funding goes back to Douglas County or for improvements or expansions of the sewer system.
- A 25% surcharge will be added to the portion of the system development fee reimbursing any funding gap covered by Castle Rock Water, and this surcharge will be for use by Castle Rock Water to benefit its existing customers and system.
- Interest will accrue to the balance of the funding provided by Castle Rock Water at a rate of 5% per year until the funds provided by Castle Rock Water have been fully reimbursed.
- System development fees will be handled consistently with the original agreement once Castle Rock Water has been reimbursed, except for the 25% surcharge which will continue to be collected and used for improvements or expansions to the system.

The Second Amendment maintained all the same terms as the First Amendment but revised the amount that CRW will fund based on the funding shortfall for the project as result of the increased GMP that was negotiated with the design-builder. CRW's contribution as stated in the IGA will increase by \$984,296 to a total of \$5,784,296 for the project.

The proposed third amendment will include a contribution from Douglas County to provide up to \$300,000 for design services for gravity sanitary sewer main infrastructure in Sedalia. An initial phase for sewer main infrastructure has been identified that would run from north side of Highway 85 through the Town of Sedalia to the lift station that will serve as the backbone for full buildout of gravity sewer mains in Sedalia. The initial alignment shown in the project map (**Attachment B**) is approximately 3,000 linear feet (LF) with a preliminary construction cost estimate of \$2.9 million. The funding provided by Douglas County will provide design services for the alignment, and engineer's opinion of construction cost that will be needed to issue construction bids and identify a schedule for construction. CRW and Douglas County will partner on this first phase of sewer main infrastructure that can be later built out to connect more services in future phases. The initial phase would provide opportunity to connect a future planned Douglas County public works facility as well as CORE electric. Future connectors have also been identified for future phases of the sewer main infrastructure including:

- Plum Creek Trust Property - 600 SFEs (CRW already contracted to serve this development for water and sewer)
- Douglas County School District Sedalia Elementary School - 22 SFEs
- Existing Sedalia residential and commercial properties - **XX** SFEs

Budget Impact

The funding provided by Douglas County will be added to CRW's current budget for the Highway 85 Wastewater Collection and Treatment System to cover the cost of the design services.

Staff Recommendation

Staff recommends Town Council approval of this Third Amendment to the Amended and Restated IGA with Douglas County for the Highway 85 Wastewater Collection and Treatment System.

Proposed Motion

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

Attachments

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

RESOLUTION NO. 2026-__

**A RESOLUTION APPROVING THE THIRD 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**

WHEREAS, on May 22, 2024, the Town of Castle Rock, Colorado (the “Town”) and the Board of County Commissioners of the County of Douglas (the “County”) entered into an Amended and Restated Intergovernmental Agreement (the “IGA”) for the design, construction, and operation of the Highway 85 Wastewater Collection and Treatment System (the “Project”); and

WHEREAS, the IGA provides that the County shall commit \$14,000,000 of American Rescue Plan Act funding for the Project; and

WHEREAS, on July 15, 2025, based upon an updated engineering cost estimate, the Town and the County entered into a First Amendment to the IGA (the “First Amendment”) whereby the Town agreed to fund a potential shortfall of \$4,800,000, which shortfall would eventually be reimbursed from system development fees collected from customers connecting to the Project; and

WHEREAS, on January 20, 2026, following the completion of the 60% design for the Project, the Town and the County entered into a Second Amendment to the IGA (the “Second Amendment”) whereby the Town and the County agreed to a guaranteed maximum price for the project of \$16,766,642, resulting in a total expected Project cost of \$19,784,296; and

WHEREAS, an additional \$300,000 is needed to fund design services for gravity sanitary sewer main infrastructure in Sedalia, which will further facilitate the use of the Project by Sedalia-area residents and property owners; and

WHEREAS, the County is willing to fund the additional shortfall as set forth in a Third Amendment to the IGA (the “Third Amendment”); and

WHEREAS, the Town Council finds and determines that it is in the best interests of the Town and its residents to approve this Third Amendment.

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

Section 1. Approval. The Third Amendment to the Amended and Restated Intergovernmental Agreement for the design, construction, and operation of the Highway 85 Wastewater Collection and Treatment System between the Town and the County is hereby approved in substantially the same form as presented at tonight’s meeting, with such technical changes, additions, modifications, deletions, or amendments as the Town Manager may approve upon consultation with the Town Attorney. The Mayor and other proper Town officials are hereby

authorized to execute the Agreement and any technical amendments thereto by and on behalf of the Town.

PASSED, APPROVED AND ADOPTED this 21st day of July, 2026, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading, by a vote of ___ for and ___ against.

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

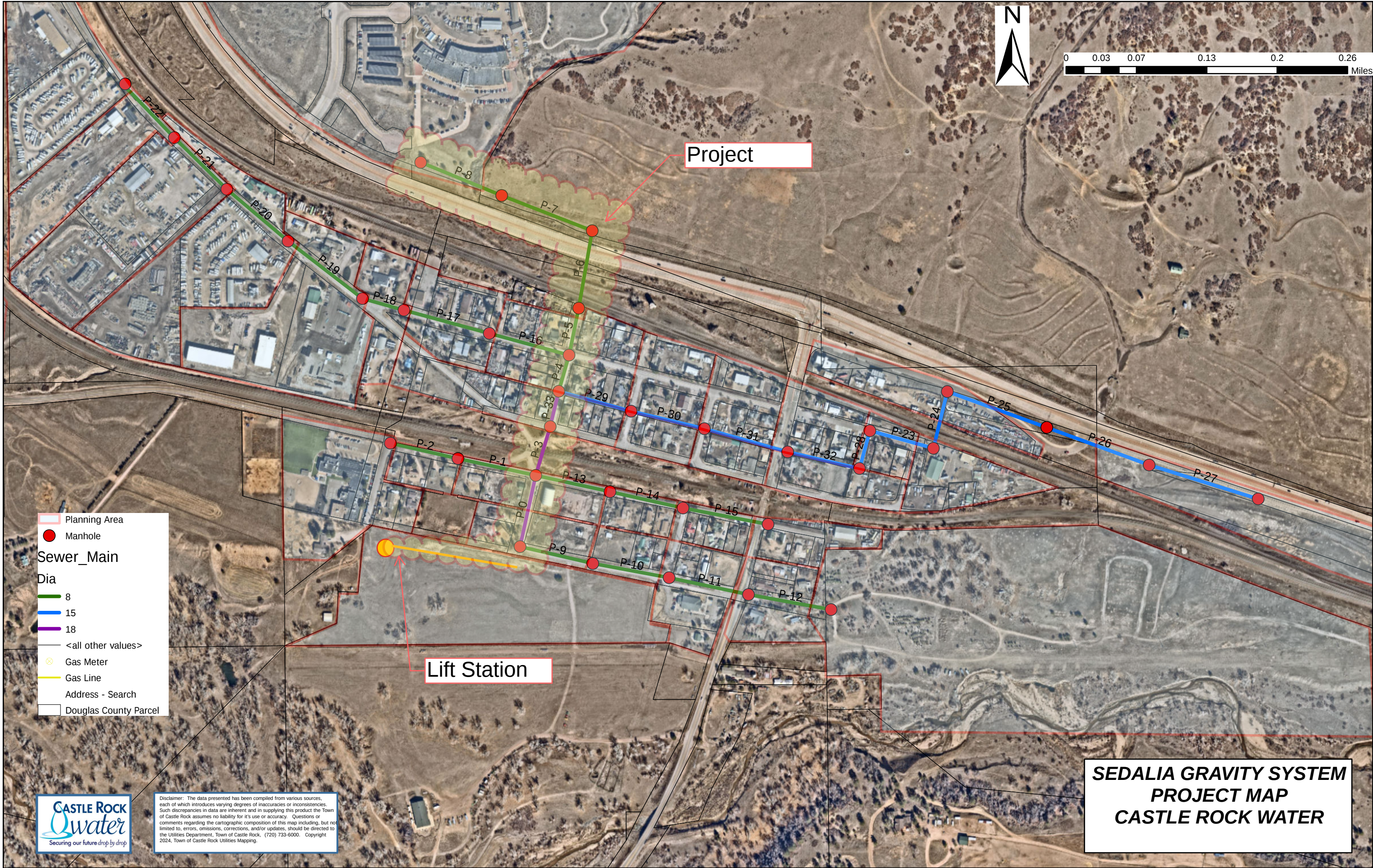
Jason Gray, Mayor

Approved as to form:

Approved as to content:

Michael J. Hyman, Town Attorney

Mark Marlowe, Director of Castle Rock Water





Town of Castle Rock

Agenda Memorandum

Agenda Date: 7/22/2026

Item #: 4. **File #:** WC 2026-082

To: Members of the Castle Rock Water Commission

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

Water Resources Strategic Master Plan Update on the Outreach Plan
Town Council Agenda Date: NA

Executive Summary

This will be a presentation only item.



Town of Castle Rock

Agenda Memorandum

Agenda Date: 7/22/2026

Item #: 5. **File #:** WC 2026-083

To: Members of the Castle Rock Water Commission

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

Additional Changes to the System Development Fees
Town Council Agenda Date: NA

Executive Summary

This will be a presentation only item.



Town of Castle Rock

Agenda Memorandum

Agenda Date: 7/22/2026

Item #: 6. **File #:** WC 2026-084

To: Members of the Castle Rock Water Commission

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

Next Town Council Dates and Items

Town Council Agenda Date: NA

Executive Summary

The next two Town Council meetings and the items that staff are planning to take.

August 4, 2026

No Meeting

August 18, 2026

Resolution Approving an Amended Agreement with W. W. Wheeler for the Castle Rock Reservoir 1 & 2 Project

Resolution Approving a Third Amendment to the Amended and Restated Intergovernmental Agreement with Douglas County for the Highway 85 Wastewater Collection and Treatment System



Town of Castle Rock

Agenda Memorandum

Agenda Date: 7/22/2026

Item #: 7. **File #:** WC 2026-085

To: Members of the Castle Rock Water Commission

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

Upcoming Town Council Items
Town Council Agenda Date: NA

Executive Summary

This item is an informational update only and is designed to give Commission a preview of time critical items that may need to go to Council prior to review at a Commission Meeting.

Items for this month include:

There are no additional items at this time.