

PROPOSED

# 2026 BUDGET

DAVID L. CORLISS, TOWN MANAGER



# BUDGETS REFLECT PRIORITIES



# ENSURE OUTSTANDING PUBLIC SAFETY



Voters' 2024 approval of ballot question 2A has provided a strong path forward for our Police and Fire departments. Implementation of the five-year plan for these departments is shown in both the Proposed 2026 Budget and the recommended 2026-2030 Balanced Financial Plan.

- In 2025, we have added 10 Fire and Rescue positions – nine firefighter/paramedics to place a fourth ambulance into service and one apparatus mechanic. We have also added 11 Police positions – two school resource officers, one patrol sergeant and four patrol officers, a detective, an Animal Welfare supervisor, a traffic officer and a dispatcher
- In 2026, we will follow the plan by adding in Fire a firefighter/EMT, a fire prevention officer and an administrative assistant and in Police a traffic officer, a commander and a deputy chief, plus an additional detective funded with both Town and State Senate Bill 25-310 resources



# ENSURE OUTSTANDING PUBLIC SAFETY



- The commander and deputy chief positions in Police are being substituted for two planned lieutenant positions. While this costs more, it is viewed as a strong management structure for the department going forward.
- We are also continuing the Drones for First Responders program, as approved by Council, which represents an annual funding commitment of \$200,000.
- Design continues for Fire Station 156 on Castle Oaks Drive, which is estimated to cost \$20.5 million and will include a logistics facility. Completion is planned for early 2027. This facility will be funded using TABOR reserves, and certificates of participation and Town fund balance. Additionally, we will conduct a long-term space study in 2026, focused on build-out facility needs for the Police Department.

# ENSURE OUTSTANDING PUBLIC SAFETY



# ENSURE OUTSTANDING PUBLIC SAFETY



The Proposed 2026 Budget includes additional equipment for both the Fire and Police departments:

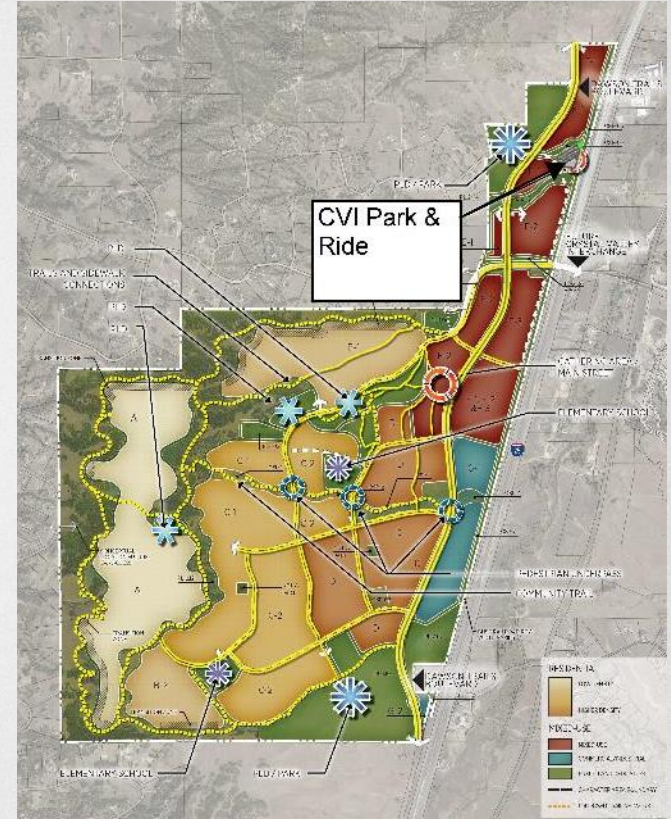
- Fire: Funding to continue wildland fire mitigation and wildland protective equipment; vehicle acquisition, hydraulic extrication tools, mechanical chest-compression (LUCAS) devices and training tower maintenance
- Police: Regional SWAT equipment, software improvements and vehicles



# ENHANCE OUR ROADS



- Interstate 25/Crystal Valley Parkway interchange construction continues to make progress. We anticipate some limited use of the interchange and bridge beginning later this year and into 2026. The entire interchange is ahead of schedule, but there has been no official change in opening announcement.
- As part of CDOT's requirements for the interchange, the Proposed 2026 Budget includes funding for a park and ride lot to be constructed on Town-owned property near the interchange.



# ENHANCE OUR ROADS



Construction on two major road improvements — Crowfoot Valley Road and Phase 1 of Fifth Street improvements west of the Four Corners intersection — will continue into 2026.

Also planned for 2026:

- Design of intersection improvements at Mikelson and Enderud boulevards
- Traffic signal construction at Founders Parkway and Crimson Sky Drive, as well as at Founders Parkway and Avenida del Sol (subject to CDOT approval)
- Increased funding for the annual Pavement Maintenance Program
  - \$19 million is budgeted, along with funding for bridge maintenance — a \$2.5 million increase over the original 2025 budget



# ENHANCE OUR ROADS



- Two new Street Maintenance Technicians will be added to the Public Works Department, assisting with road and right-of-way maintenance, snow plowing and other Public Works responsibilities
- Equipment improvements for Public Works include:
  - Vehicle for sign technician
  - Additional funding for street marking work
  - Continued funding for necessary equipment
  - Continued enhanced pay for snow plow operations

# MAINTAIN STRONG PARKS AND RECREATION



The new sports development center is beginning construction this year, with an anticipated opening date of mid-2027



# MAINTAIN STRONG PARKS AND RECREATION



In addition to building new facilities, maintaining and improving what we already have is important. The Proposed 2026 Budget includes:

- One new additional Parks Maintenance position to support new parks and open space
- Replacement of Recreation Center cardio exercise equipment
- Improvements at Red Hawk Ridge Golf Course, including parking lot repairs and maintenance equipment, funded by golf revenues



# CONSERVE OUR OPEN SPACE

Staff recommends adding a new strategic priority, conserve our open space. This aligns with consistent results of our community survey, encouraging more open space.

To put resources toward this priority, staff is recommending to alter the current allocation of the Town's commercial use tax (sales tax on commercial construction materials). Currently, the Economic Development Fund receives 100% of this tax. Staff is recommending this change to 50% beginning in 2026, with 50% going to a new Open Space Fund. Funding would continue for the Castle Rock Economic Development Council under this change.

Estimated annual commercial use tax revenue is up to \$1.4 million, so this would mean up to \$700,000 in additional resources for possible open space acquisition and maintenance – with an emphasis on open and green space acquisition to enhance our community.

# CONSERVE OUR OPEN SPACE

The Town has prepared a master plan and management plan to guide future improvements and long-term stewardship of Lost Canyon Ranch Open Space, acquired in 2024. The Proposed 2026 Budget includes an initial \$2 million investment to begin phased development and open portions of the property for public access.

First phase improvements include:

- Traffic calming on Lost Canyon Ranch Road
- Creekside Road upgrades and partial road connection to Cattleman's parking lot
- Partial development of Cattleman's parking lot
- Select trail construction, including Creekside trailhead
- Installation of trail signage

## SITE CONCEPT PLAN



## TRAILHEAD FEATURE PRECEDENTS



Picnic shelter



Gravel parking lot



Vault toilet building



Port-o-let enclosure



Picnic table



Bear-proof trash can

### INITIAL

### FUTURE



RESTROOM



PICNIC TABLES



SHELTER

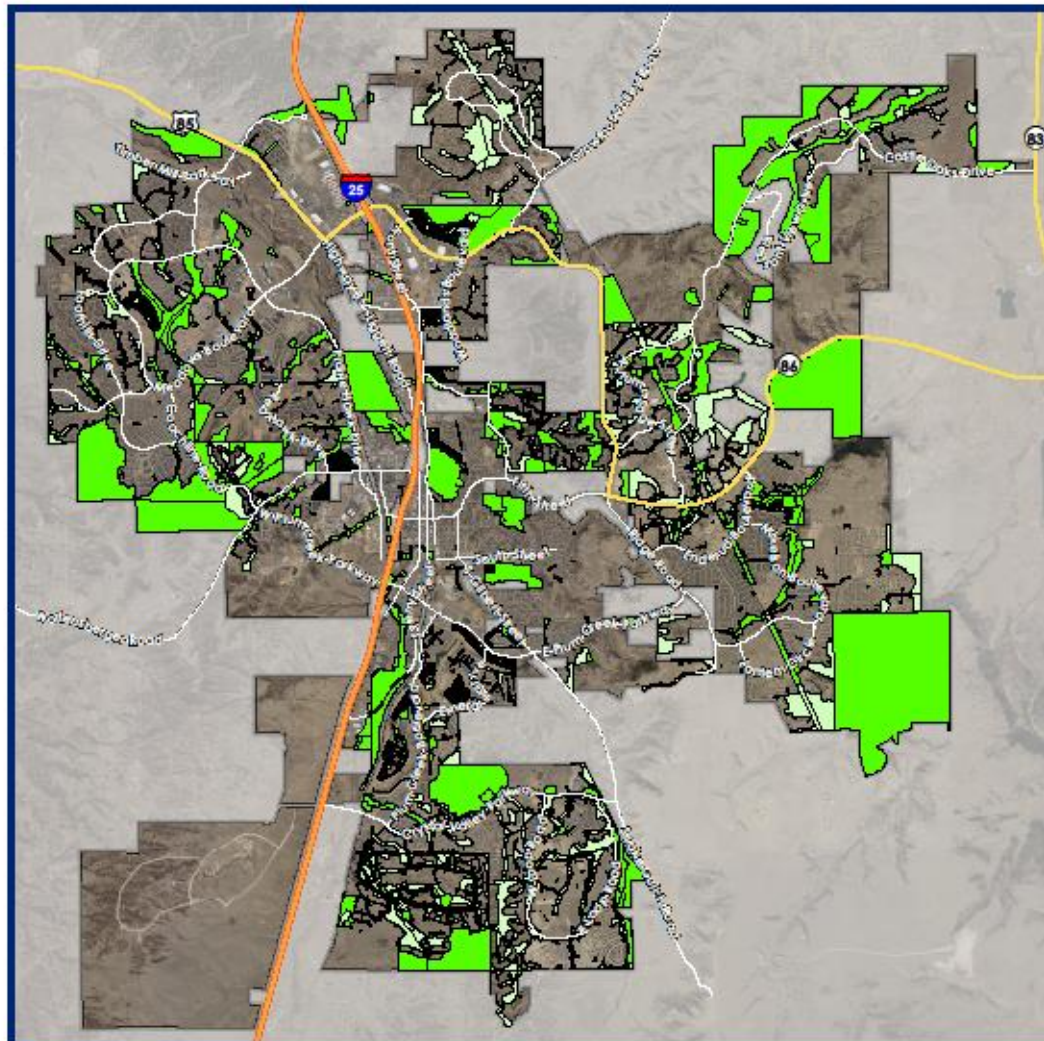


PARKING LOTS



HIKING TRAIL





## Castle Rock Open Space

Town Owned Open Space and  
HOA Open Space

- Interstate
- Highways
- Major Streets
- Town Owned Open Space
- HOA Open Space
- Town Limits



0 0.5 1 2  
Miles

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 303-863-4440, email the Town's accessibility team at [accessibility@CRgov.com](mailto:accessibility@CRgov.com) or submit an accommodation request form at [CRgov.com/A11yRequest](http://CRgov.com/A11yRequest).

Creation Date: 8/29/2025

# SECURE OUR WATER FUTURE



## Issues Impacting Capital Plan

### Factors Impacting Capital Costs

- Regulatory impacts (Forever Chemicals, Denver Basin rules, wastewater discharge permit)
- Rising project costs (Costs higher than original estimates)
- Renewable water scarcity across the west
- Crisis in the Colorado River continues
- Supreme Court complaint by Nebraska against Colorado
- Changing weather patterns
- Permitting and infrastructure
- Continued population growth in Colorado

### 2026 – 2030 Growth Forecast

- Average of 380 Residential permits per year
- Additional 95 Macanta/Canyons South Residential permits per year (extraterritorial)

### Water Resources Debt

- \$56M planned debt issuance in 2025/2026 to fund capital projects
- Additional debt issuance will be required in 2029
- National economic issues will likely impact timing

# SECURE OUR WATER FUTURE



## Proposed Major Aspects of Capital Implementation Plan

### Water

- SCADA - \$2.2M in 2026 / \$8.6M through 2030
- Advanced Metering Infrastructure - \$1.3M
- South Well Field Pipeline - \$1M
- Meadows & Miller Water Treatment Plant Filters - \$1M
- Young American Rehabilitation - \$5M in 2027
- Tank 8B - \$4.5M in 2028
- Paintbrush Park Pond/Stormwater - \$2.7M in 2026

### Wastewater

- Highway 85 - \$11.8M (ARPA funding potential of additional funding from CRW up to \$4.8M)
- SCADA - \$1.1M in 2026 / \$4.3M through 2030
- Young American Rehabilitation - \$1.5 M in 2027
- Lift Station Replacement - \$5M in 2026
- PCWRA Reuse Reservoir - \$1.9M
- PCWRA Replacements - \$2M in 2026 / \$4M through 2030
- Plum Creek Interceptor - \$5M in 2029

### Water Resources

- PCWPF Expansion & PC Central Pipeline – no additional dollars in 2026 / \$12.2M through 2030
- WISE Desalination - \$6M in 2026 / \$59.6M through 2030
- Chatfield Storage Reallocation Project - \$1.1M 2026 / \$5.5M through 2030
- SCADA - \$1.1M in 2026 / \$4.3M through 2030
- Advanced Metering Infrastructure - \$0.67M in 2026
- Platte Valley Water Partnership - \$0.5M in 2026 / \$2.4M through 2030

### Stormwater

- Paintbrush Park Pond/6400 East Plum Creek Stream Stabilization - \$2.7M in 2026
- Storm Sewer Rehabilitation - \$0.34M in 2026 / \$1.65M through 2030
- Additional Infrastructure Needs Caused by Development - \$0.15M in 2026 / \$0.8M through 2030



# SECURE OUR WATER FUTURE



## Proposed System Development Fees

Fund	2026	2027	2028	2029	2030
Water	20%	20%	12%	TBD	TBD
Water Resources	7%	7%	7%	TBD	TBD
Stormwater	0%-5%	0%-3%	0%-3%	TBD	TBD
Wastewater	7%	7%	7%	7%	TBD
<b>Total</b>	<b>9.03%</b>	<b>9.15%</b>	<b>7.8%</b>	<b>TBD</b>	<b>TBD</b>

Fund	2026	2027	2028	2029	2030
Water	\$9,931	\$11,917	\$13,347	\$13,347	\$13,347
Water Resources	\$35,829	\$38,887	\$41,021	\$41,021	\$41,021
Stormwater (PC)	\$2,839	\$2,924	\$3,012	\$3,012	\$3,012
Wastewater	\$6,130	\$6,559	\$7,018	\$7,509	\$7,509
<b>Total</b>	<b>\$54,729</b>	<b>\$59,737</b>	<b>\$64,398</b>	<b>\$65,072</b>	<b>\$65,072</b>

\*Key recommendation is to eliminate the credit for home builders installing front and backyard.

# SECURE OUR WATER FUTURE



## Staffing and Operational Cost Considerations

### Major Operational Cost Impacts

- First year Castle Rock Water will take full WISE allocation, going from ~1,000 acre feet per year to 2,000 acre feet – cost increase of \$5.2M (\$4.2M to \$9.4M) – includes Pinery Subscription
- 8% increase in electrical costs (20% or more through 2030)
- 8.6% increase in Plum Creek Water Reclamation Facility fees

### 2026 Staffing

- Plant Maintenance Supervisor
- SCADA Supervisor
- Water Quality Technician
- ½ of a Stormwater Infrastructure Inspector (split with Development Services)

### 2026 Salaries

- Market-Driven Operational Personnel Pay  
Adjustments for SCADA / Operational Technology - \$84K

# SECURE OUR WATER FUTURE



## Proposed Existing Customer Rates and Fees

Fund	2026	2027	2028	2029	2030
Water	5%	5%	5%	5%	TBD
Water Resources	8%	8%	8%	8%	TBD
Stormwater	5%	5%	5%	5%	TBD
Wastewater	0.5%	0.5%	0.5%	0.5%	TBD

\*Overall increase for customers between 4-5%.



# PRESERVE OUR COMMUNITY CHARACTER



- Add one new zoning inspector in Development Services — this is the first additional staff in this “quality of life” position in over 20 years
- Fund an update to the Town’s comprehensive plan, which was last updated in 2017
- Continue repairs and improvements at the Cantril School, including west side masonry and window replacement and the first phase of outdoor improvements, focused on developing a plan and construction documents for landscaping, parking lot and playground amenities
- Fund a possible Town entranceway monument sign along Colorado Highway 86, near Gateway Mesa Open Space
- Support Downtown Merchants Association and Castle Rock Chamber and their events
- Support Parks and Recreation community events and concerts

# PRESERVE OUR COMMUNITY CHARACTER



## Council Community Grant Program

The Town budgets \$16,000 annually for the program, or four individual grants of \$1,000 per quarter. Since the amount has increased, the Town has received an increase in funding requests.

Direction from Council on budgeting the desired and necessary amount going forward is requested.

# PRESERVE OUR COMMUNITY CHARACTER

Public art initiatives within the Proposed 2026 Budget include:

- Continued participation in the Douglas County Art Encounters program
- Installation of vinyl artwork on traffic signal boxes in Downtown Castle Rock
- Installation of a mural on the Wolfensberger Road underpass east of Prairie Hawk Drive
- Support for the Art and Culture Foundation's fundraising efforts for Town/Public Art Commission-identified projects
- Art and culture grant awards
- Holiday Card Art Contest and other public art projects



# PRESERVE OUR COMMUNITY CHARACTER



Castle Rock will celebrate the 250th anniversary of the signing of the Declaration of Independence on July 4, 2026. Also, Coloradans will celebrate the 150th anniversary of Colorado becoming a state on Aug. 1, 2026.

The Town's plans to mark these occasions include:

- Fourth of July party and fireworks
- Banners throughout Town
- Mini grants for neighborhood celebrations
- Artwork through the Public Art Commission
- Dedication of a time capsule at the new recreation center as it's under construction



# SUPPORT ECONOMIC DEVELOPMENT



- Continue funding for our economic development partners, including the Castle Rock EDC and Castle Rock Chamber of Commerce
- Follow through on Council-approved economic incentives for Arapahoe Community College (\$1 million for a new building), Outlets at Castle Rock infrastructure and other new primary employers in our community

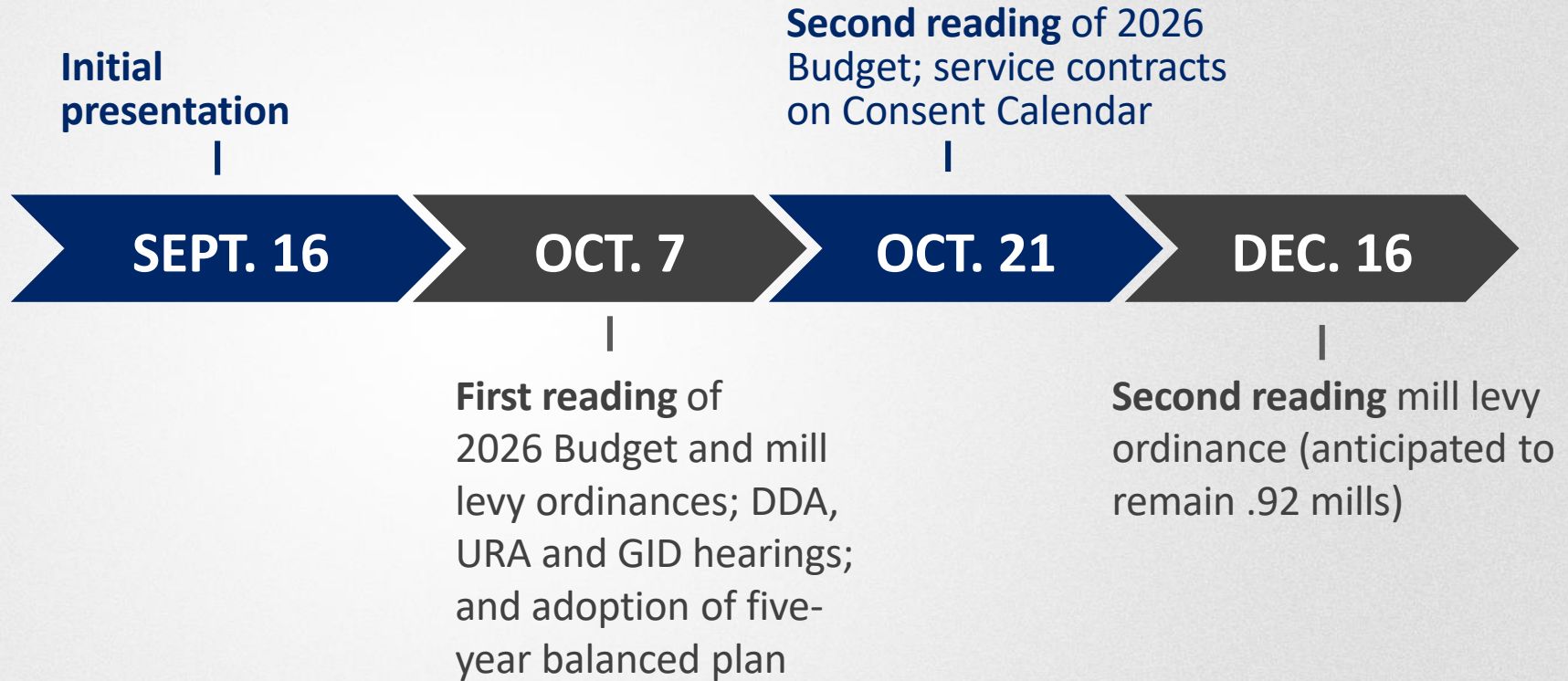
# MANAGE TOWN FINANCES CONSERVATIVELY



- Challenges meeting compensation and benefit needs
  - Market adjustments continue to be necessary
  - Police and Fire compensation increases in 2025
  - Substantial cost increases for Town employees' health insurance and the Town's property, liability and workers' compensation costs
- Continue to manage our revenues and expenditures conservatively — projecting modest sales tax growth
  - Continued balanced budgets and appropriate reserves
- New financial system upgrade
- Mill levy will remain unchanged at 0.92; Town's assessed valuation went down \$28,469



# BUDGET CALENDAR





# QUESTIONS?