



Town Council Agenda - Final-Amended

Mayor Jason Gray
Mayor Pro Tem Kevin Bracken
Councilmember Ryan Hollingshead
Councilmember Laura Cavey
Councilmember Desiree LaFleur
Councilmember Caryn Johnson
Councilmember Tim Dietz

Tuesday, November 2, 2021

6:00 PM

Town Hall Council Chambers

100 North Wilcox Street

Castle Rock, CO 80104

Phone in: 720-650-7664

Meeting code: 146 428 1387

www.CRgov.com/CouncilMeeting

This meeting is open to the public and will be held in a virtual format in accordance with the Town Council Electronic Participation, Connected, and Hybrid Meeting Policy. Public may choose to attend in person at Town Hall, or electronically or by phone if preferred. This meeting will be hosted online and can be accessed at www.CRgov.com/CouncilMeeting, or phone in by calling 720-650-7664, meeting code 146 428 1387 (if prompted for a password enter "Nov2Council"). All 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).

All times indicated on the agenda are approximate. Remote participants please visit www.CRgov.com/CouncilComments to sign up to speak to an item, and for related instructions. Public Comments may also be submitted in writing online by 1:00 p.m. November 2, 2021, to be included in the public record.

5:00 pm COUNCIL DINNER & INFORMAL DISCUSSION

6:00 pm INVOCATION - Mark Marble, Castle Rock Police Chaplain

6:05 pm CALL TO ORDER / ROLL CALL

6:07 pm PLEDGE OF ALLEGIANCE

6:10 pm COUNCIL COMMENTS

6:15 pm 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.

6:45 pm TOWN MANAGER'S REPORT

1. [ID 2021-114](#) Update: Calendar Reminders

2. [ID 2021-115](#) **Update: Wireless Cellular Facilities**
3. [ID 2021-116](#) **Update: Appropriation of Conditional Water Storage Rights at Prewitt and Fremont Butte Reservoirs** *[Morgan, Washington and Logan Counties, Colorado]*
4. [ID 2021-117](#) **Update: Residential Unit Data (through September 30, 2021) with Potential Buildout Estimates**
5. [ID 2021-118](#) **Update: Undeveloped Property Inquiries (through October 21, 2021)**
6. [ID 2021-119](#) **Development Services Project Updates**
7. [ID 2021-120](#) **Update: Quasi-Judicial Projects**

- **TOWN ATTORNEY'S REPORT**

8. [ID 2021-121](#) **Castleview Metropolitan District No. 2 Proposed Issuance of Subordinate Limited Tax General Obligation Bonds, Series 2021 B(3)**

- **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. [PROC 2021-011](#) **Proclamation Supporting Small Business Saturday** [For Council Action - Presentation on November 16, 2021] *(added November 2, 2021)*
10. [RES 2021-096](#) **Resolution Approving the First Amendment to a Services Agreement with David Evans and Associates, Inc., for the Design of the Four Corners Intersection Improvement Project** *[Founders Parkway, State Highway 86, Fifth Street, and Ridge Road]*
11. [RES 2021-097](#) **Resolution Approving the Assignment and Assumption Agreement Regarding the Establishing Agreement for the Plum Creek Water Reclamation Authority** *[Allowing Parker Water and Sanitation District to Replace Castle Pines North Metropolitan District on the Plum Creek Water Reclamation Authority Board]*
12. [MIN 2021-019](#) **Minutes: October 19, 2021 Town Council Meeting**

- **ADVERTISED PUBLIC HEARINGS & DISCUSSION ACTION ITEMS**

Public comment will be taken on items and limited to four (4) minutes per speaker. Remote participants please visit www.CRgov.com/CouncilComments to sign up to speak to an item, and for related instructions. Public Comments may also be submitted in writing online by 1:00 p.m. November 2, 2021, to be included in the public record.

13. [RES](#) **Resolution Approving the Intergovernmental Agreement Between**
[2021-098](#) **the Town of Castle Rock and the Consolidated Bell Mountain**
Ranch Metropolitan District for Water Service and Improvements
[Unincorporated Douglas County subdivision located south of Town and
adjacent to Crystal Valley Ranch and Lanterns subdivisions]
14. [RES](#) **Resolution Approving the First Amendment to the Ridge Estates**
[2021-099](#) **Annexation and Development Agreement [South of Crystal Valley**
Ranch, east of Bell Mountain Ranch and north of Sellers Creek Ranch]

- **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: 11/2/2021

Item #: 1. **File #:** ID 2021-114

To: Honorable Mayor and Members of Town Council

From: David L. Corliss, Town Manager

Update: Calendar Reminders

Executive Summary

Town Manager will review the attached upcoming items of general interest.

TOWN COUNCIL MEETING

TOWN MANAGER'S REPORT

DAVID L. CORLISS, TOWN MANAGER
NOVEMBER 2, 2021



CALENDAR ITEMS

11
NOV

Veterans Day Holiday - Town Offices Closed

Rec Center, MAC open normal hours

16
NOV

Town Council Meeting – 6 p.m. hybrid format (dinner at 5 p.m.)

Council Chambers, online or phone-in; **Council photos at 5 p.m.*

20
NOV

Starlighting – 2-6 p.m., ceremony at 5 p.m.

Downtown Castle Rock

25-26
NOV

Thanksgiving Holiday - Town Offices Closed

Rec Center, MAC closed Thursday, open normal hours on Friday

CALENDAR ITEMS

7
DEC

Town Council Meeting – 6 p.m. hybrid format (dinner at 5 p.m.)
Council Chambers, online or phone-in

21
DEC

Town Council Meeting – 6 p.m. hybrid format (dinner at 5 p.m.)
Council Chambers, online or phone-in

23
DEC

Christmas Eve Holiday Observed - Town Offices Closed
Rec Center, MAC open normal hours

24
DEC

Christmas Day Holiday Observed - Town Offices Closed
Rec Center, MAC close at 2 p.m.

25
DEC

Christmas Day - Town Offices Closed
Including Rec Center, MAC

31
DEC

New Years Day 2022 Holiday Observed - Town Offices Closed
Including Rec Center, MAC

NEIGHBORHOOD MEETINGS

Scheduled on Town Calendar:

8
NOV

The Learning Experience SDP, 6-7 p.m. Hybrid at the Library

Proposed 10,000 sq. ft. daycare facility and 5,200 sq. ft. playground at the west side of Meadows Blvd between Painthorse Dr and Shane Valley Trl

9
NOV

Chateau Valley SDP, 6-7 p.m. Hybrid at Mesa Middle School

63 paired homes (126 units) and 297 single family homes on 113 acres located north of the Baldwin Park neighborhood and proposes to extend to South Valley Dr to access proposed development.

15
NOV

Kum & Go, 6-7 p.m. Hybrid at Town Hall

Rezone to allow a gas station use, located at SW corner of Plum Creek Pkwy and Crystal Valley

*The Following Meetings are Tentative:

18
NOV

***Davey Daycare, 5-6 p.m. Virtual**

300 square foot sunroom addition to the building at 399 N. Gilbert St.

18
NOV

***Kompass at Montana Vista SDP, 6-7 p.m. Virtual**

3 stand-alone restaurants in Montana Vista Planned Development, located at SW corner of Alexander Pl and Brewer Ct

23
NOV

***6 S. Cantril (Craig & Gould neighborhood), 5-6 p.m. Virtual**

New duplex and detached garage in Craig & Gould's neighborhood



NEIGHBORHOOD MEETINGS

*The Following Meetings are Tentative:

23
NOV

***Avilla at Founders (Bella Mesa South) SDP, 6-7 p.m. Virtual**

105 single-story residential units (one-bedroom duplex, two-bedroom and three-bedroom houses) located at northwest corner of Mikelson Blvd and Mitchell St

30
NOV

***Mount Royal Rezone and SDP, 6-7 p.m. Hybrid at the Library**

3 single family lots in Plum Creek PD, located west of the intersection of West Prestwick Wy and Mount Royal Dr

13
DEC

***Canyons South Annexation and Zoning, 6-7 p.m. Hybrid at Town Hall**

Annex 409 acres of unincorporated Douglas County property into the Town limits to develop a new neighborhood consisting of 474 single-family homes and 50,000 sq. ft. of neighborhood commercial located south of Crowfoot Valley Road, east of Founders Pkwy, north of Crimson Sky Dr and west of Castle Oaks Dr

14
DEC

***Crystal Valley Ranch Filing 18, Tract C, 2nd Meeting, 6-7 p.m. Hybrid at The Pinnacle**

Mixed-use development with 24 two-story townhome units and a two-story commercial building (first floor retain and second floor office) on a 4-acre site at SE Corner of W. Loop Rd and Crystal Valley Pkwy

< >



Town of Castle Rock

Agenda Memorandum

Agenda Date: 11/2/2021

Item #: 2. **File #:** ID 2021-115

To: Honorable Mayor and Members of Town Council

From: Matt Gohl, Special Projects Manager

Thru: David L. Corliss, Town Manager

Update: Wireless Cellular Facilities

Executive Summary

In 2018, the Town's Wireless Code was revised to align with updated State and Federal regulations. Additionally, processes for handling applications for new wireless communication facilities (WCFs) were streamlined. As the Town grows, so do the demands for cellular coverage in the community. Providers, driven by market demand, are responsible for determining technology, location and timing for installation of new WCFs.

The discussion that follows provides a brief update of the Town's approach to handling WCFs in the community, plus information regarding existing and proposed wireless communication facilities within Town boundaries. Periodic updates will be provided to Town Council in the future as well.

Discussion

Background

Town Council, in 2018, approved updates to the Town's Wireless Code. In addition to ensuring compliance with Federal and State regulations, updates to the wireless code provided accommodation for small cell technology in the right-of-way. Along with compliance to the updated Code, wireless providers utilizing Town right-of-way will be required to enter into a Master License Agreement with the Town that has additional standards and requirements for design, operations and fees.

Staff is currently working with outside legal counsel to evaluate the existing 2018 Wireless Code. The purpose of this review is to ensure that the Code represents the most recent best practices and remains in alignment with federal regulations. The Town received initial comments in October and is reviewing them at this time. Any proposed changes to the Town's Wireless Code will be presented to Town Council for approval in the future.

Wireless Communication Facilities (WCFs) include macro and small cell technologies. Macro facilities are larger scale sites, typically stand-alone towers or rooftop locations, which provide larger

scale cellular coverage. A small cell facility is defined as a wireless facility in which an antenna would fit into an enclosure that does not exceed three cubic feet in volume. These facilities are most commonly placed on light poles or traffic signals and are used to expand capacity of the overall network. More information about small cell WCFs can be found in **Attachment A**.

Town Wireless Communication Facilities

When a provider requests installation of a new WCF within Castle Rock, approval can be either administrative or by Council action dependent on the required land use approval process for the specific wireless communication facility. For WCFs located on Town property (outside of right-of-way), the Town will act as a property owner first and land use regulator second. The Town acting as the property owner, rather than the land use regulator, has much more discretion in making a decision about locating wireless communication facilities on a specific Town property. Site locations within Town-owned right-of-way go through a permitting process managed by the Town's Development Review Team.

The Town currently has three master license agreements (MLA) in place with Verizon and infrastructure providers Zayo Group and SQF. MLAs provide a base agreement with providers that stipulate standards for design, operation, applicable fees, and expedite the application process for small cell locations in the right-of-way.

There are currently 19 WCFs within Town boundaries including 10 macro and nine small cell facilities. None of the existing small cell facilities are located in right-of-way. There are applications in process for seven small cell sites in Castle Rock and one application related to an existing tower on Reservoir Road. Timing is unknown for the installation of the proposed infrastructure. Once the Town approves the addition of a new WCF, the actual construction timeline is determined by the provider.

At the May 19, 2020 Town Council meeting, staff sought direction regarding a request from American Tower to increase the height of an existing cell tower, located on Town property at 1582 Reservoir Road, twenty feet to accommodate the addition of AT & T on to the tower. Town Council directed staff to work with American Tower towards an agreement for the increase that would be brought back to Town Council for review and decision. American Tower has submitted plans for the height increase which are currently in the review process with staff and has also approached the Town about extending the lease with the Town for the tower facility. Staff and American Tower have completed the proposed lease extension and are working on an updated sublease for Town equipment on the tower. The height increase and lease extension will be brought before Town Council at a future Town Council meeting for consideration.

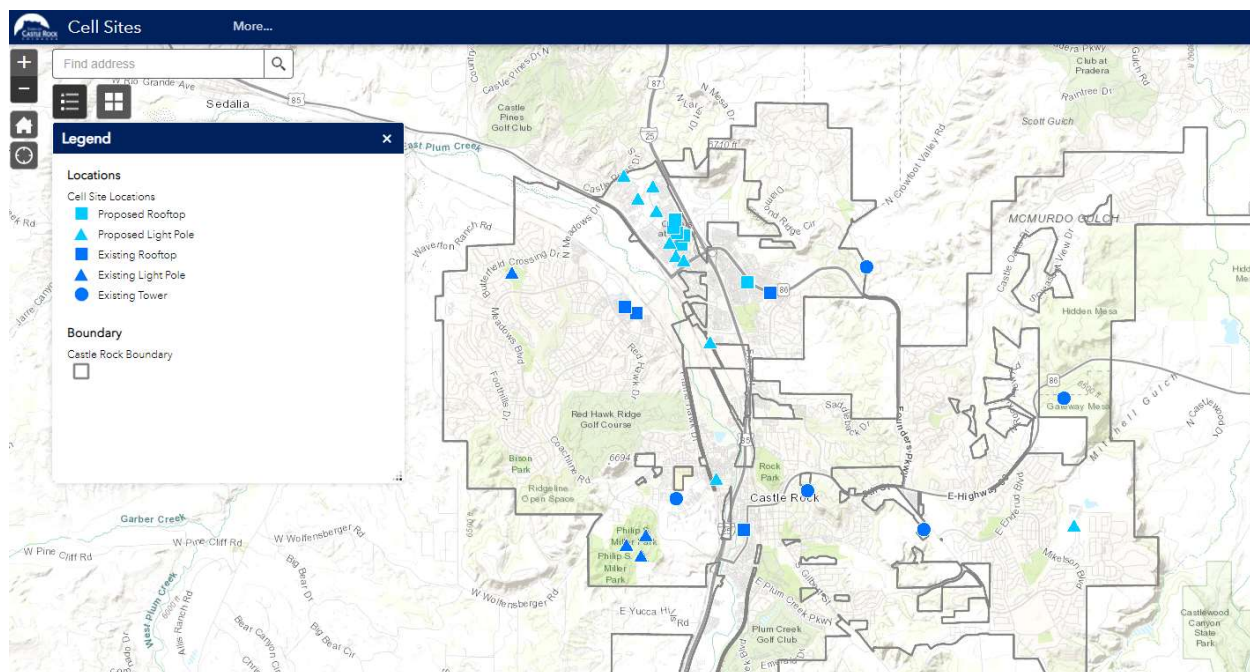
Town staff is prepared and ready to assist wireless providers with infrastructure applications and will continue to follow approved Code requirements to ensure timely responses to all applications and safe construction of any approved wireless site. Since 2016, the Town has received 34 applications for wireless infrastructure including updates to existing infrastructure (such as antenna replacements) or new cell sites. The following table summarizes the applications by status with counts shown by the date of the application.

Year	Applications Approved/ Constructed	Applications Expired or Withdrawn by Provider	Applications Currently Under Review	Applications Denied	Total Applications
2016	5	0	0	0	5
2017	2	3	0	1	6
2018	2	1	0	0	3
2019	1	5	0	0	6
2020	5	1	7	0	13
2021 (YTD)	0	0	1	0	1
Total	15	10	8	1	34

Table 1: 2016 - 2021 WCF Application Status

Seven applications for Verizon small cell facilities were submitted in March 2020 and are still under review. Upon receipt of Town comments in 2020 the applicant allowed the applications to remain dormant until July 2021. Plans have been reviewed by the Town and are currently with Verizon for required revisions. Town staff has met all prescribed review timeframes throughout the review process.

Staff has developed a map that is available at www.CRgov.com/cellsites to show locations of current and proposed WCFs. A sample of this map is shown below.



Conclusion

While the Town has little control over the wireless infrastructure in Castle Rock due to federal laws and market forces, staff continues to monitor cell site applications in the community. Staff will continue to ensure that infrastructure is permitted and constructed properly according to Town procedures. Periodic updates will be provided in the future in an effort to keep Town Council apprised of any updates and changes regarding cell site in Castle Rock.

Item #: 2. File #: ID 2021-115

Attachments

ATTACHMENT A: Small Cell Technology FAQ

Small Cell Technology Frequently Asked Questions



Communities across the Front Range have seen the installation of small cell facilities, as allowed by State and Federal Laws. Several applications have been received by the Town and all are reviewed prior to approval. It is anticipated that the installation of these small cells within the Town may occur by the end of 2020.

What is a small cell facility?

A small cell facility is an antenna, along with accessory equipment, that provides cellular and data coverage to smaller geographic areas, usually benefitting high-use or poor coverage areas within the larger cellular network. Because of their smaller coverage area, use of small cells requires a greater number of facility sites than traditional cellular towers.

Small cell antennas are generally the size of a suitcase and must be under 20 cubic feet in total volume, per State law. They typically are located on streetlights or traffic signals. Like other utilities,

the equipment is allowed in public rights of way, per State and Federal laws.



What is the Town's role with regard to small cell facilities?

The Town's Municipal Code was updated in 2018 to provide regulations for small cell facilities.

The regulations include how applications are processed; set priorities on where the facilities are located; and established design standards. Additionally, each wireless carrier who wishes to install small cell facilities within the Town must enter into a lease agreement that sets out additional requirements.

Why is there increased interest in installing small cell facilities?

Mobile data traffic has grown significantly and is expected to continue increasing at a rapid rate with the proliferation of mobile devices. Wireless

carrier companies say that existing infrastructure has become congested and cannot meet their customers' needs. Small cell facilities can help address this issue.

How is the Town handling small cell facilities proposed in Town rights of way?

Town staff will review applications in accordance with State and Federal laws, as well as Town Code and technical documents. State law requires the Town to consider applications from all providers equally, and to provide bulk processing of permit requests in 90 days or less, rather than requiring an individual permit process for each small cell facility. A hearing before Town Council would not be required for small cell facilities under the Code.

Can the Town limit or standardize small cell facilities?

The Code encourages locating small cell facilities within public rights of way and on public property, and in nonresidential areas, and attempts to minimize the number of facilities needed. Further, it attempts to minimize the visual impact of the facilities through careful design, siting, landscape screening and innovative camouflage techniques.

Within the Code, the Town's preference is that small cell facilities in the right of way be located on an existing streetlight or on a new pole before being located on a traffic signal. In addition, the code contains spacing requirements between facilities that is consistent with the current spacing of streetlights. The height of any new poles constructed is limited to 40 feet or less.

For a facility to be located in the right of way, the provider needs to enter into a lease agreement with the Town, through which the Town can impose additional requirements.

Can small cell facilities be installed on existing cell towers or buildings on private property?

Small cell technology is different than the antennas found on a traditional cell tower and provide cellular and data coverage to smaller geographic areas, usually in high-use or poor coverage areas. Small cell facilities have been located on buildings in certain areas; however, due to the number of small cell facilities needed to provide coverage, locating only on buildings would not be enough. Providers also say that negotiations with individual private property owners is too complex and time-consuming to deliver on customers' current needs.

Will large cell towers still be needed as small cells come online?

The large cell towers that have provided cellular service for years are a different form of cellular technology that will still be necessary for service, even if small cell facilities are available. The larger towers serve larger geographic areas and are good for voice service, but their data signal can degrade over distance. Small cells provide strong voice and data service within a limited geographic area. The Town's Code update also addressed large "macro" cell towers.

Who can I contact for more information?

Contact the Town's Development Services team at 720-733-3566 or planning@CRgov.com.

CRgov.com/Planning



Town of Castle Rock

Agenda Memorandum

Agenda Date: 11/2/2021

Item #: 3. **File #:** ID 2021-116

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: **Mark Marlowe, P.E., Director of Castle Rock Water**
Matt Benak, P.E., Water Resources Manager

Update: Appropriation of Conditional Water Storage Rights at Prewitt and Fremont Butte Reservoirs *[Morgan, Washington and Logan Counties, Colorado]*

Executive Summary

A key component of the Town's long-term renewable water plan is to acquire additional renewable water rights to add to our water rights portfolio to help reach the eventual goal of becoming 100% reliant on renewable water in an average year. One of the projects identified in the 2016 Water Resources Strategic Master Plan included partnering with Parker Water and Sanitation District (PWSD) on a renewable water project in northeastern Colorado to divert, store and deliver water from that area back to Rueter-Hess Reservoir. This project is beginning to move forward and will also be included in the 2021 update to the Water Resources Strategic Master Plan. To lay Castle Rock's claim to some of this water, we have filed an application with the Water Court to appropriate water under a 2021 water right out of the South Platte River at the Prewitt and Fremont Butte Reservoirs. This water right has the potential to yield up to 3,000 acre-feet of renewable water per year for the Town.

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

On October 27, 2021, Castle Rock Water Commission was updated on this item.

Discussion

The Town has had multiple discussions with Parker Water and Sanitation District (PWSD) over the past several years about partnering on their "South Platte Valley Water Partnership Project" (formerly known as the Logan Farms or Fort Morgan Project). Similarly, to PWSD, the Town has filed a Water Court application (**Attachment A**) for a conditional water storage right in Prewitt Reservoir via the Prewitt Inlet Canal and a conditional water storage right in Fremont Butte Reservoir (see location map, **Attachment B**). A delivery pipeline will be constructed from Prewitt Reservoir to Fremont Butte Reservoir, and water will also be able to be sent back to Prewitt Reservoir and pumped out into a long transmission pipeline all the way back to Rueter-Hess Reservoir. In partnership with PWSD,

Castle Rock will be able to have this water treated and delivered to the Town's service area for use by our customers. This new water right will also be able to be used to extinction meaning after using it we can pick it up at our various local surface diversions and storage reservoirs for reuse. Specifically, the Town is claiming a 111 cubic foot per second (cfs) flow rate from the South Platte River into the Prewitt Inlet Canal and 722 acre-feet (AF) storage right (with one annual refill of the same volume) into Prewitt Reservoir. This water can also be conveyed to and from the future Fremont Butte Reservoir. Additionally, the Town is claiming an 8,000 AF conditional storage right (with one annual refill of the same volume) at Fremont Butte Reservoir.

The South Platte Valley Water Partnership Project (Project) is a long-term renewable water project for both PWSD and Castle Rock and will likely involve other future partners. One early phase of the project may involve a pipeline from the Lost Creek area of Weld County where Castle Rock currently owns nearly 1,500 AF of water rights. This infrastructure would give the Town the opportunity to move this water to Rueter-Hess Reservoir in a timeframe of around 10 years. Construction of other major infrastructure associated with the Project will likely occur in the 2040 timeframe and beyond with conceptual project costs of approximately \$400 million. Castle Rock's share of this Project may be in the \$80 million to \$120 million range.

Budget Impact

Costs associated with development of the Water Court Application include both legal (Lyons-Gaddis) and engineering services (W.W. Wheeler and Associates). Funds have been drawn from 211-4340-443.30-50 Legal Services which has a remaining 2021 budget of -\$4,638 and 211-4340-443.30-40 Engineering Services which has a remaining 2021 budget of \$229,570. Legal and engineering work in support of this application is estimated to be up to \$15,000. Water Resources staff will work with Finance to determine budget transfer details for the Legal Services account before the end of calendar year 2021.

Attachments

Attachment A: Water Court Application for Conditional Water Storage Rights (Draft)
Attachment B: Location Map of the South Platte Valley Water Partnership Project Infrastructure

District Court, Water Division No. 1 State of Colorado 901 9 th Ave. Greeley, CO 80631 (970) 475-2400	
CONCERNING THE APPLICATION FOR WATER RIGHTS OF APPLICANT THE TOWN OF CASTLE ROCK IN MORGAN, LOGAN, WASHINGTON, AND DOUGLAS COUNTIES	Court Use Only
Madoline Wallace-Gross – No. 32255 Anthony J. Basile – No. 43782 Attorneys for Applicant, Town of Castle Rock Lyons Gaddis Kahn Hall Jeffers Dworak & Grant, PC P.O. Box 978 Longmont, CO 80502-0978 Telephone: (303) 776-9900 E-mail: mwg@lyonsgaddis.com ; abasile@lyonsgaddis.com	Case No. 2021CW____ Water Division No. 1
APPLICATION FOR CONDITIONAL WATER STORAGE RIGHTS	

1. **Name, mailing address, email address and telephone number of Applicant.**

The Town of Castle Rock (“Applicant”)
 Attn: Mark Marlowe, Director of Castle Rock Water
 175 Kellogg Court
 Castle Rock, Colorado 80109
 (720) 733-6001
mmarlowe@crgov.com

Serve all pleadings on:

Madoline Wallace-Gross
 Anthony Basile
 Lyons Gaddis Kahn Hall Jeffers Dworak & Grant, PC
 P.O. Box 978
 Longmont, CO 80502-0978
 (303) 776-9900
mwg@lyonsgaddis.com
abasile@lyonsgaddis.com

2. **Background.** Applicant seeks a conditional water storage right in Prewitt Reservoir via the Prewitt Inlet Canal and a conditional water storage right in Fremont Butte Reservoir via a pump and pipeline from the Prewitt Reservoir. A delivery pipeline from Prewitt Reservoir to Fremont Butte Reservoir will be used to convey water to storage in Fremont Butte Reservoir and to deliver water back to Prewitt Reservoir for delivery to

a pipeline from Prewitt Reservoir to Rueter-Hess Reservoir for Applicant's use. A map showing the location of the relevant structures is attached hereto as **EXHIBIT A**.

CONDITIONAL STORAGE RIGHTS

3. **Name of Structure:** Prewitt Reservoir.

- A. **Legal description of location of reservoir:** Storage space within the existing off-channel Prewitt Reservoir which is located in all or parts of Sections 1, 2, 10, 11, 12, 13, 14, and 15 in Township 5 North, Range 54 West of the 6th P.M. and in parts of Sections 5, 6, and 7 in Township 5 North, Range 53 West of the 6th P.M., in Washington County, Colorado and in part of Section 31, Township 6 North, Range 53 West of the 6th P.M. and part of Section 36, Township 6 North, Range 54 West of the 6th P.M. in Logan County, Colorado. The center of the outlet works in the dam of Prewitt Reservoir is located at: SE $\frac{1}{4}$ NE $\frac{1}{4}$ Section 2, Township 5 North, Range 54 West of the 6th P.M. in Washington County, Colorado.
- B. **Source:** South Platte River.
- C. **Name, capacity and point of diversion of ditch used to fill reservoir:** Prewitt Inlet Canal, which has an intake in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ Section 24, Township 5 North, Range 55 West of the 6th P.M. in Morgan County, Colorado, at a point approximately 1470 feet from the west line and 520 feet from the south line of said Section 24; the present capacity is estimated to be 695 cfs, but it may be capable of carrying 1,000 cfs.
- D. **Date of Appropriation:** January 17, 2017.
- E. **How appropriation was initiated:** Applicant initiated this appropriation by: investigating junior storage opportunities on the lower South Platte River for its long term renewable water supply; discussing joint junior storage projects with Parker Water and Sanitation District ("Parker"); budgeting monies in the long-term water utilities budget approved by Town Council for lower South Platte junior storage projects operated in conjunction with Parker; passing of Resolution No. 2017-012, by Town Council, which accepted the 2016 Water Resources Strategic Master Plan wherein the Town described a project with Parker; conducting engineering studies to support the appropriation of new water supplies; passing a director's resolution evidencing the appropriation; and approving and the filing the application.
- F. **Date water applied to beneficial use:** Not applicable.
- G. **Volume claimed:** 722 acre-feet, conditional, with the right to one refill, for storage and as a forebay for conveyance to and from storage in Fremont Butte Reservoir.

- H. **Flow rate claimed:** 111 cfs via the Prewitt Inlet Canal. This flow rate is cumulative for diversion to storage in Prewitt Reservoir and Fremont Butte Reservoir described in paragraph 4.
 - I. **Capacity and surface area of reservoir:** 32,300 acre-feet, with a current restriction of approximately 28,600 acre-feet.
 - J. **Proposed Uses:** All municipal purposes including augmentation, replacement and exchange, with the right to use, reuse and successively use the return flows to extinction within Applicant's service area boundaries by direct use, after storage and by exchange.
 - K. **Place of Use:** Lands within Applicant's water service area boundaries, as such boundaries currently exist or may exist in the future, and lands outside such boundaries by contract as of the filing of this application. A map of the Applicant's current service area is attached hereto as **EXHIBIT B**.
 - L. **Reuse and Successive Use Operations:** Applicant intends to fully consume water diverted pursuant to this storage right, and Applicant is appropriating the sewered and nonsewered return flows generated from the water right that accrues to Plum Creek and Cherry Creek and their respective tributaries. Sewered effluent attributable to this water right will be discharged at the Plum Creek Water Reclamation Authority Wastewater Treatment Plant Outfall located in the SW $\frac{1}{4}$ SW $\frac{1}{4}$ Section 21, Township 7, Range 67 West, 6th P.M., at a point 770 feet from the south section line and 100 feet from the west section line. The UTM coordinates are NAD 83, Zone 13, Easting 508185, Northing 4363729. Sewered effluent attributable to this water right will also be discharged to Cherry Creek at the Pinery Wastewater Treatment Plant Outfall, located in the NE $\frac{1}{4}$ of the NW $\frac{1}{4}$ Section 10, Township 7 South, Range 66 West of the 6th P.M. at a point 200 feet from the north section line and 1,440 feet from the west section line of said Section 10, or any location where the discharge may be relocated in the future. The sewered effluent and non-sewered return flows will be used, reused and successively used by direct use and exchange on Plum Creek and Cherry Creek.
 - M. **Operations:** Water stored in Prewitt Reservoir will be released, delivered and/or transported via reservoirs (including Fremont Butte Reservoir), outlets, pumps and pipelines for ultimate delivery to storage in Rueter-Hess Reservoir, which intercepts Newlin Gulch at a point in the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 30, Township 6 South, Range 66 West, 6th PM in Douglas County Colorado.
4. **Name of reservoir:** Fremont Butte Reservoir.
- A. **Legal description of location of dam centerline:** An on-channel reservoir where the dam axis crosses the thread of an unnamed draw at a point located in the NW $\frac{1}{4}$, Section 35, Township 4 North, Range 53 West, 6th P.M. on the northern section line of Section 35 and is 885 feet from the west section line, in Washington County, Colorado. The western abutment will be in the SE $\frac{1}{4}$,

Section 27, Township 4 North, Range 53 West, 6th P.M., approximately 2,200 ft. from the east line and 200 ft. from the south line; the eastern abutment will be in the NE $\frac{1}{4}$ NE $\frac{1}{4}$ of Section 35, Township 4 North, Range 53 West, 6th P.M., approximately 800 ft. from the east line and 700 ft. from the north line. Applicant anticipates that Fremont Butte Reservoir will be located in all or parts of Sections 27, 33, 34, and 35, Township 4 North, Range 53 West, 6th P.M. and Sections 2, 3, 4, 10, and 11, Township 3 North, Range 53 West, 6th P.M.

- B. **Sources:** South Platte River.
- C. **Surface area of high-water line:** 1,870 acres.
- D. **Vertical height of dam:** 105 feet.
- E. **Length of dam:** Approximately 7,000 feet.
- F. **Total capacity of reservoir:** 72,000 acre-feet. Active capacity: 72,000 acre-feet. Dead storage: none (0 acre-feet).
- G. **Volume claimed:** 8,000 acre-feet, conditional, with the right to one refill.
- H. **Name, capacity and point of diversion of ditch used to fill reservoir:** Prewitt Inlet Canal, described in paragraph 3.C.
- I. **Flow Rate Claimed:** 111 cfs. This flow rate is cumulative for diversion to storage in Prewitt Reservoir and Fremont Butte Reservoir described in paragraph 3.
- J. **Date of Appropriation:** January 17, 2017.
- K. **How appropriation was initiated:** Applicant initiated this appropriation by: investigating junior storage opportunities on the lower South Platte River for its long term renewable water supply; discussing joint junior storage projects with Parker; budgeting monies in the long-term water utilities budget approved by Town Council for lower South Platte junior storage projects operated in conjunction with Parker; passing of Resolution No. 2017-012, by Town Council, which accepted the 2016 Water Resources Strategic Master Plan wherein the Town described a project with Parker; conducting engineering studies to support the appropriation of new water supplies; passing a director's resolution evidencing the appropriation; and approving and the filing the application.
- L. **Date water applied to beneficial use:** Not applicable.
- M. **Proposed Uses:** See paragraph 3.J.
- N. **Place of Use:** See paragraph 3.K.
- O. **Reuse and Successive Use Operations:** See paragraph 3.L.

- P. **Operations:** Water will be diverted at the Prewitt Inlet Canal on the South Platte River, delivered into space in Prewitt Reservoir, pumped at a rate of up to 250 cfs from Prewitt Reservoir (at the Fremont Butte Pumping Works and Pipeline), and delivered via pipeline to Fremont Butte Reservoir.
5. **Integrated Water Supply Plan.** The storage water rights described herein are components of Applicant's integrated water supply system, which consists of underground water rights, storage water rights, appropriative rights of exchange, surface water rights, non-tributary groundwater rights and plans for augmentation. Pursuant to C.R.S. § 37- 92-301(4)(B), work on one feature of the integrated system shall be considered in finding that reasonable diligence has been shown for all features of the integrated system.
6. **Owners of land upon which structures are or will be located.** Names and addresses of owners or reputed owners of the land upon which any new diversion or storage structure, or modification to any existing diversion or storage structure is or will be constructed or upon which water is or will be stored, including any modification to the existing storage pool.
- A. **Prewitt Inlet Canal and Diversion Structure.** State of Colorado, Dept. of Natural Resources, 122 E. Edison St., Brush, CO 80723 and Dixier Water LLC 400 Poydras St., Ste 2100, New Orleans, LA 70130,
- B. **Prewitt Reservoir.** Prewitt Reservoir Land Co. and/or Logan Irr. Dist., Iliff Irr. Dist., and Morgan-Prewitt Res. Co., PO Box 333, Sterling, CO 80751; and Patrick J. and Luann August Gebauer, c/o Luann August, 15488 Co. Rd. 57, Hillrose, CO 80733; Brundage Family Limited; Partnership Rlllp7837 South Perry Park Road, Larkspur, CO 80118; Colorado Board of Land Commissioners, 1127 Sherman Street, Denver, CO 80203; Colorado Division Of Wildlife & Wildlife Commission, 6060 Broadway, Denver, CO 80216; DBG Farms, LLC, 3300 South Parker Road, Ste 300, Aurora, CO 80014; Fritzler Andrew S Sub Trust; Ua Dtd 2-5-16 Created Under Harold Fritzler Living Trust; 16226 County Road 59.5, Merino, CO 80741; Fritzler Brian Douglas Sub Trust; Ua Dtd 2-5-2016 Created Under Harold Fritzler Living Trust; 15998 County Road 59.5, Merino, CO 80741; Fritzler Donna, 43205 Co Rd AA, Akron, CO 80720; Gebauer Patrick J. & Luan August, c/o Luan August, 15488 Co Rd 57, Hillrose, CO 80733; Gen3 Farms LLC, PO Box 178, Merino, CO 80741; Kaiser Hilde Gill & Jerald R Kaiser, 11213 West Asbury Avenue, Lakewood, CO 80227, Thompson Jeanne Gill, 3623 East Geddes Drive, Centennial, CO 80122; and 22 Ranch, 15355 US Highway 6, Rt 1, Box 86G, Merino, CO 80741.
- C. **Fremont Butte Reservoir.** Gary R. & Judith A. Anderson, 20750 Co. Rd. 46, Akron, CO 80720; Michael P. & Kendra A. Anderson, 46043 Co. Rd. Y, Akron, CO 80720; Vickie L. Armstrong, 678 W. 11th St., Akron, CO 80720; Arthur D. Cline, 46667 Co. Rd. AA, Akron, CO 80720; Colorado State Land Board, Department of Natural Resources, 1313 Sherman St., Rm. 620, Denver, CO 80203; Phyllis E. Covey, 15267 S. Co. Rd. 21, Blair, OK 73526; Fincher Land Company LLC, 45997 Co. Rd. U, Akron, CO 80720; David E. Garcia, 309 Bocage

Drive, Cheyenne, WY 82009; Kory A. & Shanan Nicole Kessinger, 21250 Co. Rd. 50, Akron, CO 80720; Lila L. Kessinger, PO Box 414, Akron, CO 80720; and Ellen W. Stratton, c/o Jill Dreher, PO Box 248, Akron, CO 80720.

WHEREFORE, Applicant respectfully requests the Court enter a decree approving Applicant's conditional storage rights described herein.

DATED:

**LYONS GADDIS KAHN HALL
JEFFERS DWORAK & GRANT, PC**

By _____
Madoline Wallace-Gross
Anthony J. Basile
**ATTORNEYS FOR APPLICANT
TOWN OF CASTLE ROCK**

DRAFT

EXHIBIT LIST

- A. Map of structures
- B. Town of Castle Rock service area

DRAFT

**VERIFICATION AND ACKNOWLEDGMENT OF APPLICANT OR OTHER PERSON HAVING
KNOWLEDGE OF THE FACTS STATED IN THIS APPLICATION**

I, Gary Thompson, being first duly sworn, hereby state that I have read this application, that I have personal knowledge of the facts stated and, that I verify its contents to the best of my knowledge, information, and belief.

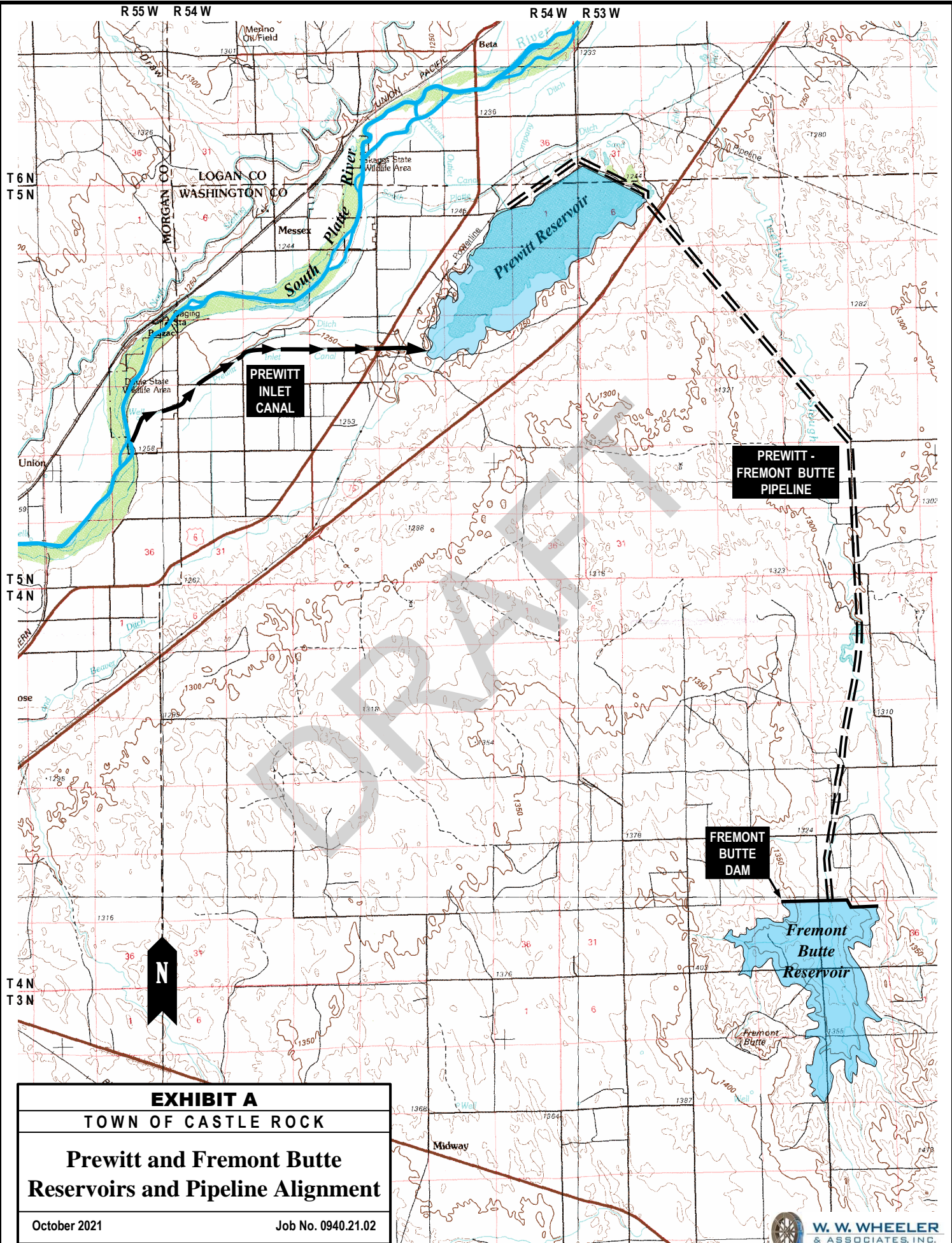
Signature Date

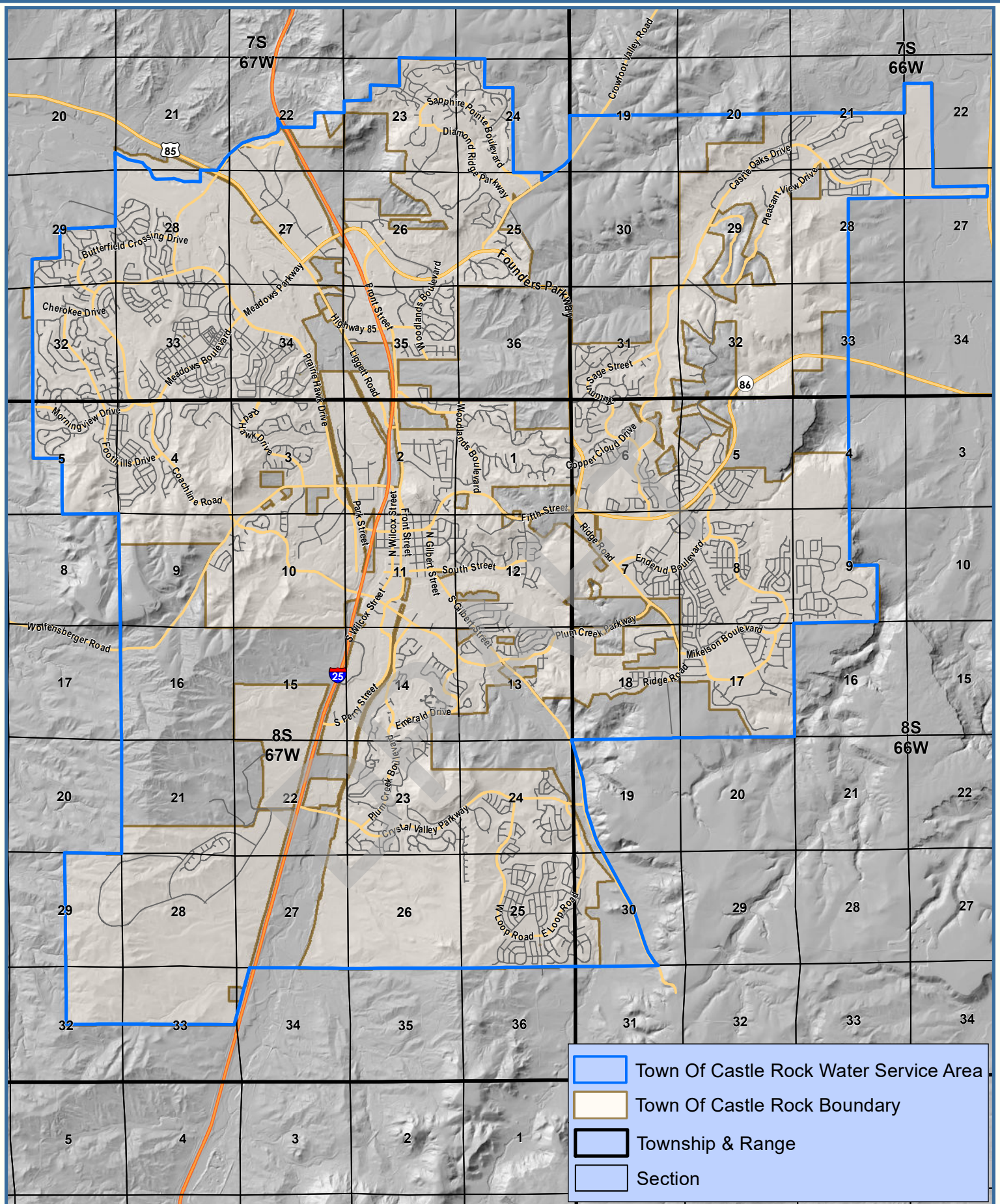
The foregoing instrument was acknowledged before me in the County of Arapahoe, State of Colorado, this ____day of _____, 20____, by the person whose signature appears above.

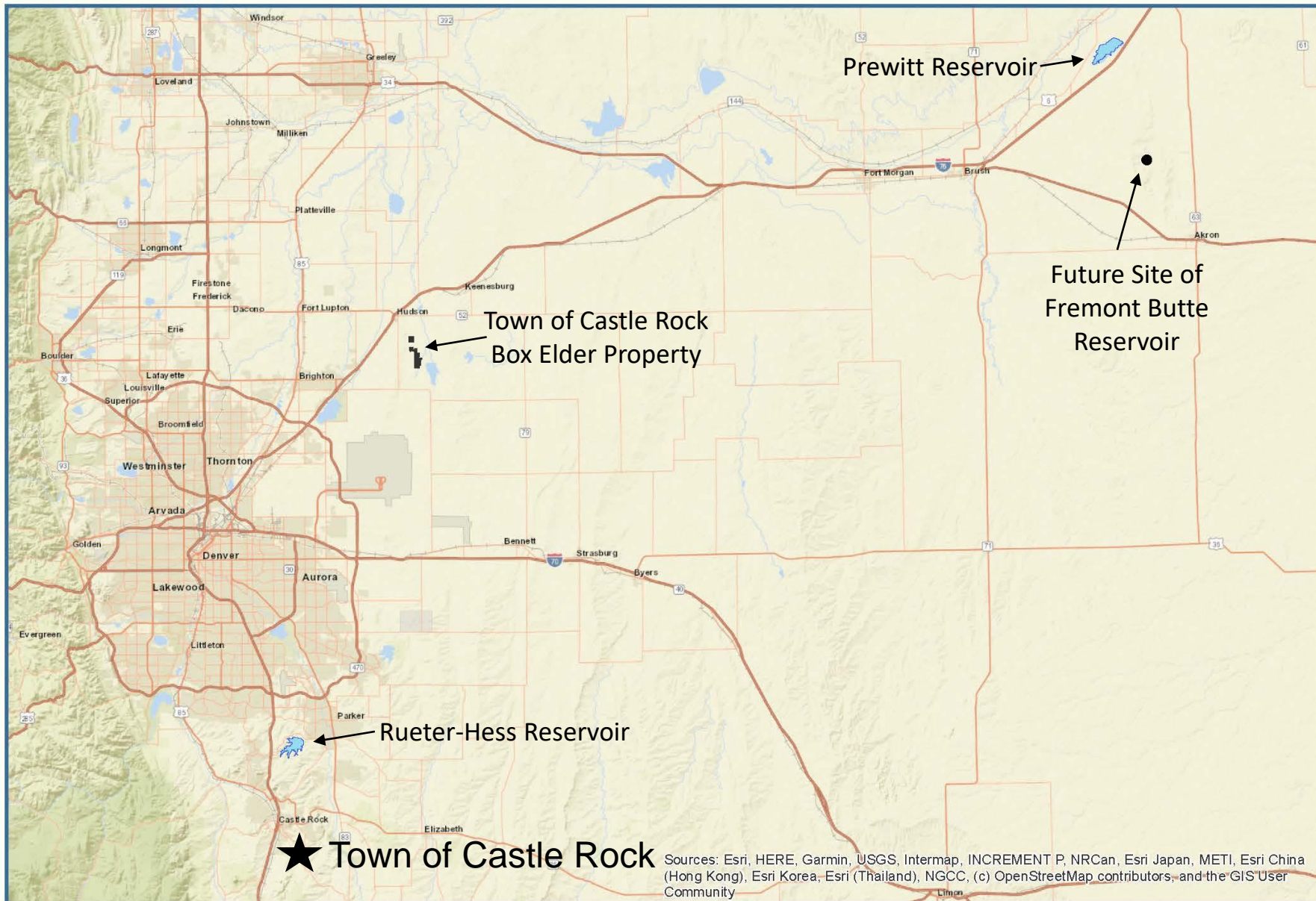
My Commission Expires: _____

Notary Public

The person signing this verification is an engineer for Applicant.









Town of Castle Rock

Agenda Memorandum

Agenda Date: 11/2/2021

Item #: 4. **File #:** ID 2021-117

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, PE, Director, Development Services
Julie Kirkpatrick, PLA, ASLA, Long Range Project Manager

Update: Residential Unit Data (through September 30, 2021) 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. On August 17, 2021, staff presented an updated residential unit data report through the June 30, 2021. This update includes data through the third quarter of 2021, ending on September 30, 2021. 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. The current estimates show an approximate population of 77,283, which is an increase of about 739 persons from the previous quarter. There were 243 additional single family and 0 multi-family homes receiving certificates of occupancy within the third quarter of 2021 as compared to the previous quarter. Staff has also updated the potential buildout estimates. The potential high and low buildout calculations provide more realistic unit and population estimates to aid in planning for future Town resources.

Attachments

Staff Report

Attachment A: Town of Castle Rock PC Zoning Map

Attachment B: Unit Data through September 30, 2021 with Potential Buildout Chart



Meeting Date: November 2, 2021

AGENDA MEMORANDUM

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, PE, Director, Development Services
Julie Kirkpatrick, PLA, ASLA, Long Range Project Manager

Title: **Update: Residential Unit Data (through September 30, 2021)
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. On August 17, 2021, staff presented an updated residential unit data report through the June 30, 2021. This update includes data through the third quarter of 2021, ending on September 30, 2021. 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. The current estimates show an approximate population of 77,283, which is an increase of about 739 persons from the previous quarter. There were 243 additional single family and 0 multi-family homes receiving certificates of occupancy within the third quarter of 2021 as compared to the previous quarter. Staff has also updated the potential buildout estimates. 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 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 initiated a 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 77,300 residents.

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 third quarter of 2021. 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, we update this report quarterly to provide information to Town Council and our residents.

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 2017.

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). 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.

Table A: Comparison of Maximum Zoned Units to Built Units, through September 30, 2021

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.

PD #	Planned Developments (year zoned)	MAXIMUM ZONED UNITS			UNITS BUILT (CO)		
		SF	MF	Total	SF	MF	Total
130	Alexander Place (2020)	26	99	125	0	0	0
5	Arbors (2002)	38	80	80	0	0	0
7,8	Auburn Ridge (2013)	0	286	286	0	186	186
12	Brookwood (2003)	72	0	72	60	0	60
16	Cambridge Heights (2003)	0	100	100	0	0	0
17	Castle Highlands (1984)	132	200	332	127	200	327
19	Castle Meadows (1989)	10	200	210	0	0	0
3,20,21,22,23,117	Castle Oaks /Terrain (2002)	1992	775	2767	1902	0	1902
25,26,27,28,104	Castle Pines Commercial / Promenade (1987)	0	1550	1550	0	1009	1009
29	Castle Ridge East (1996)	30	0	30	28	0	28
30,31	Castle Rock Estates - Diamond Ridge (1995)	126	0	126	126	0	126
33,87,88,89,90	Castleview Estates - The Oaks of Castle Rock (1985)	248	326	574	182	0	182
34	Castlewood Ranch (1998)	1300	0	1300	1282	0	1282
straight zones, downtown	Central Castle Rock (varies) NO maximum zoning	1538	1501 *	3039	1531	791	2322
40	Covenant At Castle Rock (2014)	58	0	58	58	0	58
42,43,44,45,46	Crystal Valley Ranch (2000)	2670	753	3423	2026	0	2026

		MAXIMUM ZONED UNITS			UNITS BUILT (CO)		
PD #	Planned Developments (year zoned)	SF	MF	Total	SF	MF	Total
47	Dawson Ridge (1986)	2447	5453	7900	0	0	0
52,9	Founders Village - Inc. Founders 24 and Bella Mesa (1985)	1754	3667	5421	2493	0	2493
54,55	Hazen Moore (2000)	243	0	243	161	0	161
56,57	Heckendorf Ranch (1985)	406	224	630	299	0	299
59	Hillside (2009)	120	0	120	0	0	0
118	Lanterns (2003)	1200	0	1200	73	0	73
62	Liberty Village (2004)	1245	0	1245	1056	0	1056
63,64,65	Maher Ranch (1988)	2309	100	2409	768	96	864
70,72,73,74	Meadows (1985)	6642	4002	10644	7047	240	7287
75	Memmen Young Infill (1985)	559	476	1035	0	0	0
76,77,78,79,80	Metzler Ranch (1996)	1056	660	1716	741	580	1321
97,98,99,101,103	Plum Creek (1983)	3025	0	3025	1188	360	1548
100	Plum Creek Ridge (2006)	92	70	162	119	0	119
102	Plum Creek South (1985)	307	198	505	137	0	137
106,107,108	Red Hawk (1996)	658	268	926	793	0	793
129	Ridge Estates (2020)	52	0	52	0	0	0
110,111	Scott II (1987)	85	220	305	78	220	298
113	Sellers Landing PD (1982)	0	94	94	0	77	77
115	Stanbro PD (1987)	32	92	124	0	0	0
119	Villages at Castle Rock / Echelon (1981)	0	626	626	0	0	0
121	Wolfensberger - formerly Graham PD (1996)	0	56	56	0	56	56
122,123,124,112	Woodlands - Inc. Scott Ranch (1983) Woodlands Crossing (1987)	1160	0	1160	537	0	537
125,126	Young American (1983)	78	1128	1206	375	186	561
	* includes 221 MF additional units in downtown (The View)	MAXIMUM ZONED UNITS			UNITS BUILT (CO)		
		SF	MF *	Total	SF	MF	Total
TOTAL UNITS		31,710	23,204	54,876	23,187	4,001	27,188
POPULATION ESTIMATES		96,398	46,408	142,806	69,281	8,002	77,283

Table B: Total Estimates Comparison

	MAXIMUM ZONED UNITS			UNITS BUILT (CO)		
End of Year	SF	MF	Total	SF	MF	Total
2017 units	31,744	22,800	54,544	19,444	3,328	22,772
2017 population estimates	96,502	45,600	142,102	57,902	6,656	64,558
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

	MAXIMUM ZONED UNITS			UNITS BUILT (CO)		
End of Quarter 2021	SF	MF	Total	SF	MF	Total
1 st Quarter 2021 units	31,710	23,374	55,046	22,676	4,001	26,677
1 st Q population estimates	96,398	46,748	143,146	67,728	8,002	75,730
2 nd Quarter 2021 units	31,710	22,983	54,655	22,944	4,001	26,945
2 nd Q population estimates	96,398	45,966	142,364	68,542	8,002	76,544
3 rd Quarter 2021 units	31,710	23,204*	54,876	23,187	4,001	27,188
3 rd Q population estimates	96,398	46,408	142,806	69,281	8,002	77,283

* includes 221 MF additional units in downtown (The View)

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.
- Dawson's Ridge was zoned/entitled for 7,900 residential units in 1986. The main loop road Infrastructure (roads, water, sanitary sewer, etc.) was constructed after zoning approval, but development stopped due to various financial issues. Although this development was entitled in 1986 with road and utility infrastructure constructed immediately and some lots platted, not a single building permit has been pulled in the past 35 years. Any construction on this property would require substantial investment to remove and rebuild the crumbling infrastructure.

- 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.

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 effecting 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 142,800 persons, a more realistic future population would be closer to 122,000 to 111,700 persons, or about 44,000 to 39,500 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 September 30, 2021, is estimating a maximum zoned/entitled population of 142,806 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 determined a more realistic buildout population of 122,000 to 111,700 persons.

In August, the US Census Bureau released the 2020 Census data, stating the Town's population was 73,158 on April 1, 2020. Staff's previous estimations of the Town's population through March 31, 2020 was 72,551, which is a difference of 607 persons or approximately 1%.

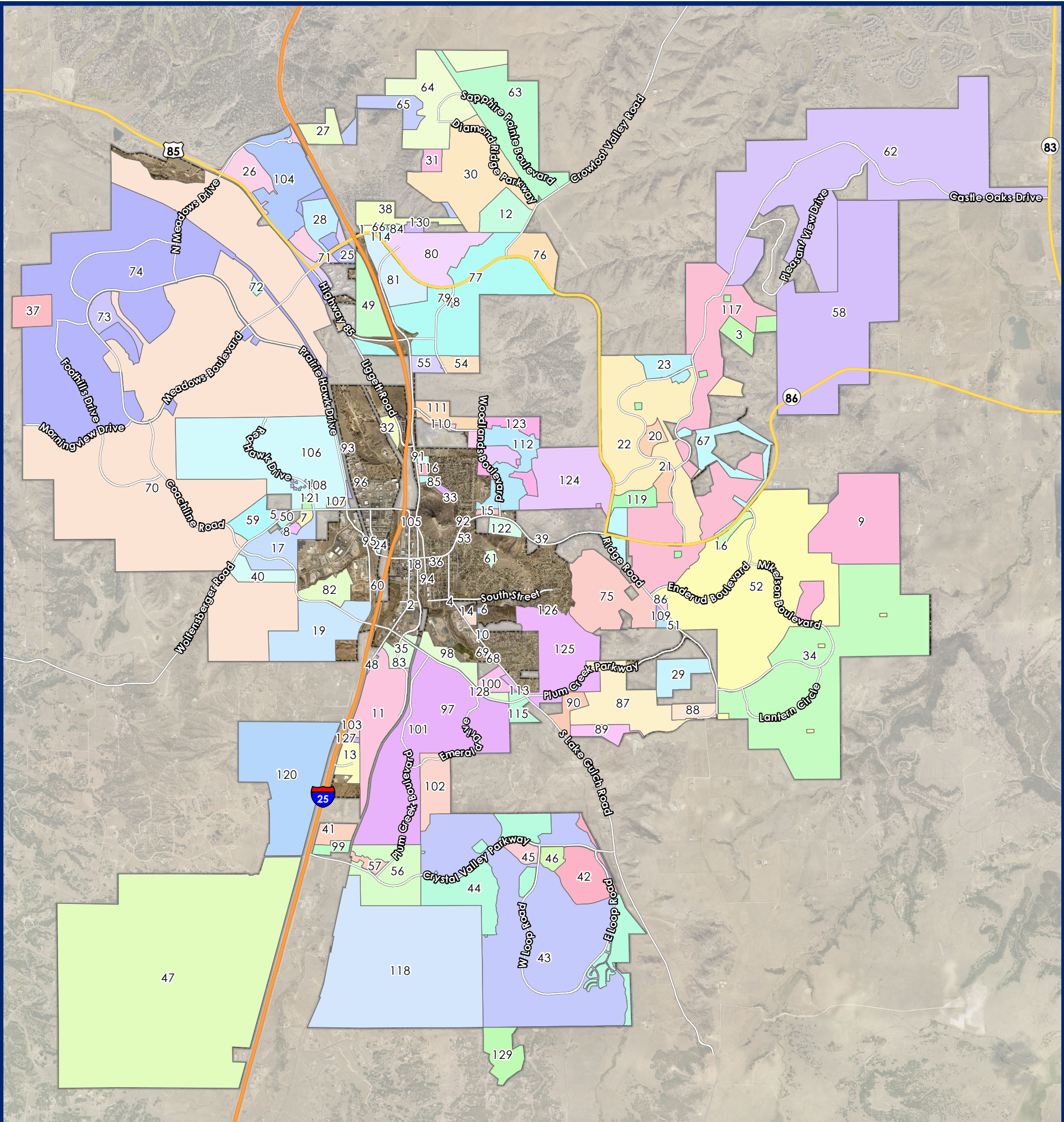
The Town of Castle Rock is an attractive community to live, work and play in, and we expect it will continue to attract residential and commercial growth for many years to come.

Attachments

Attachment A: Town of Castle Rock PD Zoning Map

Attachment B: Unit Data through September 30, 2021 with Potential Buildout Chart

T:\Development Review\Demographics Team\2021\3Q 2021



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.

00.250.51Miles

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 to the public the Town of Castle Rock assumes no liability for its use or accuracy. For questions or comments regarding omissions, corrections, or updates please visit C6gov.com/directory for contact information. Copyright 2020, Town of Castle Rock. Coordinate System: SPCS Colorado Central (8502) Projection: Lambert Conformal Conic Datum: North American 1983 Units: Feet US Creation Date: 10/15/2020

Legend

1. 1-25 AND FOUNDERS PKWY CONOCO PD

2. 18 WILCOX PD

3. 1ST AMD TO CASTLE OAKS PRELIM PD SITE PLAN AMD 1

4. 710 SOUTH STREET

5. ARBORS PD

6. ASPEN MEADOWS PD

7. AUBURN RIDGE PDP NO.1

8. AUBURN RIDGE PDP NO.1 AMD 1

9. BELLA MESA PDP

10. BISHOP COURT PD

11. BROOKSIDE BUSINESS CENTER AMENDED

12. BROOKWOOD PD

13. BURT AT CASTLE ROCK PD

14. BW SQUARED PD

15. CALVARY CHAPEL PDP

16. CAMBRIDGE HEIGHTS PD

17. CASTLE HIGHLANDS MAJOR MODIFICATION

18. CASTLE MANOR PD

19. CASTLE MEADOWS INTERCHANGE OVERLAY PDP

20. CASTLE OAKS AMEND NO. 1 PPD, 2ND

21. CASTLE OAKS AMEND NO. 1 PPD, 3RD

22. CASTLE OAKS AMENDMENT NO. 1

23. CASTLE OAKS ESTATES PDP NO. 1

24. CASTLE PARK SOUTH PD

25. CASTLE PINES COMMERCIAL AMENDMENT (1995)

26. CASTLE PINES COMMERCIAL AMENDMENT (2000)

27. CASTLE PINES COMMERCIAL MAJOR MODIFICATION

28. CASTLE PINES COMMERCIAL PD

29. CASTLE RIDGE PD

30. CASTLE ROCK ESTATES I AMENDMENT

31. CASTLE ROCK ESTATES II PD

32. CASTLE ROCK MARINE PD

33. CASTLEVIEW CONDOMINIUMS PD

34. CASTLEWOOD RANCH MINOR AMENDMENT

35. CENTRE ON PLUM CREEK FLG 2 AMENDED

36. CHRISTIS EPISCOPAL CHURCH PD

37. CHURCH OF THE ROCK PD

38. COOPER-HOOK PD

39. COUNTRY ACRES PD

40. COVENANT AT CASTLE ROCK PDP

41. CREEKSIDE PD

42. CRYSTAL VALLEY RANCH 2ND AMENDMENT

43. CRYSTAL VALLEY RANCH 4TH AMENDMENT

44. CRYSTAL VALLEY RANCH MAJOR AMENDMENT

45. CRYSTAL VALLEY RANCH PDP AMENDMENT NO. 5

46. CRYSTAL VALLEY RANCH PDP AMENDMENT NO. 6

47. DAWSON RIDGE AMENDMENT

48. DEMIS PD

49. DOUGLAS COUNTY JUSTICE CENTER MAJOR MODIFICATION

50. EPIPHANY EVANGELICAL LUTHERAN CHURCH OF CASTLE ROCK PD

51. FAITH LUTHERAN CHURCH PD

52. FOUNDERS VILLAGE AMENDED (1986)

53. GANNON MED/DENTAL PD

54. HAZEN MOORE AMENDMENT

55. HAZEN MOORE PDP NO. 1

56. HECKENDORF RANCH AMD NO.1

57. HECKENDORF RANCH PDP AMD NO.4

58. HERITAGE FARM PD

59. HILLSIDE PDP

60. KREFT PD

61. LARRYS PD

62. LIBERTY VILLAGE 2ND AMENDMENT

63. MAHER RANCH MAJOR AMENDMENT (PHASE 1)

64. MAHER RANCH MAJOR AMENDMENT (PHASE 2)

65. MAHER RANCH PD

66. MAIN PLACE PD

67. MALL AND OFFICE CENTER INFILL

68. MASTER MAGNETICS 2 PD

69. MASTER MAGNETICS PD

70. MEADOWS FOURTH AMENDMENT

71. MEADOWS PARKWAY PD

72. MEADOWS PDP NO. 1

73. MEADOWS PDP NO. 2

74. MEADOWS THIRD AMENDMENT

75. MEMMEN YOUNG INFILL

76. METZLER RANCH 2ND MAJOR AMENDMENT

77. METZLER RANCH PD (1996)

78. METZLER RANCH PD 5TH AMENDMENT

79. METZLER RANCH PDP 4TH AMENDMENT

80. METZLER RANCH THIRD MAJOR AMENDMENT

81. MILESTONE OFFICE CAMPUS AMENDED (1998)

82. MILLER'S LANDING INTERCHANGE OVERLAY PDP

83. MILLER RANCH PD

84. MONTANA VISTA PDP

85. MOUNTAIN SHADOWS PD

86. MT. ZION LUTHERAN CHURCH PD

87. OAKS OF CASTLE ROCK AMD NO.1

88. OAKS OF CASTLE ROCK AMENDMENT NO. 3

89. OAKS OF CASTLE ROCK AMENDMENT NO. 4

90. OAKS OF CASTLE ROCK PD

91. OAKWOOD APARTMENTS PD

92. OAKWOOD PARK PD

93. OMNI STORAGE PD

94. P S MILLER HOUSE

95. PARK STREET BUSINESS CENTER II PD

96. PD (ORD# 3.60 & 3.61)

97. PLUM CREEK AMENDED

98. PLUM CREEK FIRST AMENDMENT

99. PLUM CREEK POINTE AMENDMENT

100. PLUM CREEK RIDGE PD

101. PLUM CREEK SECOND AMENDMENT

102. PLUM CREEK SOUTH PD

103. PLUM CREEK WEST PD

104. PROMENADE AT CASTLE ROCK PDP

105. Q-PETROLEUM PD

106. RED HAWK AMENDMENT NO. 1

107. RED HAWK CROSSINGS PDP NO. 1

108. RED HAWK PD

109. RIDGE VIEW PD

110. SCOTT II AMENDED

111. SCOTT II MAJOR MODIFICATION

112. SCOTT RANCH PD

113. SELLERS LANDING PD

114. SHOPPES ON FOUNDERS

115. STANBRO PD

116. STONE CREEK APARTMENTS PD

117. TERRAIN PDP

118. THE LANTERNS AMENDMENT NO. 3

119. VILLAGES AT CASTLE ROCK PD

120. WESTFIELD TRADE CENTER AMENDMENT

121. WOLFENBERGER PDP

122. WOODLANDS CROSSING PD

123. WOODLANDS MINOR MODIFICATION

124. WOODLANDS SECOND AMENDMENT

125. YOUNG AMERICAN PD

126. YOUNG AMERICAN SECOND AMENDMENT

127. YOUR STORAGE CENTER AT CASTLE ROCK PDP

128. YOUTH FOR CHRIST PD

129. RIDGE ESTATES

130. ALEXANDER PLACE PD

37

ATTACHMENT B

Data through September 30, 2021, please note that these are estimates, and numbers are subject to change

PD #	Planned Developments (year zoned)	MAXIMUM ZONED UNITS			UNITS BUILT (CO)			Potential HIGH Buildout				Potential LOW Buildout				Realistic Notes:
		SF	MF	Total	SF	MF	Total	SF	MF	Total	delta from Max Zoned	SF	MF	Total	delta from Max Zoned	
130	Alexander Place (2020)	26	99	125	0	0	0	0	134	134	9	26	81	107	-18	Low is existing zoning High is recent Preapp proposal - would need a Rezone.
5	Arbors (2002)	38	80	80	0	0	0	0	80	80	0	38	0	38	-42	Zoning allows either 80 MF or 38 SF
7,8	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
12	Brookwood (2003)	72	0	72	60	0	60	72	0	72	0	72	0	72	0	All lots Platted, no more land to plat.
16	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
17	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.
19	Castle Meadows (1989)	10	200	210	0	0	0	0	1500	1500	1290	0	400	400	190	High - Property Builds out all MF at 12 du/acre Low - Property builds out with 400 MF, rest commercial.
3,20,21,22,23,117	Castle Oaks/Terrain (2002)	1992	775	2767	1902	0	1902	2372	0	2372	-395	2372	0	2372	-395	Includes North Basin SDPs for 200 units. Phase I approved, Phase II under review.
25,26,27,28,104	Castle Pines Commercial / Promenade (1987)	0	1550	1550	0	1009	1009	0	1662	1662	112	0	1662	1662	112	Includes approved Promenade multifamily zoning of 300 units
29	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.
30,31	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.
33,87,88,89,90	Castleview Estates - The Oaks of Castle Rock (1985)	248	326	574	182	0	182	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	1282	0	1282	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	1501	3039	1531	791	2322	1531	1988	3519	480	1531	1688	3219	180	Estimating development potential of Downtown to be between 279 and 579 multi-family units
40	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.
42,43,44,45,46	Crystal Valley Ranch (2000)	2670	753	3423	2026	0	2026	3051	96	3147	-276	3051	0	3051	-372	SDP approved for 90 units. Commercial area can have multi-family at 24 du per acre
47	Dawson Ridge (1986)	2447	5453	7900	0	0	0	3408	2445	5853	-2047	2400	1600	4000	-3900	High based off current proposal, Low based off assumptions of 4000 units total
52,9	Founders Village - Inc. Founders 24 and Bella Mesa (1985)	1754	3667	5421	2493	0	2493	3345	0	3345	-2076	3234	0	3234	-2187	Bella Mesa allows for 711 single family units between both Planning Areas. Expect close to full build out to make project pencil out due to capstone.
54,55	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.
56,57	Heckendorf Ranch (1985)	406	224	630	299	0	299	506	0	506	-124	506	0	506	-124	Includes approved Canvas SDP. No other lots available for residential development
59	Hillside (2009)	120	0	120	0	0	0	120	0	120	0	120	0	120	0	Likely will build out to Zoning, SDP approved for 120 units
118	Lanterns (2003)	1200	0	1200	73	0	73	1200	0	1200	0	1200	0	1200	0	SDP approved for full development at 1200 units and is currently under construction
62	Liberty Village (2004)	1245	0	1245	1056	0	1056	1238	0	1238	-7	1238	0	1238	-7	All lots Platted, no more land to plat.
63,64,65	Maher Ranch (1988)	2309	100	2409	768	96	864	768	96	864	-1545	768	96	864	-1545	All lots Platted, no more land to plat.
70,72,73,74	Meadows (1985)	6642	4002	10644	7047	240	7287	7422	740	8162	-2482	7422	240	7662	-2982	MF High is based off estimate of 100 mixed units in TC and 400 units of Senior Housing in COI MF Low is based off complete commercial development in those areas SF is based off approved SDP for 65 units
75	Memmen Young Infill (1985)	559	476	1035	0	0	0	710	0	710	-325	600	0	600	-435	Realistic High includes proposed units of rezone (Founders Vista) and max units of remaining use area not in rezoned. Realistic low knocks out some units of Founders Vista and puts remaining parcel at a more nominal 5 units per acre

Data through September 30, 2021, 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 zoned)	SF	MF	Total	SF	MF	Total	SF	MF	Total	delta from Max	SF	MF	Total	delta from Max	
76,77,78,79,80	Metzler Ranch (1996)	1056	660	1716	741	580	1321	751	660	1411	-305	751	660	1411	-305	Remaining property with entitlement of 69 units donated to the Town .
97,98,99,101,103	Plum Creek (1983)	3025	0	3025	1188	360	1548	1188	360	1548	-1477	1188	360	1548	-1477	Assumes no new construction. Only way to add more units is to rezone Golf Course or open space
100	Plum Creek Ridge (2006)	92	70	162	119	0	119	120	0	120	-42	120	0	120	-42	All lots Platted, no more land to plat.
102	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.
106,107,108	Red Hawk (1996)	658	268	926	793	0	793	887	0	887	-39	887	0	887	-39	All lots Platted, no more land to plat.
129	Ridge Estates (2020)	52	0	52	0	0	0	52	0	52	0	52	0	52	0	SDP approved 52 units
110,111	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.
113	Sellers Landing PD (1982)	0	94	94	0	77	77	0	87	87	-7	0	87	87	-7	Includes recently approved 5 Unit SDP
115	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%).
119	Villages at Castle Rock / Echelon (1981)	0	626	626	0	0	0	12	238	250	-376	0	238	238	-388	Single property allows for 12 units of SF. May not be feasible to build on property
121	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.
122,123,124,112	Woodlands - Inc. Scott Ranch (1983) Woodlands Crossing (1987)	1160	0	1160	537	0	537	605	0	605	-555	605	0	605	-555	All lots Platted in Scott Ranch, no more land to plat. 54 units available in Woodlands Crossing
125,126	Young American (1983)	78	1128	1206	375	186	561	1012	186	1198	-8	825	186	1011	-195	High includes maximum number of units zoned. 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		31,710	23,204	54,876	23,187	4,001	27,188	32,783	11,189	43,972	(10,904)	31,438	8,086	39,524	(15,352)	
POPULATION ESTIMATES		96,398	46,408	142,806	69,281	8,002	77,283	99,660	22,378	122,038	(20,768)	95,572	16,172	111,744	(31,063)	

* includes 221 MF additional units in downtown (The View)



Town of Castle Rock

Agenda Memorandum

Agenda Date: 11/2/2021

Item #: 5. **File #:** ID 2021-118

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Tara Vargish, PE, Director, Development Services
Brad Boland, AICP, Planner II

Update: Undeveloped Property Inquiries (through October 21, 2021)

Executive Summary

The purpose of this update is to provide a quarterly update on information related to potential development on entitled properties in Town that are undeveloped. In 2020, Town staff conducted a comprehensive review of existing zoning entitlements of land that has not yet been developed in Town. To better enable and graphically show this research, staff has generated a map identifying the remaining areas of land within the Town of Castle Rock that are currently entitled to development. The existing zoning entitlements have also been identified for each parcel. This update includes inquiries through October 21, 2021. Previous updates provided a series of maps. These maps have been migrated online as a single map and can be found as a tab on the Town's Development Activity Map and is available to the general public. The map can be accessed by going to

[CRgov.com/DevelopmentActivityMap](https://castlerock.maps.arcgis.com/apps/MapSeries/index.html?appid=5a1a1e455cf94fc7a10dd334276dfe16)

[https://castlerock.maps.arcgis.com/apps/MapSeries/index.html?](https://castlerock.maps.arcgis.com/apps/MapSeries/index.html?appid=5a1a1e455cf94fc7a10dd334276dfe16)

[appid=5a1a1e455cf94fc7a10dd334276dfe16](https://castlerock.maps.arcgis.com/apps/MapSeries/index.html?appid=5a1a1e455cf94fc7a10dd334276dfe16) and selecting the Undeveloped Property tab on the top of the page. The map will be updated regularly to remove any parcels that are now under construction and also provide new information with respect to pending or approved land use approvals.

Attachments

Staff Report



Meeting Date: November 2, 2021

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, Planner II

Title: **Update: Undeveloped Property Inquiries (through October 21, 2021)**

Executive Summary

The purpose of this update is to provide a quarterly update on information related to potential development on entitled properties in Town that are undeveloped. In 2020, Town staff conducted a comprehensive review of existing zoning entitlements of land that has not yet been developed in Town. To better enable and graphically show this research, staff has generated a map identifying the remaining areas of land within the Town of Castle Rock that are currently entitled to development. The existing zoning entitlements have also been identified for each parcel. This update includes inquiries through October 21, 2021. Previous updates provided a series of maps. These maps have been migrated online as a single map and can be found as a tab on the Town's Development Activity Map and is available to the general public. The map can be accessed by going to CRgov.com/DevelopmentActivityMap and selecting the Undeveloped Property tab on the top of the page. The map will be updated regularly to remove any parcels that are now under construction and also provide new information with respect to pending or approved land use approvals.

Discussion

The intent of the review was to provide Town Council with up to date information about land uses which are allowed by right under the current zoning entitlements, and which could potentially be proposed for development at any time by a developer within the Town. Staff believes that by providing this information, we can better assist Town Council with questions and concerns from the residents of the Town when development is proposed for these sites.

Staff identified some of these existing entitlements that could lead to neighborhood concern regarding the types of uses that are allowed by right, as well as the proximity of these potential uses to existing neighborhoods. These properties were identified in the original staff memo and can be found below.

The full Town-wide "Undeveloped Property Map" is now online through the Development Activity Map and generally shows all of the areas in Town that have not been developed or are not currently under construction. By selecting a parcel on the map, information regarding the

entitlements and any current land use applications is provided in a pop up window. The map is updated regularly to remove any of the identified areas/parcels that are now under construction and also provide new information with respect to pending or approved land use approvals and significant inquiries. The map can be accessed by going to CRgov.com/DevelopmentActivityMap and selecting the Undeveloped Property tab on the top of the page.

Reported Parcels of Interest – New Inquiries

Crystal Valley Ranch Commercial



The Crystal Valley Ranch Planned Development Plan was approved originally in 2007 with a 10.4-acre parcel zoned for neighborhood commercial. A 2019 rezoning reduced this commercial land area to 4 acres. The property, shown above, is generally located at the southeast corner of West Loop Road and Crystal Valley Parkway with the following allowed uses:

Neighborhood Commercial: 10.4 acres, allowed uses are community centers, convenience stores with gasoline and car washes, financial institutions, laundries and dry-cleaning services, liquor stores, offices, places of public assembly, recreation center, membership clubs, health clubs, restaurants, lounges and fast food

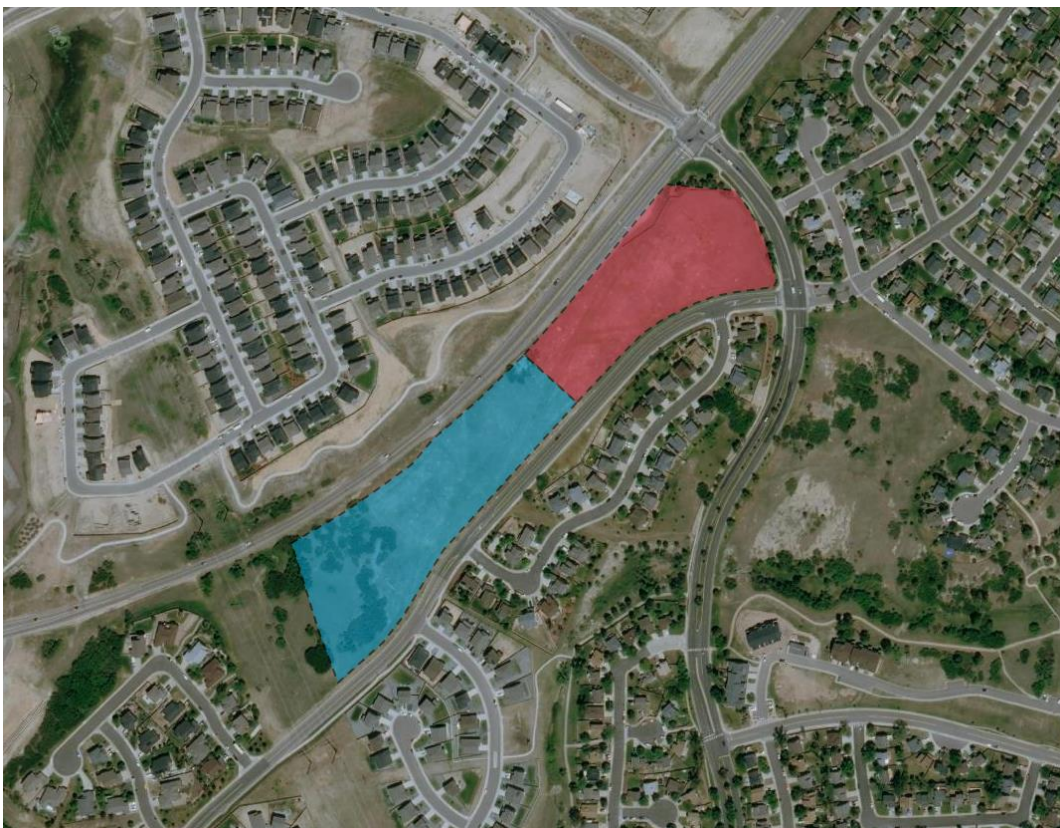
establishments with drive thru, retail stores and display shops, day care centers, single family, multi-family residential, small animal clinic, religious facilities.

Staff received a pre-application meeting request on July 8, 2021 seeking information on application and submittal requirements for a site development plan for the property. The applicant is proposing a mixed-use development with 24 two-story townhome units and a two-story commercial building (first floor retail and second floor office) on the 4-acre site. Each home will have a private two car garage and the commercial site will have 72 parking spaces. The applicant hosted their initial neighborhood meeting on September 29, 2021. The meeting was held in a hybrid format at the P.S. Miller Library with 15 people attending in person and 31 attending virtually. Timing of the project is unknown. The property is located in Councilmember Dietz's District.

Reported Parcels of Interest – No Recent Inquiries

Some parcels in Town have been well known as being planned for development, such as the Meadows Town Center area, however other parcels may not have had any recent inquiries or activity, and therefore may not be as easily associated with future development. The parcels listed below were identified by staff as ones that may not be as well-known or have not had any recent inquiries. Staff has summarized each of these highlighted areas below, including the specific list of allowed uses from the approved zoning entitlements, and information on any recent inquiries regarding development of these parcels.

Cambridge Heights Planned Development



The 11 acre property is located in the Cambridge Heights Planned Development (PD) was approved in 2003 and is currently showing ownership with a group outside the United States. The Planned Development is located along the south side of Highway 86 at Enderud Blvd., just east of the Sunstone/Terrain neighborhood. The PD zoning allows for multifamily on the south portion of the property and neighborhood business uses allowed on the north portion of the property.

Neighborhood Business Use (Red): 4 acres, allows banks, financial institutions, restaurants and w/drive through services, convenience stores with gas and car washes, day care, general office, retail, light automotive services, other commercial uses similar in character, religious institutions. Automotive repair, bars and taverns are not allowed.

Multifamily Use (Blue): 7 acres, allows up to 100 units at 12-15 Dwelling Units (DU) per Acre.

Town staff has not had any inquiries or contact with potential developers concerning this property.

Creekside Planned Development



The 27 acre property is located in the Creekside Planned Development which was approved in 1984, and is shown on the map above. The PD is located along the I-25 frontage road just north of Crystal Valley Parkway. The zoning consists of commercial uses as listed below:

Commercial Use Area: 27 acres allowed uses are general commercial, financial, professional research laboratories, office and retail that include gas station. Automotive sales and service facilities, laundries, parking lots, personal services, public assembly, restaurants, lounges, fast food establishments, transit terminal, veterinary office and boarding kennels.

Staff has not had any development inquiries specific to the Creekside PD within the last few years. The Town is currently working to acquire a portion of this property in support of the future Crystal Valley Interchange which will have an impact upon this property and when it will develop.

Plum Creek Amended Planned Development Plan



The 4 acre property is located in Plum Creek Amended Planned Development which was approved in 1985 and is located along the south side of Plum Creek Parkway just east of Plum Creek Coulevard, shown above.

Neighborhood Commercial: 4 acres, allows retail, financial services, restaurants and lounges, places of assembly, offices, community centers, transit hubs, automotive services, car wash, warehouse, mortuaries and light industrial uses. Zoning specifically prohibits outdoor storage of junked/wrecked vehicles.

Staff has received no inquiries about possible development of this parcel.

Stanbro Planned Development Plan



The 22 acre property is located in the Stanbro Planned Development Plan which was approved in 1987. The property is located on the northwest and southwest corners of Plum Creek Parkway and Lake Gulch Road. The zoning consists of a mixture of uses listed below:

Residential Use Area B (Purple): 7 acres, allows 6-10 DU's per/acre. Allows Single family, apartments and condominiums max 92 units allowed. Total of 124 maximum allowed units for Area A and B combined.

Residential Use Area A (Yellow): 11 acres, 32 single family units allowed.

Neighborhood Commercial Area (Red): 4 acres, allows personal services, financial, retail stores to include liquor stores, restaurants to include drive-through, gas station, automotive uses and child care centers.

The current property owner has contacted the Town numerous times over the past few years about the development potential of the Stanbro PD. Overall, these parcels have many constraints due to the existence of floodplain and possible access challenges. The neighborhood commercial area has had recent inquiries, most recently for a gas station. It is

staff's understanding at this time that the gas station will not proceed due to the challenges mentioned.

Woodlands Crossing



The 19 acre area is part of the Woodlands Crossing Planned Development which was approved in 1987 and is located on the south side of Highway 86 at Woodlands Blvd. The PD allows for the following uses:

Low Density Multi-Family Use Area (Purple): 6 acres, allows townhomes, apartments, condominiums, attached and detached dwellings. 10 DU's per/ac are allowed maximum for multi-family uses and 6 DU's per/ac maximum are allowed for single family detached proposals.

Integrated Business Use Area (Red): 13 acres, allows retail, personal services, financial, indoor places of public assembly, automotive repair, general office, churches, restaurants, lounges and public buildings.

Town staff has received a few inquiries over the past 2 years about development possibilities concerning this site. There have been no inquiries over the past year. The ownership of the identified area is fractured amongst several entities, thus most likely making development challenging at this time.

Summary

After reviewing the existing zoning entitlements of land that has not yet been developed in the Town, staff identified the above properties as ones in need of closer review. Some of these properties have not elicited many development inquiries over the past few years due to a myriad of factors. Staff has researched the allowed uses of these identified areas/parcels to

raise awareness of their status, as some of these specific parcels do not often come up in everyday conversation about development within Castle Rock. Staff's intent is to inform the Town Council of these properties, as well as provide initial zoning/entitlement information for their pending development within the Town of Castle Rock.

This memo is updated quarterly to provide any information with respect to inquiries concerning the above listed Planned Developments or newly identified locations.

T:\Development Review\Pending Development Property Project\2021\Q3



Town of Castle Rock

Agenda Memorandum

Agenda Date: 11/2/2021

Item #: 6. **File #:** ID 2021-119

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.

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 that have been 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, as well as 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

1. New Quasi-Judicial Applications Requiring Public Hearings

Spotlight Theater Use by Special Review

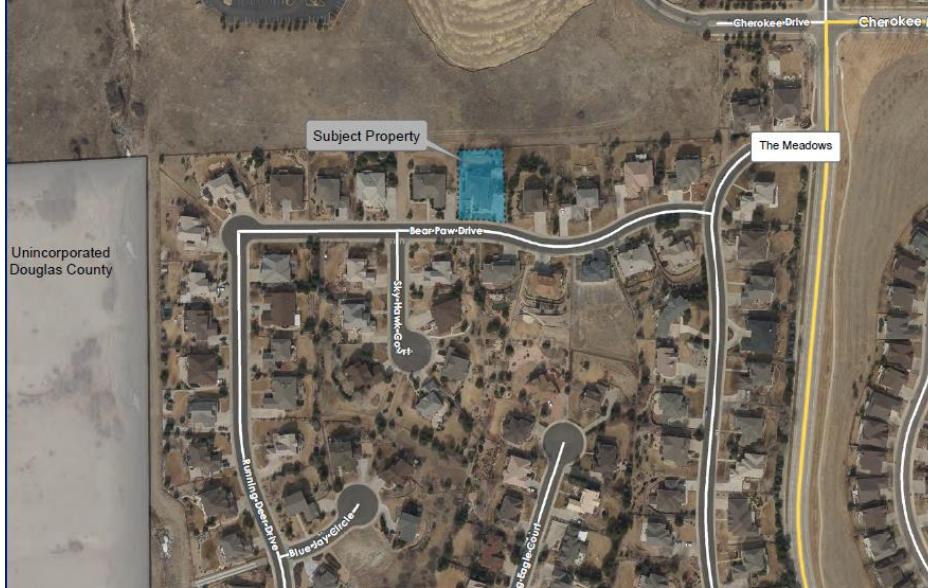


A Use by Special Review – Tenant Finish application was submitted on behalf of Spotlight Theater, for a theater located at 680 Atchison Way #400. Spotlight Theater is a youth theater with dance, vocal, and theater training. Spotlight Theater anticipates a capacity of 100 audience members in the 5,000 square foot space. Theater performances are held on Friday and Saturdays periodically during the course of the year. Training classes are held in the afternoon and early evening during the course of the week. A Use by Special Review is required for theaters in the General Industrial (I-2) Zone District. As Spotlight

Theater is proposed to go in to an existing building it is a Use by Special Review – Tenant Finish; these types of applications require a hearing before Planning Commission for review and final decision. The proposal is located in Mayor Pro Tem Bracken’s district.

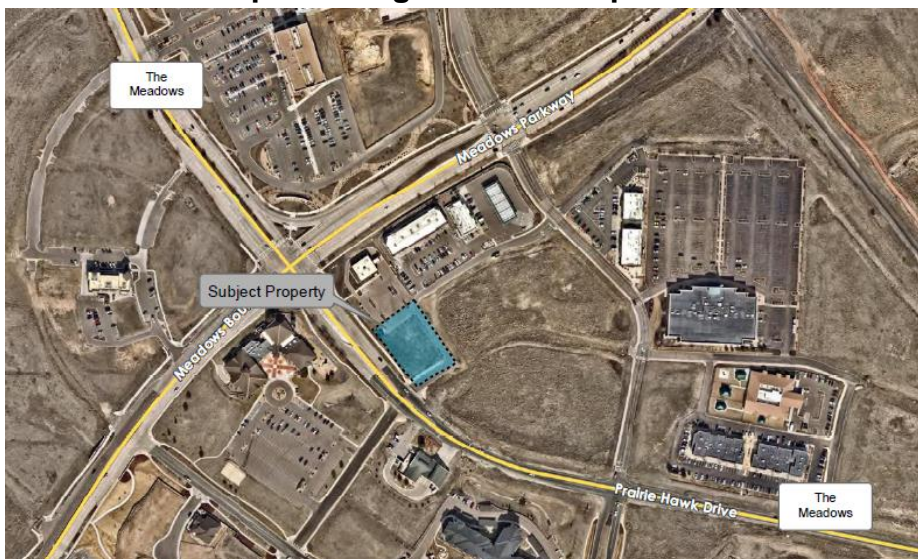
New Pre-Application Meeting Requests

5069 Bear Paw Accessory Dwelling Unit



A pre-application meeting request was submitted seeking information on application and submittal requirements for a new Accessory Dwelling Unit in an existing single family home at 5069 Bear Paw Drive in The Meadows Planned Development. The applicant is proposing to add 100 square foot to an existing 1674 square foot walk out basement and remodel the basement to create the ADU. Please reference the attached vicinity map, application form, narrative, and building plans. The proposal is located in Councilmember Hollingshead’s District.

Auto Service Repair Garage Site Development Plan



A pre-application meeting request was submitted seeking information on application and submittal requirements on a site development plan for a 4,488 square foot auto service repair building on a 0.85-acre lot. The general area is located on the northwest corner of Prairie Hawk Road and Sol Danza Drive, directly west of the movie theater. The proposal is located in Mayor Pro Tem Bracken's district.

Zaika Indian Restaurant Site Development Plan



A pre-application meeting request was submitted seeking information on application and submittal requirements to convert an existing temporary patio enclosure to a permanent enclosure for Zaika Indian Restaurant at 78 E. Allen Street in Metzler Ranch Planned Development. The proposal is located in Councilmember LaFleur's District.

Ongoing Development Activity:

Commercial Development Activity

- **Promenade:**

- Buffalo Wild Wings, site plan and construction drawings approved, located on southwest corner of Factory Shops Boulevard and New Memphis Court.
- Alana at Promenade Apartments, building and site construction for proposed multi-family residential.
- Cuba Cuba, site plan review for enclosed patio located at 6375 Promenade Parkway.
- Shake Shack, building and site construction, located west of Promenade Parkway from Whole Foods.

- **Meadows:**

- Town Center:
 - Ubergripen, TCO for construction of 18,000 square foot indoor climbing wall facility, located on Bilberry Street south of Mercantile Street including a trail connection to the tunnel under Meadows Boulevard.
- Aspen View Academy, site plan amendment and construction document review for an addition, located at 2131 Low Meadow Boulevard.

- Bridge and access road, approved plat and construction documents, connection of the roundabout on North Meadows Parkway south, and then east crossing Plum Creek.
 - Access road, construction documents review for public street construction that will support future commercial/office developments located northwesterly of the N. Meadows Drive roundabout.
 - Castle Rock Adventist Hospital Medical Office Building, site plan amendment and construction document review for a new 70,000 SF medical office building, located at 2350 Meadows Boulevard.
 - Kum and Go, site plan review for a 5,620 square foot Convenience Store and Fuel Canopy at the northwest corner of Meadows Parkway and Lombard Street.
 - Lot grading, retaining wall, and waterline construction plan review and plat, located on vacant commercial lots north of the AMC theatre.
 - The Learning Experience, revised construction plan review for a 10,000 square foot, single-story daycare center to be located on Meadows Boulevard between Springbriar Drive and Shane Valley Trail.
 - Pond Improvements, construction for improvements to existing storm water facility adjacent to Prairie Hawk, south of Low Meadow.
 - Castle Rock Industrial at the Meadows Lot 1, site plan review for new 80,000+/- square foot warehouse space located on the future Timber Mill Parkway north of North Meadows Drive.
 - Castle Rock Industrial at the Meadows Lot 2, site plan review for new 80,000+/- square foot warehouse space located on the future Timber Mill Parkway north of North Meadows Drive.
- **Downtown:**
 - 221 Wilcox Street, site plan review for mixed use building with 38 residential units and 8,100 square foot of retail space, located on the southwest corner of Wilcox and Third Streets.
 - Douglas County Libraries, site plan review for 62,000 square foot library building and demolition of the existing building, located at 100 South Wilcox Street.
 - Encore, building Temporary Certificate of Occupancy and site construction, northeast corner of Wilcox and South Streets.
 - Olinger, Andrews, Caldwell Gibson Chapel Renovation, site and building construction, located at 407 Jerry Street.
 - Perry Street Social, site plan review to create a mini entertainment district, located at 404 N. Perry Street.
 - Pizza Hut Retail Center, building and site construction for new commercial center located at 340 S. Wilcox.
 - Railroad Quiet Zone Railroad, Town project, construction plan review for improvements at 2nd Street, 3rd Street, and 5th Street.
 - Town of Castle Rock Police Department, construction for parking lot expansion, located at Perry Street and 2nd Street.
 - US Postal Facility, TCO for building for retail facility located north of Wells Fargo Bank, adjacent to ENT Credit Union.
 - The View, site plan approved for 6-story building with mixed-uses including 218 residential units, located at 6th Street and Jerry Street.
- **Dawson Trails Residential/Commercial:**

- Dawson Trails, Planned Development amendment for 2,062 acres with 5,850 residential dwelling units and a maximum of 3,200,000 square feet (sf) of commercial/non-residential uses, located to the west of I-25 and generally south and north of Territorial Road.
- **Other Commercial Projects throughout Town:**
 - 7-11 convenience store, fuel island and retail space, site construction located at the southeast corner of Plum Creek Parkway and Lake Gulch Road, adjacent to the newly constructed Town roundabout.
 - Castle Rock Auto Dealerships, site plan review for service center expansion, located at 1100 South Wilcox Street.
 - Castle Rock Industrial Park, site and building construction, office, warehouse, and flex space located at the northwest intersection of State Highway 85 and Liggett Road.
 - Davey Daycare, site plan review (historic preservation) for a 300 square foot sunroom, located at 399 North Gilbert Street.
 - Founders Marketplace, Liberty Express Carwash, site plan amendment and site construction, located northeast of Fifth Street and Founders Parkway.
 - Founders Marketplace, Medical Office Building, TCO for building located in the northeast quadrant of Founders Parkway & State Highway 86.
 - Founders Marketplace, Retail building, site plan approved for mixed-use retail building located on Ridge Road between King Soopers Fueling Station and IREA substation.
 - Garage Condos, site and building construction, located on Liggett Road.
 - Heckendorf Ranch Retail, site plan review for a new 8,100 SF retail building, located on Crystal Valley Parkway east of Plum Creek Boulevard.
 - Miller's Landing, zoning amendment review, site construction plan review, phase one future commercial development site, roadway work, and channel improvement located on Plum Creek Parkway east of P.S. Miller Park.
 - Montana Vista, building Temporary Certificate of Occupancy for 18,000 square foot building located at Alexander Place and Brewer Court.
 - Outlets at Castle Rock, In-N-Out Burger, building and site construction on northwest side of mall on Factory Shops Boulevard.
 - Outlets at Castle Rock, site plan review, two new pad site on west side of mall on Factory Shops Boulevard.
 - Phillip S. Miller Regional Park, construction plan approved for Play Loop Trail.
 - Plum Creek Golf Course, site plan review for new clubhouse located at Plum Creek Boulevard and Players Club Drive.
 - Sanders Business Park, site plan approved and plat in review for 2.4-acre site located south of The Plum Creek Community Church on the I-25 Frontage Road. The future use is a facility for distribution of heating and plumbing equipment.
 - Sanders Business Park Flex Space, site plan review, for four flex space buildings with an approximate total of 51,000 square feet, located on South Wilcox between South Perry Street and Crystal Valley Parkway.
 - StorQuest, site plan review for new 98,000 square foot self-storage and RV parking located off Liggett Road west of Kellogg Court.
 - T-Mobile small cell sites, construction documents for 4 locations in the public right-of-way: 1) Park Street and 8th Street, 2) Factory Shops Blvd & New Memphis, 3) Factory Shops and Outlet Entrance, 4) Limelight near Hospital ER Entrance.

- Target, site construction for electric vehicle charging stations.
- The Famous Steak House, site development plan and interior building renovation, located in former Jarre Creek Brewery building south of Chili's.
- U-Haul self-storage, site construction and buildings permitted for site located on I-25 East Frontage Road north of South Perry Street and Manatt Court.
- Verizon small cell sites, construction documents for multiple locations in public right-of-way: 1) Factory Shops Boulevard and New Beale Street, 2) Promenade Parkway and Castle Rock Parkway, 3) Promenade Parkway, 4) Castlegate Drive West, 5) Castlegate Drive West and Castle Rock Parkway, 6) Factory Shops Boulevard and Meadows Boulevard, and 7) Mitchell Street near Mesa Middle School.
- Walmart, site plan review for new drive-through ATM at the west end of the existing parking lot.
- Wolfensberger Area, 282 Malibu, site construction for two 4,000 square foot commercial buildings, uses area unknown at this time.
- Wolfensberger Area, 105 West Brewery, site plan review for façade and proposed silo.
- Your Storage Center, site construction for 23,800 square foot indoor car storage building, located on the east I-25 frontage road north of Perry Street.

Residential Development Activity

- 302 North Lewis Street Historic Preservation application, 830 square foot detached garage.
- 306 North Lewis Street Historic Preservation application, 400 square foot addition.
- Alexander Way, annexation petition for 73.76 acres of land located north of Alexander Place and Brewer Court.
- Auburn Heights Apartments, rezoning application to amend the zoning and the currently approved site development plan for lot 2 of Auburn Ridge.
- Bella Mesa, plat and construction document review for PLD Tract, located north of Mikelson Boulevard and Mitchell Street.
- Canvas at Castle Rock, site construction, for 102 townhome units, located at Plum Creek Boulevard and Crystal Valley Parkway.
- Canyons South Longstory Avenue, construction plan review for water and sanitary mains for future development, located in Douglas County on the east side of Crowfoot Road.
- Crystal Valley Ranch, site construction, single-family subdivisions located southeast and southwest of Crystal Valley Parkway and West Loop Road. Also, in southern interior portion of Loop Road, south of Loop Road, and between West Loop Road and the Lanterns property.
- Crystal Valley Ranch, revisions to landscaping plans, located west of West Loop Road and River Oaks Street.
- Crystal Valley Ranch, construction plan review for a recreation facility that will serve the new single-family home project located at the southeast corner of West Loop Road and Crystal Valley Parkway.
- Diamond Ridge area, plat for single-family home and outbuilding, located west of Nova Place cul-de-sac.
- Echelon (formerly Caliber at Terrain), site and building construction for a 238 unit multi-family development, located in the northeast quadrant of Founders Parkway and State Highway 86.

- Founders Village, site construction, detached single-family home neighborhood located northeast of Mikelson Boulevard and Mitchell Street.
- Founders Village the Enclave, site construction, 88 additional townhomes to complete the existing development located at Enderud and Wagonwheel.
- Greystone Townhomes, construction plan review for one three-story building with 5 units located northwest of Plum Creek Parkway and Gilbert.
- Hillside, construction document re-approval, single-family attached and detached age 55 and older at the northeast corner of Coachline Road and Wolfensberger.
- Lanterns/Montaine, site construction, main collector loop roadway, Montaine Boulevard, and amenity center located in the south-central portion of the project.
- Lanterns/Montaine, site construction, 107 single-family lot subdivision located in the northerly portion of the project.
- Lanterns/Montaine, site construction, 85 single-family lot subdivision located in the south-central portion of the project.
- Lanterns/Montaine, grading and construction documents approved, 133 single-family lot subdivision located in the southeasterly portion of the project.
- Lanterns/Montaine, subdivision plat, construction documents and erosion control plans for 164 single-family residential lots located in the east interior of Montaine Circle and southeast portion of property.
- Lanterns/Montaine, subdivision plat, construction documents and erosion control plans for 81 single-family residential lots located in the northerly interior of Montaine Circle.
- Lanterns/Montaine, subdivision plat, construction documents and erosion control review for 68 single-family residential lots located in the northerly interior of Montaine Circle.
- Lanterns/Montaine, subdivision plat, construction documents and erosion control plans for 183 single-family residential lots located southwest of Montaine Circle.
- Lanterns/Montaine, site plan and construction documents for monument sign located at Crystal Valley Parkway and Plum Creek Boulevard.
- Lanterns/Montaine, site plan review for family amenity center, located on the northeast corner of E Montaine Circle.
- Liberty Village, site plan review, 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.
- Liberty Village, site construction for 19 lot single-family project at Missoula Trail and Castle Oaks Drive and completion of Castle Oaks Drive/bridge replacement within Cobblestone Ranch property.
- Meadows, site construction, 209 single-family lot subdivision located north of Red Hawk subdivision and west of Prairie Hawk Drive.
- Meadows, site construction for 57 single-family detached homes on the east and west sides of Coachline Road north of Wolfensberger.
- Meadows South, site construction for 116 single-family attached homes on the south side of Wolfensberger Road and adjacent to PS Miller Regional Park.
- Meadows, Paint Brush Park, Town Project, tributary improvements plans in review.
- Memmen Young Infill, rezoning, site development plan review, and associated 5-acre annexation under review, located west of Ridge Road and north of Plum Creek Parkway.

- Oakwood Apartments, site construction and building permits, for senior housing project redevelopment, located on the northeast corner of Front Street and Oakwood Drive.
- Red Hawk, site construction, 29 single-family home project located south of Melting Snow Way and east of Bent Wedge Point.
- Ridge at Crystal Valley, site development plan, plat, and construction documents in review for 142 single-family home project. Located southwest of the Loop Road in Crystal Valley Ranch.
- Terrain North Basin, Phase 1, site plan, plat and construction documents approved for approximately 96 single-family home project located along Castle Oaks Drive.
- Terrain North Basin, Phase 2, site plan review for approximately 105 single-family home project located along Castle Oaks Drive.
- Terrain Sunstone Village, site construction, 120 single-family home project located south of intersection of State Highway 86 and Autumn Sage.
- Terrain Upper Sunstone, site construction, 261 single-family home project located south of State Highway 86 and east of King Soopers/Ridge Road.
- The Oaks Filing 3, site construction, 117 single-family home project located on South Ridge Road west of Appleton Way.



Town of Castle Rock

Agenda Memorandum

Agenda Date: 11/2/2021

Item #: 7. **File #:** ID 2021-120

To: David L. Corliss, Town Manager

Through: Tara Vargish, Director Development Services

From: Kevin Wrede, Planning Manager

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:

Spotlight Theater - Use by Special Review (Tenant Finish)

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.

Withdrawn Quasi-Judicial Applications:

Miller's Landing - Planned Development Plan



Meeting Date: November 2, 2021

AGENDA MEMORANDUM

To: David L. Corliss, Town Manager

Through: Tara Vargish, Director Development Services

From: Kevin Wrede, Planning Manager

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

Spotlight Theater – Use by Special Review (Tenant Finish)



The property owner of Spotlight Theater has submitted an application for a Use by Special Review – Tenant Finish for a theater located at 680 Atchison Way #400. Spotlight Theater is a youth theater with dance, vocal, and theater training center. Spotlight Theater anticipates that they will be able to have a capacity of 100 audience members in the 5,000 square foot space. Theater performances are held on Friday and Saturdays periodically during the course of the year. Training classes are held in the afternoon and early evening

during the course of the week. A Use by Special Review is required for theaters in the General Industrial (I-2) Zone District. As Spotlight Theater is proposed to go in to an existing building, it is a Use by Special Review – Tenant Finish. Use by Special Review – Tenant Finish applications require a hearing before Planning Commission, which makes the final decision. The applicant held their pre-submittal neighborhood meeting on October 7, 2021. The proposal is located in Councilmember Bracken’s district.

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

6 S. Cantril Street Historic Preservation Design Review:



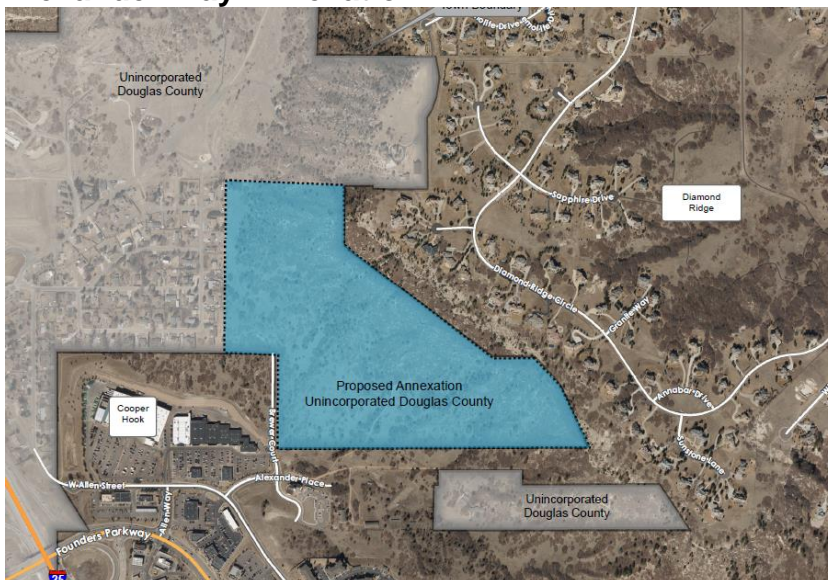
The property owner has submitted a Historic Preservation application for a proposed duplex and detached garage on the vacant lot at 6 S. Cantril Street. Located south of the South Street and S. Cantril Street intersection, the property is north of the Douglas County Fairgrounds and the Town trail and measures approximately 0.161 acres (7,013 square feet). Each, 2-storied duplex unit would include approximately 2,000 square feet with the total square footage for both, 2-storied units measuring about 4,000 square feet. The detached garage structure would measure approximately 500 square feet with vehicular access to the garage from the rear alley. Because this new construction application is within the Craig and Gould’s neighborhood, the application will require a public hearing before the Historic Preservation Board for review and final decision. The project is within Councilmember LaFleur’s district.

221 Wilcox Street Site Development Plan:



The property owner has submitted a Site Development Plan (SDP) application for mixed use project at 221 Wilcox. The property is 0.373 acres in size and located at the southwest corner of N. Wilcox Street and Third Street. The SDP proposes a mixed use development with a total of 38 apartment units, 8,100 sq. ft. of commercial, and 60 parking spaces. The building is proposed at five stories high. The ground floor is to contain the commercial use while the second through fourth floors are to contain the residential use. Parking will be located underground. The SDP will require a public hearing before the Design Review Board for review and final decision. The project is located within Councilmember LaFleur's district.

Alexander Way Annexation:



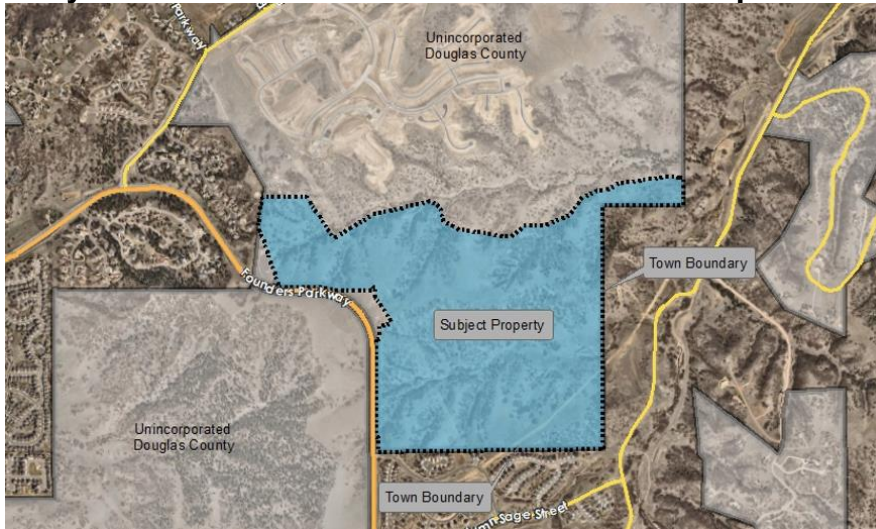
The property owner has submitted an annexation petition to annex 73.76 acres north of the Alexander Place and Brewer Court intersection. The project is being referred to as Alexander Way. The applicant presented the anticipated zoning that they would seek, which would allow 53 single family detached lots and 24 live/works units. The annexation requires public hearings before Planning Commission for review and recommendation and Town Council for final decision. The project is located adjacent to both Councilmember Cavey and Councilmember LaFleur's districts.

Auburn Heights Apartments Planned Development Plan 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, which is approximately 6 acres in size and 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 and the SDP amendment seeks to rearrange the buildings on the site to reduce impacts to surrounding neighbors. The project is known as Auburn Heights Apartments and proposes a total of five apartment buildings containing a total of 104 units, a clubhouse, pool, dog run, playground, and 222 parking spaces. 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 hearing before the Planning Commission for review and recommendation and Town Council for review and final decision. The project is located within Councilmember Bracken's district.

Canyons South Annexation and Planned Development Plan:



The property owner has submitted an annexation petition to annex a 415-acre site located south of Crowfoot Valley Road, east of Founders Parkway, north of Crimson Sky Drive and west of Castle Oaks Drive into the Town of Castle Rock. The owner has also submitted a Planned Development Plan for zoning of the property for a new neighborhood consisting of 474 single-family homes and 50,000 sq. ft. of neighborhood commercial. The annexation and zoning will require public hearing before the Planning Commission for review and recommendation and Town Council for review and final decision. The project is adjacent to Councilmember Cavey's district.

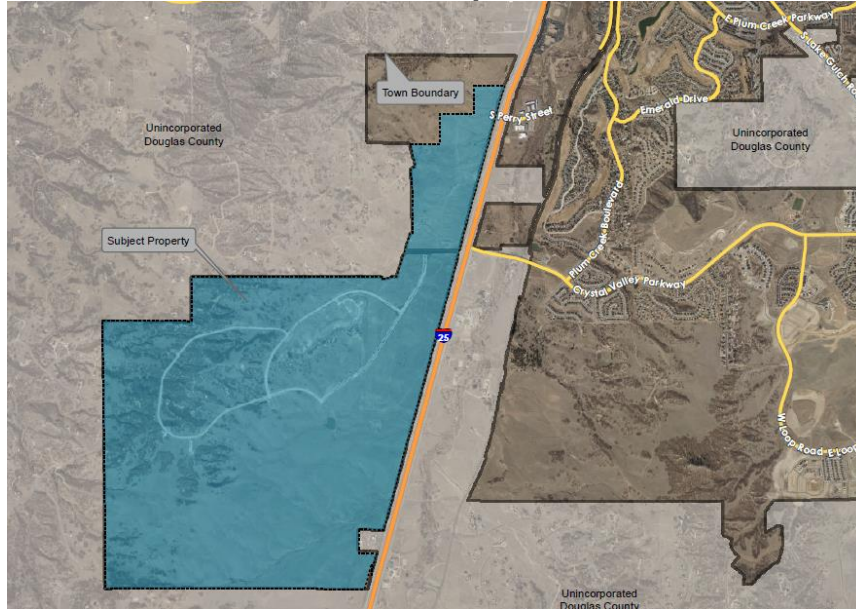
Davey Daycare Historic Preservation Design Review:



The property owner has submitted a Historic Preservation application for a proposed approximately 300 square foot sunroom addition to the building at 399 N. Gilbert Street, also known as Davey Daycare. The property measures approximately 0.360 acres, or approximately 15,682 square feet. The sunroom addition would be on the west, rear side of the building, and would serve as a year-round outdoor space for infants ranging in age from six weeks to 18 months. The property does not have an historic landmark designation, and the building was constructed around 1965. However, since this new

construction project is within the Craig and Gould neighborhood, the application will require a public hearing before the Historic Preservation Board for review and final decision. The project is within Councilmember LaFleur's district.

Dawson Trails Planned Development Plan:



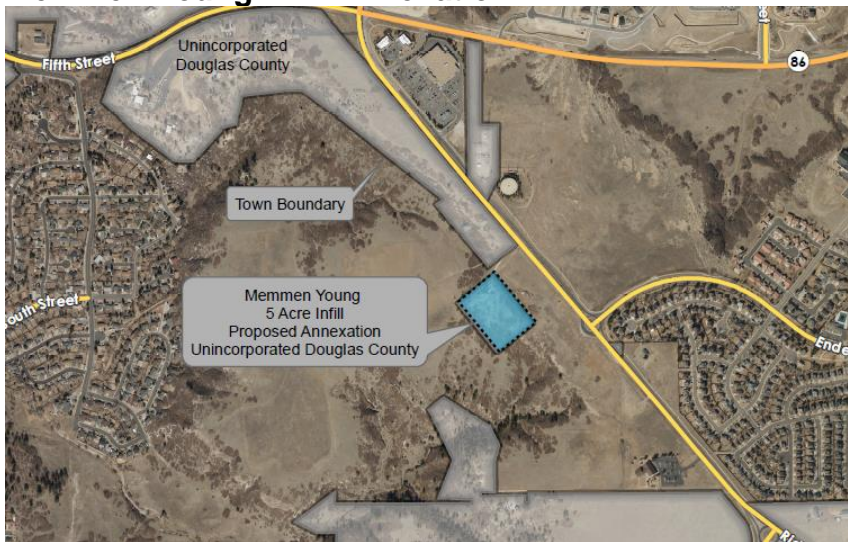
The property owner has submitted an application for the Dawson Trails Planned Development Plan for approximately 2,062 acres located in the southwest quadrant of Town, west of I-25 and generally north and south of Territorial Road. The PD Plan proposes a maximum of 5,850 dwelling units and a maximum of 3,200,000 square feet (sf) of commercial/non-residential uses. The proposed open space dedication is 535.8 acres or 26% of the site, and the public land dedication is 244.6 acres, 11.9% of the site. The PD Plan also reflects the proposed alignment of the west frontage road along I-25 in coordination with the Town's future Crystal Valley Interchange location. The Planned 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 located within Councilmember Dietz's district.

Douglas County Library Site Development Plan:



The property owner has submitted an application for a site development plan for a new Castle Rock branch library. The SDP proposes a new two-story 62,000 sq. ft. library to replace the existing one-story 45,000 sq. ft. library. The existing library will remain open until the new building is constructed. Once the new building is constructed, the old library building will be demolished and replaced with parking. The project is 3.5 acres in size and located at the southeast corner of Wilcox and Phelps. The SDP will require a public hearing before the Design Review Board (DRB) for review and final decision. The project is located within Councilmember LaFleur's district.

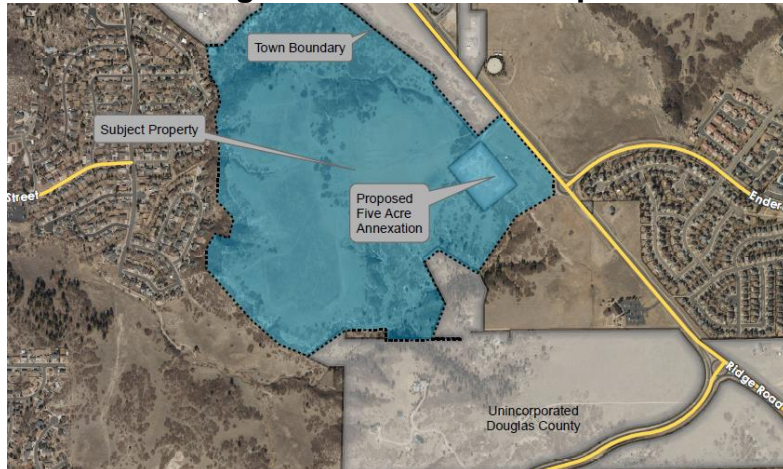
Memmen Young Infill Annexation:



The property owner has submitted a Petition for Annexation for a five-acre parcel. The parcel is located south of Fifth Street, north of East Plum Creek Parkway, and west of Ridge Road. The 5-acre parcel is completely surrounded by the existing Memmen Young Infill Planned Development. A single family residence is currently on the property. The applicant will propose to incorporate the parcel into the Memmen Young Infill PD through the Major Amendment under review. The annexation of the parcel and the Memmen Young Infill PD Major Amendment would be considered concurrently during required public

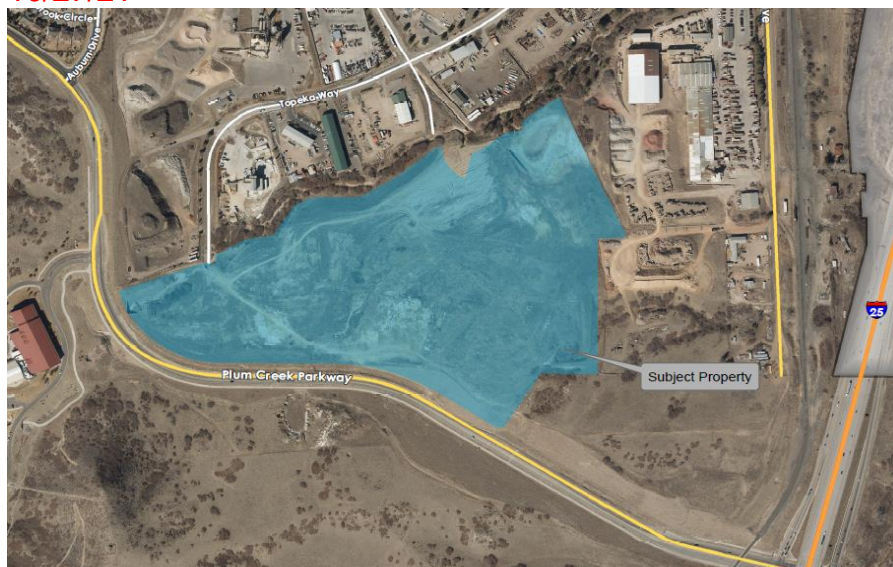
hearings before the Planning Commission for review and recommendation and Town Council for review and final decision. The project is surrounded by Councilmember Johnson's district.

Memmen Young Infill Planned Development Plan and Site Development Plan:



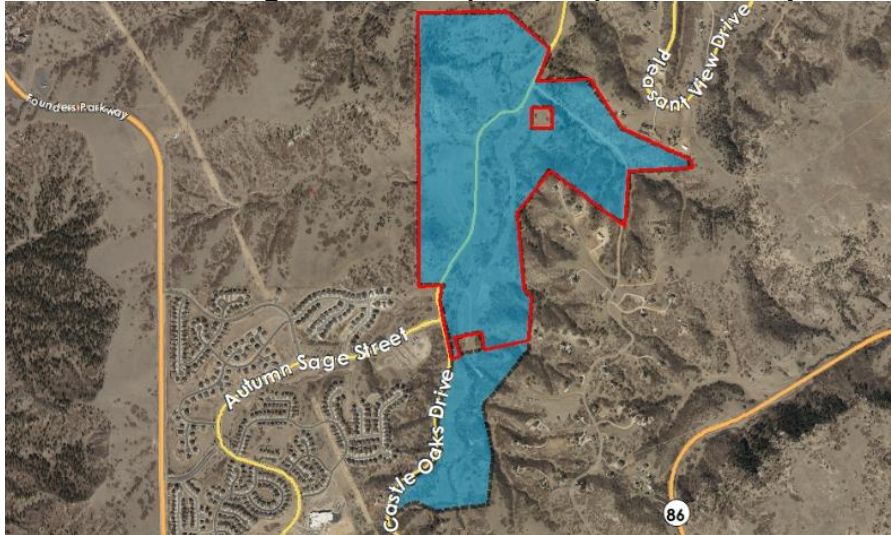
The property owner has submitted a Planned Development Plan and a Site Development Plan (SDP) for a 567-unit residential development within the Memmen Young Planned Development. The Site Development Plan proposes 353 single-family homes and 214 paired homes. The proposed development is 180.5 acres in size of which 87.2 acres is proposed to be open space. The proposed Site Development Plan is contingent on the approval of the Memmen Young Infill Planned Development Major Amendment and the annexation of a 5-acre parcel. The Planned Development Plan and 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 Councilmember Johnson's district.

Millers Landing Planned Development Plan: Rezoning Application withdrawn on 10/27/21



The property owner has submitted a Planned Development application seeking to rezone the property and remove the prohibition on residential development placed on the Miller's Landing IO PD when approved by Town Council in 2016. The current PD plan proposes 900 single family attached and multifamily units, 460,000 sq. ft. of retail, and 125,000 sq. ft. of office/commercial. The project site is 48.2 acres. The Planned 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 located in Mayor Pro Tem Bracken's district. (Rezoning application withdrawn on 10/27/21 will be removed from list next week)

North Basin Village at Terrain (Phase 2) Site Development Plan:



The property owner has submitted a Site Development Plan (SDP) for 105 single family homes on approximately 1,180 acres within the Terrain North Basin Phase 2 development. The proposed development also includes approximately 150 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 Councilmember Cavey's district.

Pioneer Ranch Annexation and Planned Development Plan:



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 requires public hearings before Planning Commission for review and recommendation and Town Council for final decision. The project is adjacent to Councilmember Cavey's district and Councilmember LaFleur's district.

Pinon Manor Apartment Planned Development Plan:



The property owner has submitted a rezoning application for 472, 481 and 498 S. Gilbert Street. The application proposes to consolidate three properties totally 3.25 acres into one zoning classification known as Pinon Manor Planned Development (PD). The rezoning would allow for the existing developed apartments to remain and to provide for the development of an adjacent parcel to contain 3 new apartment buildings with a total of 20 new dwellings. The PDP will require public hearings with the Planning Commission for review and recommendation, and Town Council for final decision. The project is located within Councilmember Dietz's district.

Plum Creek Golf Course Site Development Plan:



The property owner has submitted a Site Development Plan (SDP) application for a new 3,920 square foot clubhouse, on a 3.7-acre site, at the Plum Creek Golf Course. The old clubhouse was previously sold and converted into a wedding venue. In the interim, the golf course has been operating out of a temporary trailer. The SDP is subject to the residential/non-residential interface and is therefore quasi-judicial requiring public hearings before the Planning Commission for review and recommendation, and Town Council for final decision. The project is located in Councilmember Dietz'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: 11/2/2021

Item #: 8. **File #:** ID 2021-121

To: Honorable Mayor and Members of Town Council

From: Michael J. Hyman, Town Attorney

Castlevue Metropolitan District No. 2 Proposed Issuance of Subordinate Limited Tax General Obligation Bonds, Series 2021 B(3)

Executive Summary

Castlevue Metropolitan District No 2 (the "District") wishes to issue debt as authorized by its Consolidated Amended and Restated Service Plan approved by Town Council on August 21, 2018 (the "Amended Service Plan"). The District desires to issue Subordinate Limited Tax General Obligation Bonds in the approximate principal amount of \$834,000 (the "Bonds"). The Bonds are a reissuance of certain Subordinate Limited Tax General Obligation Bonds issued in 2020 and simply increase the par amount of such bonds from \$258,000 to \$834,000.

The District has submitted documentation to the Town Manager, Town Attorney and Director of Finance showing that the District will be able to repay the Bonds, while remaining within the debt and mill levy caps authorized by the Amended Service Plan.

Under the Castle Rock Municipal Code (the "Town Code"), the proposed transaction is presented for review and comment by the Town Council but no formal approval is required or authorized.

Background

Organization and Service Plan. The District was organized in 2007, following the Town's approval of the original Service Plan. The District currently operates pursuant to its Amended Service Plan, which imposes a debt cap of \$45,000,000, a debt mill levy cap of 64.044 mills, as adjusted for changes in the residential assessment ratio, and a maximum debt maturity of 35 years.

Section 11.02.110 of the Town Code. Section 11.02.110 of the Town Code provides that metropolitan districts must submit a proposed financing for the issuance or refinancing of debt, including certain information and documents related to the proposed debt, such as the interest rate, financing costs, the type of revenues pledged, the amount of the mill levy pledged, and the offering statement (the "Proposed Debt Documents"), to the Town for review and comment before issuing or refinancing the proposed debt. Such submission must include a certification by the District that the proposed refinancing is authorized by and in compliance with the Amended Service Plan.

The District's Outstanding Debt. The debt cap under the Amended Service Plan is an aggregate cap that also covers Castlevew Metropolitan District No. 1 ("District No. 1"). Issuance of the Bonds will leave \$21,874,000 in remaining general obligation debt authorization for both Districts under the Amended Service Plan.

Proposed Bonds. The District proposes the issuance of 29-year Subordinate Lien Bonds for the purpose of funding public improvement costs authorized by the Amended Service Plan, paying costs of issuance for the Bonds, and funding a portion of the interest to accrue on the Bonds. These Bonds are cash flow bonds, which means that bondholders receive payment when funds are available from the collection of the District's Mill Levy, but only after all prior lien bonds are paid. Additionally, this series allows for compounding interest, with an estimated initial interest rate of 7.25%. The final maturity of the bonds is December 15, 2050; however, any outstanding balance, unpaid principal, and compounded interest will be discharged on December 16, 2054. The projected tax rate for repayment of the Bonds is 50.000 mills.

District Submission of Proposed Debt Documents. On October 18, 2021, the District submitted various Proposed Debt Documents to the Town Attorney and Town Manager, including a draft term sheet and a detailed financial plan, which show that the District can repay the Bonds.

Staff Recommendation

Based on the Proposed Debt Documents that the District submitted to Town Staff, Town Staff finds that the proposed bond issuance complies with the Service Plan and Section 11.02.110 of the Town Code. Town Staff further recommends that the District be allowed to move forward with the proposed bond issuance with the following general comment from the Town Council:

1. Interest on metropolitan district bonds should not compound.

Attachments

Attachment A: Letter from WBA

Attachment B: Certificate to Town for Bonds

Attachment C: Town Acknowledgement for Bond Issuance

WILLIAM P. ANKELE, JR.
 JENNIFER GRUBER TANAKA
 CLINT C. WALDRON
 KRISTIN BOWERS TOMPKINS
 ROBERT G. ROGERS
 BLAIR M. DICKHONER
 GEORGE M. ROWLEY

OF COUNSEL:
 KRISTEN D. BEAR
 K. SEAN ALLEN
 TRISHA K. HARRIS
 ZACHARY P. WHITE



HEATHER L. HARTUNG
 MEGAN J. MURPHY
 EVE M. G. VELASCO
 LAURA S. HEINRICH
 AUDREY G. JOHNSON
 CAREY S. SMITH V
 ERIN K. STUTZ
 JON L. WAGNER

October 18, 2021

Via Email (mhyman@crgov.com)

Michael J. Hyman, Esq.
 Town of Castle Rock
 100 North Wilcox Street
 Castle Rock, CO 80104

RE: Castlevue Metropolitan District No. 2

Dear Mr. Hyman:

White Bear Ankele Tanaka & Waldron serves as general counsel to the Castlevue Metropolitan District No. 2 (the “**District**”), which services the project commonly known as the Seasons at the Oaks (the “**Project**”). The District operates pursuant to a Consolidated Amended and Restated Service Plan approved by the Town of Castle Rock (the “**Town**”) on August 21, 2018 (the “**Service Plan**”), which governs the District as well as the Castlevue Metropolitan District No. 1 (“**District No. 1**,” together with the District, the “**Districts**”). The District intends on issuing its Subordinate Limited Tax General Obligation Bonds, Series 2021B₍₃₎ in the approximate principal amount of \$834,000 (the “**2021 Bonds**”) for the purpose of funding public improvement costs authorized by the Service Plan. The 2021 Bonds are a reissuance of the Subordinate Limited Tax General Obligation Bonds, Series 2020B₍₃₎ Bonds issued on September 23, 2020, in the amount of \$258,000 and simply increase the par amount from \$258,000 to \$834,000.

The Service Plan governs the parameters within which the District can issue Debt. Section VII.A.7 of the Service Plan provides:

The Districts shall not issue Debt in excess of Forty-Five Million Dollars (\$45,000,000). The Total Debt Issuance Limitation shall not apply to bonds, loans, notes or other instruments issued for the purpose of refunding, refinancing, reissuing or restructuring outstanding Debt; provided, however, that if the aggregate principal amount of the refunding Debt exceeds the outstanding aggregate principal amount of the refunded Debt, the increase in principal amount shall be counted against the Debt Limit.

Section VIII.A(B) of the Service Plan further provides:

The interest rate on any Debt is expected to be the market rate at the time the Debt is issued. In the event of a default, the proposed maximum interest rate on any Debt is not expected to exceed eighteen percent (18%). The proposed maximum underwriting discount will be five percent (5%). Debt, when issued, will comply with all relevant requirements of this Service Plan, State law and Federal law as then applicable to the issuance of public securities.

Finally, section VII.C of the Service Plan provides:

The Maximum Debt Mill Levy shall be the maximum mill levy a District is permitted to impose upon the taxable property within such District for payment of Debt, and shall be determined as follows: The Maximum Debt Mill Levy shall not exceed sixty-three and six tenths (63.600) mills provided that if, on or after January 1, 2018, changes are made in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the mill levy limitation applicable to such Debt may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2018, are neither diminished nor enhanced as a result of such changes. For purposes of the foregoing, a change in residential rate as defined in Section 39-1-104.2, C.R.S. shall be deemed to be a change in the method of calculating assessed valuation.

Although the District is permitted under the Service Plan to impose up to 63.600 mills, as adjusted, for debt service purposes, the District has determined to impose a debt service mill levy of 50.000 mills, as adjusted.

The 2021 Bonds will be issued for the purpose of funding public improvements necessary to serve the Project, paying costs of issuance for the 2021 Bonds, and funding a portion of the interest to accrue on the bonds.

The District has engaged the services of North Slope Capital Advisors to serve as a municipal advisor and as an independent External Financial Advisor to evaluate options and alternatives with respect to the 2021 Bonds and to assist in establishing the structure of the 2021 Bonds. Simultaneous with closing on the 2021 Bonds, North Slope Capital Advisors will certify to the District the market reasonableness relative to the interest rate, structure, and redemption features for the 2021 Bonds.

After issuance of the 2021 Bonds, the Districts, collectively, will have approximately \$21,844,000 of Debt Limit remaining under the Service Plan.

Key financial terms of the 2021 Bonds are as follows:

	Service Plan	2021 Bonds
Debt Cap	\$45,000,000, not including refundings	\$21,844,000 (after issuance)
Interest Rate (all-in TIC)	18% (maximum)	7.25 % (estimated)
Term/Maturity	As Determined by the Board; maximum mill levy imposition term is 35 years	2050 (29) Years
Mill Levy Cap	63.600 mills, as adjusted (currently 64.044)	50.000 mills as may be adjusted for the Gallagher Amendment
Projected Mill Levy for Repayment	N/A	50.000 mills

Section 11.02.110 of the Town of Castle Rock Municipal Code provides:

A District shall not issue any indebtedness or refinance any outstanding indebtedness without first submitting the proposed financing to the Town for *review and comment*. The submission shall include the dollar amount of the issue, the interest rate and other financing costs, the type of revenues pledged to repayment, including the amount of the mill levy pledged, and a description of the credit enhancements, together with any preliminary official statement or other prospectus for the debt issue. The submission shall be accompanied by a certification of the Board that the proposed issuance or refinance of indebtedness is authorized by and in compliance with the service plan for the District. *The Town Council shall review such proposed financing at a regular meeting within thirty (30) days of receipt of the required submittal and forward any comments to the Board within ten (10) days of such meeting. The approval or authorization of the Town Council for the proposed financing is not required under this Section, unless required under the express terms of the service plan or intergovernmental agreement. The Town Council at the request of the Board or of its own initiative may waive the review, in its discretion.* Upon request, an officer of the Town shall certify to the Board or its underwriter when compliance with this Section has been met. The failure of a District to substantially comply with this Section shall empower the Town Council to impose the sanctions authorized in Section 11.02.230 of this Chapter. *(emphasis added)*

As you can see, the terms of the 2021 Bonds are in compliance with the Service Plan. The District will hold a properly noticed public meeting, at which it will discuss the proposed 2021 Bonds and authorize moving forward with the transaction. 2021 Bonds are currently scheduled to close December 2021.

October 18, 2021

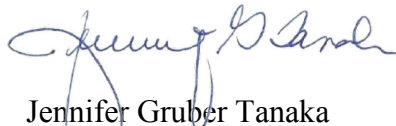
Attached hereto is the District's Financing Submission required by Section 11.020.110 of the Town Code, which includes a certificate of the District that the 2021 Bonds are authorized by and in compliance with the Service Plan. Per the Town Code, approval or authorization of the 2021 Bonds is not required from the Town Council; rather, the Town is to review at a meeting within 30 days of receipt of the Financing Submission, and provide any comments within 10 days thereafter. The District does not have a separate agreement with the Town requiring Town approval of the 2021 Bonds.

The District respectfully requests the Town review the Financing Submission and execute the attached Acknowledgment at its regular meeting scheduled for November 2, 2021, but no later than thirty days from the date of this submission, as required by the Town Code. Alternatively, the District is agreeable to the Town waiving its review as authorized by the Town Code. In the past, these submissions have been fairly routine, with the Town Attorney preparing the staff report and presenting at council meetings.

The District and its consultants are available to answer any questions you may have.

Sincerely,

WHITE BEAR ANKELE TANAKA & WALDRON



Jennifer Gruber Tanaka
Shareholder

Enclosures

cc: Board of Directors, Castleview Metropolitan District No. 2
Ms. Brooke Hutchens, D.A. Davidson & Co.
Kristine Lay, Esq., Kutak Rock LLP

CERTIFICATION TO THE TOWN OF CASTLE ROCK

CASTLEVIEW METROPOLITAN DISTRICT NO. 2

PROPOSED SUBORDINATE LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2021B₍₃₎ IN THE APPROXIMATE PRINCIPAL AMOUNT OF \$834,000

In accordance with the provisions of the Town of Castle Rock Municipal Code (the “**Town Code**”), Section 11.02.110, Castlevue Metropolitan District No. 2 (the “District”) hereby certifies the following:

1. The District will be undertaking the issuance of its proposed Subordinate Limited General Obligation Bonds, Series 2021B₍₃₎ in the approximate principal amount of \$834,000 to finance additional project costs, generally in accordance with the term sheet, attached hereto and incorporated herein as **Exhibit A** (the “**2021 Bonds**”), with an estimated closing date in December 2021. A detailed financial plan is attached hereto and incorporated herein as **Exhibit B**. Because the 2021 Bonds are a private offering, there is no disclosure document. The 2021 Bonds are a reissuance of the Subordinate Limited Tax General Obligation Bonds, Series 2020B₍₃₎ Bonds issued on September 23, 2020, in the amount of \$258,00 and simply increase the par amount from \$258,000 to \$834,000.

2. The term sheet and financial plan contain the dollar amount of the issue, the interest rate and other financing costs, and the types of revenues pledged, including the amount of the mill levy pledged. The 2021 Bonds are being issued for the purpose of funding public improvements necessary to serve the Project, paying costs of issuance for the 2021 Bonds, and funding a portion of the interest to accrue on the bonds as authorized by and in compliance with the District’s Service Plan.

3. The District’s Consolidated Amended and Restated Service Plan, approved by the Town Council for the Town of Castle Rock on August 21, 2018, provides for a debt service mill levy cap of 63.600 mills, subject to Gallagher adjustments after January 1, 2018. As a result of such Gallagher adjustments, the District’s current debt service mill levy cap is 64.044 mills. For tax collection year 2021, the District imposed a debt service mill levy of 50.000 mills. The mill levy pledged to the 2021 Bonds 50.000 mills, as adjusted. The financial plan attached as Exhibit B shows a target mill levy of 50.000 mills commencing in tax collection year 2021 and remaining steady throughout the term of thereof. The mill levy pledged to the 2021 Bonds is significantly lower than the caps permitted by the District’s Service Plan, and, therefore, is well within the requirements set forth therein.

4. The 2021 Bonds are authorized by and in compliance with the District’s Service Plan, approved by the Town Council for the Town of Castle Rock on August 21, 2018.

5. The District requests that the Town Council review the proposed financing at the November 2, 2021, regular meeting, and provide any comments to the District in accordance with the Town Code. The District also requests the Town execute the attached Acknowledgment at its meeting on November 2, 2021. The District, its Board members and consultants, are available to address any questions or comments the Town may have as it begins its review.

6. Review of the proposed 2021 Bonds and execution of the Acknowledgment does not constitute a material modification of the District's Service Plan.

Certified to the Town of Castle Rock as of this 18th day of October, 2021.

By:

Rodney Alpert

Rodney Alpert (Oct 18, 2021 15:32 MDT)

Rodney Alpert, President of the District
Board of Directors of Castlevue Metropolitan
District No. 2

**EXHIBIT A
TO
CERTIFICATION TO THE TOWN OF CASTLE ROCK
FOR
CASTLEVIEW METROPOLITAN DISTRICT NO. 2 2021 BONDS
(Term Sheet)**

CASTLEVIEW METROPOLITAN DISTRICT NO.2
SUBORDINATE LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2021B₃

Delivery Date:	December 2021
<u>Sources:</u>	
Par Amount:	\$834,000 (estimated)
<u>Uses:</u>	
Project Fund:	\$749,000 (estimated)
Costs of Issuance:	\$85,000 (estimated)
<u>Structure:</u>	
Final Maturity:	December 15, 2050 (estimated)
Interest Rate:	7.00% (estimated, actual rate determined at pricing)
Payment Dates:	Principal and interest payments annually on December 15
Tax Status:	Tax-exempt, Non-AMT, Bank Qualified
Optional Redemption:	Estimated 9/1/2025 at \$103 premium declining (actual redemption provisions determined at pricing)
Credit Rating:	Non-Rated
Subordinate Pledged Revenue:	The bonds are structured as cash flow bonds that pay each year on December 15th. Any Senior Pledged Revenue available to the subordinate bonds will be used to pay current interest, accrued interest, and then principal. Interest not paid when due will accrue and compound annually at the rate on the bonds. Any amount unpaid at the maturity date will remain outstanding and continue to accrue and compound. The bonds will discharge on December 16, 2054.
Additional Subordinate Debt:	Senior debt allowed without subordinate bondholder consent only for refunding the senior debt and subject to the condition that the refunding bond debt service is lower in every year than the refunded bond debt service and that the reserve and surplus fund for such refunding bonds be limited to 10% of par. Additional subordinate debt allowed with 100% subordinate bondholder consent.
Junior Subordinate Debt:	Junior subordinate bonds may be issued provided that they pay debt service annually only after all payment on senior bonds and subordinate bonds.

Trustee:	UMB Bank, n.a.
Title 32 qual.:	Institutional Investor
Title 11 exemption:	\$500,000 denoms

**EXHIBIT B
TO
CERTIFICATION TO THE TOWN OF CASTLE ROCK
FOR
CASTLEVIEW METROPOLITAN DISTRICT NO. 2 2021 BONDS
(Financial Plan)**

CASTLEVIEW METROPOLITAN DISTRICT #2

Development Projection at 50.000 (target) Mills for Debt Service -- 09/27/2021

Series 2020A(3), General Obligation Bonds, Non-Rated, 120x, 30-yr. Maturity; plus Series 2021B(3) Developer Cash-Flow Subs.

YEAR	<<<<<<< Residential >>>>>>>					< Platted/Developed Lots >					Total Assessed Value	District D/S Mill Levy [50.000 Target] [50.000 Cap]	District D/S Mill Levy Collections @ 98%	District S.O. Taxes Collected @ 6%	Total Available Revenue	
	Total Res'l Units	Mkt Value	Manual Adj. ¹	Cumulative Market Value	As'ed Value*	Cumulative Market Value	As'ed Value									
		Biennial			@ 7.15%		@ 29.00%									
		Reasses'mt @ 6.0%			of Market (2-yr lag)		of Market (2-yr lag)									
2017	0			0		0										
2018	0		0	0		1,724										
2019	0		0	0	0	3,183,138	0	0	0.000	\$0	\$0					
2020	4	3,778,042		5,878,042	0	6,332,483	500	500	50.000	24	1			26		
2021	68	(2,273,512)		39,304,530	0	3,475,739	923,110	923,110	50.000	45,232	2,714			47,946		
2022	45	2,358,272	(1,504,530)	64,255,772	420,280	0	1,836,420	2,256,700	50.000	110,578	6,635			117,213		
2023	0			64,255,772	2,810,274	0	1,007,964	3,818,238	50.000	187,094	11,226			198,319		
2024	0	3,855,346		68,111,118	4,594,288	0	0	4,594,288	50.000	225,120	13,507			238,627		
2025	0			68,111,118	4,594,288	0	0	4,594,288	50.000	225,120	13,507			238,627		
2026	0	4,086,667		72,197,785	4,869,945	0	0	4,869,945	50.000	238,627	14,318			252,945		
2027	0			72,197,785	4,869,945	0	0	4,869,945	50.000	238,627	14,318			252,945		
2028	0	4,331,867		76,529,652	5,162,142	0	0	5,162,142	50.000	252,945	15,177			268,122		
2029	0			76,529,652	5,162,142	0	0	5,162,142	50.000	252,945	15,177			268,122		
2030	0	4,591,779		81,121,431	5,471,870	0	0	5,471,870	50.000	268,122	16,087			284,209		
2031	0			81,121,431	5,471,870	0	0	5,471,870	50.000	268,122	16,087			284,209		
2032	0	4,867,286		85,988,717	5,800,182	0	0	5,800,182	50.000	284,209	17,053			301,261		
2033	0			85,988,717	5,800,182	0	0	5,800,182	50.000	284,209	17,053			301,261		
2034	0	5,159,323		91,148,040	6,148,193	0	0	6,148,193	50.000	301,261	18,076			319,337		
2035	0			91,148,040	6,148,193	0	0	6,148,193	50.000	301,261	18,076			319,337		
2036	0	5,468,882		96,616,923	6,517,085	0	0	6,517,085	50.000	319,337	19,160			338,497		
2037	0			96,616,923	6,517,085	0	0	6,517,085	50.000	319,337	19,160			338,497		
2038		5,797,015		102,413,938	6,908,110	0	0	6,908,110	50.000	338,497	20,310			358,807		
2039				102,413,938	6,908,110	0	0	6,908,110	50.000	338,497	20,310			358,807		
2040		6,144,836		108,558,774	7,322,597	0	0	7,322,597	50.000	358,807	21,528			380,336		
2041				108,558,774	7,322,597	0	0	7,322,597	50.000	358,807	21,528			380,336		
2042		6,513,526		115,072,301	7,761,952	0	0	7,761,952	50.000	380,336	22,820			403,156		
2043				115,072,301	7,761,952	0	0	7,761,952	50.000	380,336	22,820			403,156		
2044		6,904,338		121,976,639	8,227,670	0	0	8,227,670	50.000	403,156	24,189			427,345		
2045				121,976,639	8,227,670	0	0	8,227,670	50.000	403,156	24,189			427,345		
2046		7,318,598		129,295,237	8,721,330	0	0	8,721,330	50.000	427,345	25,641			452,986		
2047				129,295,237	8,721,330	0	0	8,721,330	50.000	427,345	25,641			452,986		
2048		7,757,714		137,052,952	9,244,609	0	0	9,244,609	50.000	452,986	27,179			480,165		
2049				137,052,952	9,244,609	0	0	9,244,609	50.000	452,986	27,179			480,165		
2050		8,223,177		145,276,129	9,799,286	0	0	9,799,286	50.000	480,165	28,810			508,975		
	117	83,378,629	0							9,324,591	559,475			9,884,067		

[1] Adj. to actual/prelim. AV

[*] RAR @ 7.20% in '18 & '19, Assumes 7.15% thereafter

CASTLEVIEW METROPOLITAN DISTRICT #2

Development Projection at 50.000 (target) Mills for Debt Service – 09/27/2021

Series 2020A(3), General Obligation Bonds, Non-Rated, 120x, 30-yr. Maturity; plus Series 2021B(3) Developer Cash-Flow Subs.

YEAR	Less: Carve-Out for Trustee Fees [@ \$4,000]	Net Available for Debt Svc	Ser. 2020A \$3,435,000 Par [Net \$2.421 MM] Net Debt Service	Annual Surplus	Surplus Release to \$343,500	Cumulative Surplus \$343,500 Target	Senior Debt/ Assessed Ratio	Senior Debt/ Act'l Value Ratio	Cov. of Net DS: @ 50.000 Target	Cov. of Net DS: @ 50.000 Cap
2017										
2018		n/a								
2019	\$0	n/a								
2020	26	\$0	\$0	0		0	372%	8%	0.0%	0.0%
2021	4,000	43,946	0	43,946	0	43,946	152%	5%	0.0%	0.0%
2022	4,000	113,213	0	113,213	0	157,159	90%	5%	0.0%	0.0%
2023	4,000	194,319	171,750	22,569	0	179,729	75%	5%	113.1%	113.1%
2024	4,000	234,627	171,750	62,877	0	242,606	75%	5%	136.6%	136.6%
2025	4,000	234,627	171,750	62,877	0	305,483	71%	5%	136.6%	136.6%
2026	4,000	248,945	176,750	72,195	34,178	343,500	70%	5%	140.8%	140.8%
2027	4,000	248,945	176,500	72,445	72,445	343,500	66%	4%	141.0%	141.0%
2028	4,000	264,122	191,250	72,872	72,872	343,500	66%	4%	138.1%	138.1%
2029	4,000	264,122	190,250	73,872	73,872	343,500	62%	4%	138.8%	138.8%
2030	4,000	280,209	199,250	80,959	80,959	343,500	61%	4%	140.6%	140.6%
2031	4,000	280,209	197,750	82,459	82,459	343,500	57%	4%	141.7%	141.7%
2032	4,000	297,261	211,250	86,011	86,011	343,500	57%	4%	140.7%	140.7%
2033	4,000	297,261	214,000	83,261	83,261	343,500	53%	4%	138.9%	138.9%
2034	4,000	315,337	226,500	88,837	88,837	343,500	51%	3%	139.2%	139.2%
2035	4,000	315,337	223,250	92,087	92,087	343,500	48%	3%	141.2%	141.2%
2036	4,000	334,497	240,000	94,497	94,497	343,500	46%	3%	139.4%	139.4%
2037	4,000	334,497	240,750	93,747	93,747	343,500	42%	3%	138.9%	138.9%
2038	4,000	354,807	251,250	103,557	103,557	343,500	41%	3%	141.2%	141.2%
2039	4,000	354,807	251,000	103,807	103,807	343,500	37%	2%	141.4%	141.4%
2040	4,000	376,336	270,500	105,836	105,836	343,500	35%	2%	139.1%	139.1%
2041	4,000	376,336	268,750	107,586	107,586	343,500	31%	2%	140.0%	140.0%
2042	4,000	399,156	286,750	112,406	112,406	343,500	29%	2%	139.2%	139.2%
2043	4,000	399,156	283,500	115,656	115,656	343,500	26%	2%	140.8%	140.8%
2044	4,000	423,345	300,000	123,345	123,345	343,500	23%	2%	141.1%	141.1%
2045	4,000	423,345	300,250	123,095	123,095	343,500	19%	1%	141.0%	141.0%
2046	4,000	448,986	320,000	128,986	128,986	343,500	17%	1%	140.3%	140.3%
2047	4,000	448,986	318,250	130,736	130,736	343,500	13%	1%	141.1%	141.1%
2048	4,000	476,165	341,000	135,165	135,165	343,500	10%	1%	139.6%	139.6%
2049	4,000	476,165	342,000	134,165	134,165	343,500	7%	0%	139.2%	139.2%
2050	4,000	504,975	363,012	141,963	485,463	0	0%	0%	139.1%	139.1%
	120,026	9,764,041	6,899,012	2,865,028	2,865,028					

[AESep0220 20nrA3AE]

CASTLEVIEW METROPOLITAN DISTRICT #2

Development Projection at 50.000 (target) Mills for Debt Service -- 09/27/2021

Series 2020A(3), General Obligation Bonds, Non-Rated, 120x, 30-yr. Maturity; plus Series 2021B(3) Developer Cash-Flow Subs.

Cash-Flow Subs. > > >

YEAR	Surplus Available for Sub Debt Service	Application of Prior Year Surplus	Total Available for Sub Debt Service	Date Bonds Issued	Sub Bond Interest on Balance 7.000%	Less Payments Toward Sub Bond Interest	Accrued Interest + Int. on Bal. @ 7.000%	Less Payments Toward Accrued Interest	Balance of Accrued Interest	Sub Bonds Principal Issued	Less Payments Toward Bond Principal	Balance of Sub Bond Principal	Total Sub. Debt Pmts.	Surplus Cash Flow	Surplus Release	Cum. Surplus
2017																
2018																
2019																
2020																
2021	0		0	12/8/21	\$6,811	0	6,811	0	6,811	834,000	\$0	834,000	\$0	0		0
2022	0	0	0		58,380	0	58,857	0	65,668		0	834,000	0	0	0	0
2023	0	0	0		58,380	0	62,977	0	128,645		0	834,000	0	0	0	0
2024	0	0	0		58,380	0	67,385	0	196,030		0	834,000	0	0	0	0
2025	0	0	0		58,380	0	72,102	0	268,132		0	834,000	0	0	0	0
2026	34,178	0	34,178		58,380	34,178	42,971	0	311,103		0	834,000	34,178	0	0	0
2027	72,445	0	72,445		58,380	58,380	21,777	14,065	318,815		0	834,000	72,445	0	0	0
2028	72,872	0	72,872		58,380	58,380	22,317	14,492	326,640		0	834,000	72,872	0	0	0
2029	73,872	0	73,872		58,380	58,380	22,865	15,492	334,014		0	834,000	73,872	0	0	0
2030	80,959	0	80,959		58,380	58,380	23,381	22,579	334,816		0	834,000	80,959	0	0	0
2031	82,459	0	82,459		58,380	58,380	23,437	24,079	334,174		0	834,000	82,459	0	0	0
2032	86,011	0	86,011		58,380	58,380	23,392	27,631	329,934		0	834,000	86,011	0	0	0
2033	83,261	0	83,261		58,380	58,380	23,095	24,881	328,148		0	834,000	83,261	0	0	0
2034	88,837	0	88,837		58,380	58,380	22,970	30,457	320,662		0	834,000	88,837	0	0	0
2035	92,087	0	92,087		58,380	58,380	22,446	33,707	309,401		0	834,000	92,087	0	0	0
2036	94,497	0	94,497		58,380	58,380	21,658	36,117	294,941		0	834,000	94,497	0	0	0
2037	93,747	0	93,747		58,380	58,380	20,646	35,367	280,220		0	834,000	93,747	0	0	0
2038	103,557	0	103,557		58,380	58,380	19,615	45,177	254,658		0	834,000	103,557	0	0	0
2039	103,807	0	103,807		58,380	58,380	17,826	45,427	227,057		0	834,000	103,807	0	0	0
2040	105,836	0	105,836		58,380	58,380	15,894	47,456	195,495		0	834,000	105,836	0	0	0
2041	107,586	0	107,586		58,380	58,380	13,685	49,206	159,974		0	834,000	107,586	0	0	0
2042	112,406	0	112,406		58,380	58,380	11,198	54,026	117,147		0	834,000	112,406	0	0	0
2043	115,656	0	115,656		58,380	58,380	8,200	57,276	68,071		0	834,000	115,656	0	0	0
2044	123,345	0	123,345		58,380	58,380	4,765	64,965	7,871		0	834,000	123,345	0	0	0
2045	123,095	0	123,095		58,380	58,380	551	8,422	0		56,000	778,000	122,802	293	0	293
2046	128,986	293	129,279		54,460	54,460	0	0	0		74,000	704,000	128,460	526	0	819
2047	130,736	819	131,555		49,280	49,280	0	0	0		82,000	622,000	131,280	(544)	0	275
2048	135,165	275	135,440		43,540	43,540	0	0	0		91,000	531,000	134,540	625	0	900
2049	134,165	900	135,065		37,170	37,170	0	0	0		97,000	434,000	134,170	(5)	0	895
2050	485,463	0	485,463		30,380	30,380	0	0	0		434,000	0	464,380	21,083	21,978	0
	2,865,028	2,287	2,867,316		1,622,761	1,358,228	650,823	650,823		834,000	834,000		2,843,051	21,978	21,978	

CASTLEVIEW METROPOLITAN DISTRICT #2

Operations Revenue and Expense Projection -- 09/27/2021

YEAR	Total Assessed Value	Oper'n's Mill Levy	Total Collections @ 98%	S.O. Taxes Collected @ 6%	Total Available For O&M	Total Mills
2017						
2018						
2019	0	0.000	0	0	0	0.000
2020	500	11.132	5	0	6	61.132
2021	923,110	11.132	10,071	604	10,675	61.132
2022	2,256,700	11.132	24,619	1,477	26,096	61.132
2023	3,818,238	11.132	41,655	2,499	44,154	61.132
2024	4,594,288	11.132	50,121	3,007	53,128	61.132
2025	4,594,288	11.132	50,121	3,007	53,128	61.132
2026	4,869,945	11.132	53,128	3,188	56,316	61.132
2027	4,869,945	11.132	53,128	3,188	56,316	61.132
2028	5,162,142	11.132	56,316	3,379	59,695	61.132
2029	5,162,142	11.132	56,316	3,379	59,695	61.132
2030	5,471,870	11.132	59,695	3,582	63,276	61.132
2031	5,471,870	11.132	59,695	3,582	63,276	61.132
2032	5,800,182	11.132	63,276	3,797	67,073	61.132
2033	5,800,182	11.132	63,276	3,797	67,073	61.132
2034	6,148,193	11.132	67,073	4,024	71,097	61.132
2035	6,148,193	11.132	67,073	4,024	71,097	61.132
2036	6,517,085	11.132	71,097	4,266	75,363	61.132
2037	6,517,085	11.132	71,097	4,266	75,363	61.132
2038	6,908,110	11.132	75,363	4,522	79,885	61.132
2039	6,908,110	11.132	75,363	4,522	79,885	61.132
2040	7,322,597	11.132	79,885	4,793	84,678	61.132
2041	7,322,597	11.132	79,885	4,793	84,678	61.132
2042	7,761,952	11.132	84,678	5,081	89,759	61.132
2043	7,761,952	11.132	84,678	5,081	89,759	61.132
2044	8,227,670	11.132	89,759	5,386	95,144	61.132
2045	8,227,670	11.132	89,759	5,386	95,144	61.132
2046	8,721,330	11.132	95,144	5,709	100,853	61.132
2047	8,721,330	11.132	95,144	5,709	100,853	61.132
2048	9,244,609	11.132	100,853	6,051	106,904	61.132
2049	9,244,609	11.132	100,853	6,051	106,904	61.132
2050	9,799,286	11.132	106,904	6,414	113,318	61.132
			2,076,027	124,562	2,200,589	

CASTLEVIEW METROPOLITAN DISTRICT #2
Development Summary
Development Projection -- Buildout Plan (updated 8/30/21)



Residential Development		
Product Type	SFD - 75' x 110' Richmond American	
Base \$ ('21)	\$525,000	
		Res'l Totals
2019	-	-
2020	4	4
2021	68	68
2022	45	45
2023	-	-
2024	-	-
2025	-	-
2026	-	-
2027	-	-
2028	-	-
2029	-	-
2030	-	-
2031	-	-
2032	-	-
2033	-	-
2034	-	-
2035	-	-
2036	-	-
2037	-	-
	117	117
MV @ Full Buildout (base prices;un-infl.)	\$61,425,000	\$61,425,000
Contr. By Product (%)	100%	100%

notes:

Platted/Dev Lots = 10% MV; one-yr prior
Base MV \$ inflated 2% per annum

SOURCES AND USES OF FUNDS

CASTLEVIEW METROPOLITAN DISTRICT #2 IN THE TOWN OF CASTLE ROCK DOUGLAS COUNTY, COLORADO SUBORDINATE BONDS, SERIES 2021B(3) 50.000 (target) Mills

**Non-Rated, Developer Cash-Flow Bonds, Annual Pay, 12/15/2050 (Stated) Maturity
(Full Growth + 6.00% Bi-Reassessment Projections)**

~~~

|               |            |
|---------------|------------|
| Dated Date    | 12/08/2021 |
| Delivery Date | 12/08/2021 |

#### Sources:

|                |            |
|----------------|------------|
| Bond Proceeds: |            |
| Par Amount     | 834,000.00 |
|                | 834,000.00 |
|                | 834,000.00 |

#### Uses:

|                         |            |
|-------------------------|------------|
| Project Fund Deposits:  |            |
| Developer Bond Proceeds | 749,000.00 |
| Cost of Issuance:       |            |
| Other Cost of Issuance  | 85,000.00  |
|                         | 834,000.00 |
|                         | 834,000.00 |

## BOND PRICING

**CASTLEVIEW METROPOLITAN DISTRICT #2  
IN THE TOWN OF CASTLE ROCK  
DOUGLAS COUNTY, COLORADO  
SUBORDINATE BONDS, SERIES 2021B(3)  
50.000 (target) Mills**

**Non-Rated, Developer Cash-Flow Bonds, Annual Pay, 12/15/2050 (Stated) Maturity  
(Full Growth + 6.00% Bi-Reassessment Projections)**

~~~

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Term Bond due 2050:	12/15/2050	834,000	7.000%	7.000%	100.000
		834,000			

Dated Date	11/03/2021	
Delivery Date	11/03/2021	
First Coupon	12/15/2021	
Par Amount	834,000.00	
Original Issue Discount		
Production	834,000.00	100.000000%
Underwriter's Discount	-30,000.00	-3.597122%
Purchase Price	804,000.00	96.402878%
Accrued Interest		
Net Proceeds	804,000.00	

CALL PROVISIONS

**CASTLEVIEW METROPOLITAN DISTRICT #2
IN THE TOWN OF CASTLE ROCK
DOUGLAS COUNTY, COLORADO
SUBORDINATE BONDS, SERIES 2021B(3)**

50.000 (target) Mills

**Non-Rated, Developer Cash-Flow Bonds, Annual Pay, 12/15/2050 (Stated) Maturity
(Full Growth + 6.00% Bi-Reassessment Projections)**

~~~

### Call Table: CALL

| Call Date  | Call Price |
|------------|------------|
| 09/01/2025 | 103.00     |
| 09/01/2026 | 102.00     |
| 09/01/2027 | 101.00     |
| 09/01/2028 | 100.00     |



**ACKNOWLEDGEMENT OF THE TOWN OF CASTLE ROCK  
IN CONNECTION WITH**

**CASTLEVIEW METROPOLITAN DISTRICT NO. 2**

**PROPOSED SUBORDINATE LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2021B<sub>(3)</sub> IN  
THE APPROXIMATE PRINCIPAL AMOUNT OF \$834,000**

The Town of Castle Rock (the “Town”) hereby acknowledges that it has received the information submitted by Castleview Metropolitan District No. 2 (the “District”) in connection with the District’s proposed Subordinate Limited Tax General Obligation Bonds, Series 2021B<sub>(3)</sub> in the approximate principal amount of \$834,000 to finance additional project costs, as authorized by and in compliance with the District’s Service Plan.

The Town further acknowledges that such information has been submitted pursuant to Section 11.02.110 of the Town Code and that the Town hereby deems the submittal sufficient with no further information required for the Town’s review under the Town Code.

The Town has reviewed the District’s submission regarding the proposed financing and has no comments thereon.

**TOWN OF CASTLE ROCK**

\_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 11/16/2021

---

**Item #:** 1. **File #:** PROC 2021-011

---

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

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

**Proclamation Supporting Small Business Saturday** [For Presentation - Approved on November 2, 2021 by a vote 6-0]

---

### **Executive Summary**

Mayor Jason Gray will be presenting a Proclamation on November 16, 2021, in support of Small Business Saturday on November 27, 2021.

# PROCLAMATION

## SUPPORTING

# Small Business Saturday

*Whereas* the Town of Castle Rock, Colorado, celebrates our local small businesses and the contributions they make to our local economy and community – according to the United States Small Business Administration, there are 31.7 million small businesses in the United States, they represent 99.7% of firms with paid employees, and they are responsible for 65.1% of net new jobs created from 2000 to 2019; and

*Whereas* small businesses employ 47.1% of the employees in the private sector in the United States – 88% of U.S. consumers feel a personal commitment to support small businesses in the wake of the COVID-19 pandemic, and 92% of small business owners have pivoted the way they do business to stay open during the pandemic; and

*Whereas* 97% of Small Business Saturday shoppers recognize the impact they can make by shopping small, and 85% of them also encouraged friends and family to do so, too; and

*Whereas* 56% of shoppers reported they shopped online with a small business on Small Business Saturday in 2020, and more than 50% of consumers who reported shopping small endorsed a local business on social media or shopped at a local business because of a social media recommendation; and

*Whereas* the Town supports our local businesses that create jobs, boost our local economy, and preserve our communities; and

*Whereas*, advocacy groups, as well as public and private organizations, across the country have endorsed the Saturday after Thanksgiving as Small Business Saturday.

**NOW, THEREFORE, THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK  
DOES HEREBY PROCLAIM NOVEMBER 27, 2021, AS**

## SMALL BUSINESS SATURDAY

**AND URGES THE RESIDENTS OF OUR COMMUNITY – AND COMMUNITIES ACROSS THE COUNTRY –  
TO SUPPORT SMALL BUSINESSES ON THIS DAY AND THROUGHOUT THE YEAR.**

**PASSED, APPROVED AND ADOPTED** this 16th day of November, 2021, by the Town Council  
of the Town of Castle Rock, Colorado.

ATTEST:

\_\_\_\_\_  
Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK

\_\_\_\_\_  
Jason Gray, Mayor





# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 11/2/2021

---

**Item #:** 10. **File #:** RES 2021-096

---

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

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

**From:** Frank Main, Project Manager

**Resolution Approving the First Amendment to a Services Agreement with David Evans and Associates, Inc., for the Design of the Four Corners Intersection Improvement Project** *[Founders Parkway, State Highway 86, Fifth Street, and Ridge Road]*

---

### Executive Summary

The purpose of this agenda item is to seek Town Council approval of an amendment to the contract between the Town of Castle Rock and David Evans and Associates (DEA) for the design services for the Four Corners Intersection Improvement project. This amendment is necessary to add additional scope of work that resulted from input from CDOT to complete additional traffic analysis, public feedback during project open houses to review access improvements, additional land acquisition services, and support necessary to assist with construction implementation. The proposed resolution would add \$355,096 to the project and extend the completion of service to December 31, 2023. The extension of the contract into 2023 will allow for consultant assistance in answering questions during the bidding and construction phases.

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

Town Council approved Resolution 2020-091 on September 15, 2020, for a service agreement contract between the Town of Castle Rock and David Evans and Associates (DEA) for the design services on the Four Corners Intersection Improvement project.

Two public virtual open house meetings were held for the project. The first open house meeting was held March 9, 2021 and the second was on July 27, 2021. The project has a page on the Town's website that allows feedback and provides the meeting material at <http://crgov.com/3291/Four-Corners>. Most of the feedback from the two open houses supported the project and requested further evaluation of accesses within the project limits for convenience and safety.

The proposed First Amendment to the Service Agreement will be presented to the Public Works Commission on November 1, 2021. A formal recommendation from the Public Works Commission will

be given to Council at Town Council November 2, 2021 meeting.

### **Discussion**

The Four Corners Intersection Improvement project's first task was to analyze and select the best intersection layout for traffic flow and safety while evaluating the cost. The Town, Douglas County, CDOT, and DEA were involved in the selection of the preferred intersection improvements. The preferred alternative is an improved signalized intersection. This is deemed the most effective for processing the higher volumes of traffic forecasted in the future. This concept is shown in the included (**Attachment A**). The width of the north/south roadway was increase by four additional lanes and the east/west by two additional lanes. Curb & gutter, bike lanes, and sidewalk also added to the required width of the new intersection layout.

The new footprint for the improved signalized intersection required several more right-of-way (ROW) actions than were anticipated in the original contract. The ROW process can take several months to complete depending on the response of affected property owners. The estimated additional time for the ROW process to be completed is 7 months.

CDOT further required additional analysis of the roundabout option during the intersection alternative selection process, affecting the original schedule. The Town requested additional analysis of access options into and out of Founders Marketplace, the environmental/water quality process, and the addition of the design of a retaining wall that will improve safety from an adjacent property access. The need for the design consultant to be available to address design issues during the construction phase is also included in the requested time extension.

The scope for the current contract has increased the services required and the expected time duration. The design is now targeted to be complete in January 2022 with utility clearances from CDOT in February 2022 and right-of-way clearances in June 2022. Construction will be advertised in July 2022 with bids opened in August 2022 and the construction contract awarded in September 2022. Per the DRCOG grant, construction must be initiated by September 30, 2022. For a more detailed explanation of the increase in time and cost requested see the (**Exhibit 2**) to Amendment Agreement - Additional Services in the (**Exhibit 1**) of the Resolution.

### **Budget Impact**

Funds in account 135-3175-431.78-69 are \$1,275,676 for this contract.

|                                                      |            |
|------------------------------------------------------|------------|
| Original Council Authorized Contract Amount:         | \$ 847,285 |
| Original Council Authorized Town Managed Contingency | \$ 85,715  |
| Original Encumbrance and Authorization for Payment   | \$ 933,000 |

New Proposed Council Authorized Contract:

|                                                       |             |
|-------------------------------------------------------|-------------|
| • (additional cost of \$355,096 to original contract) | \$1,202,381 |
| • (deduction of \$12,420 to original contingency)     | \$ 73,295   |
| Proposed Encumbrance and Authorization for Payment    | \$1,275,676 |



New Proposed Time Extension to Contract to December 31, 2023

**Staff Recommendation**

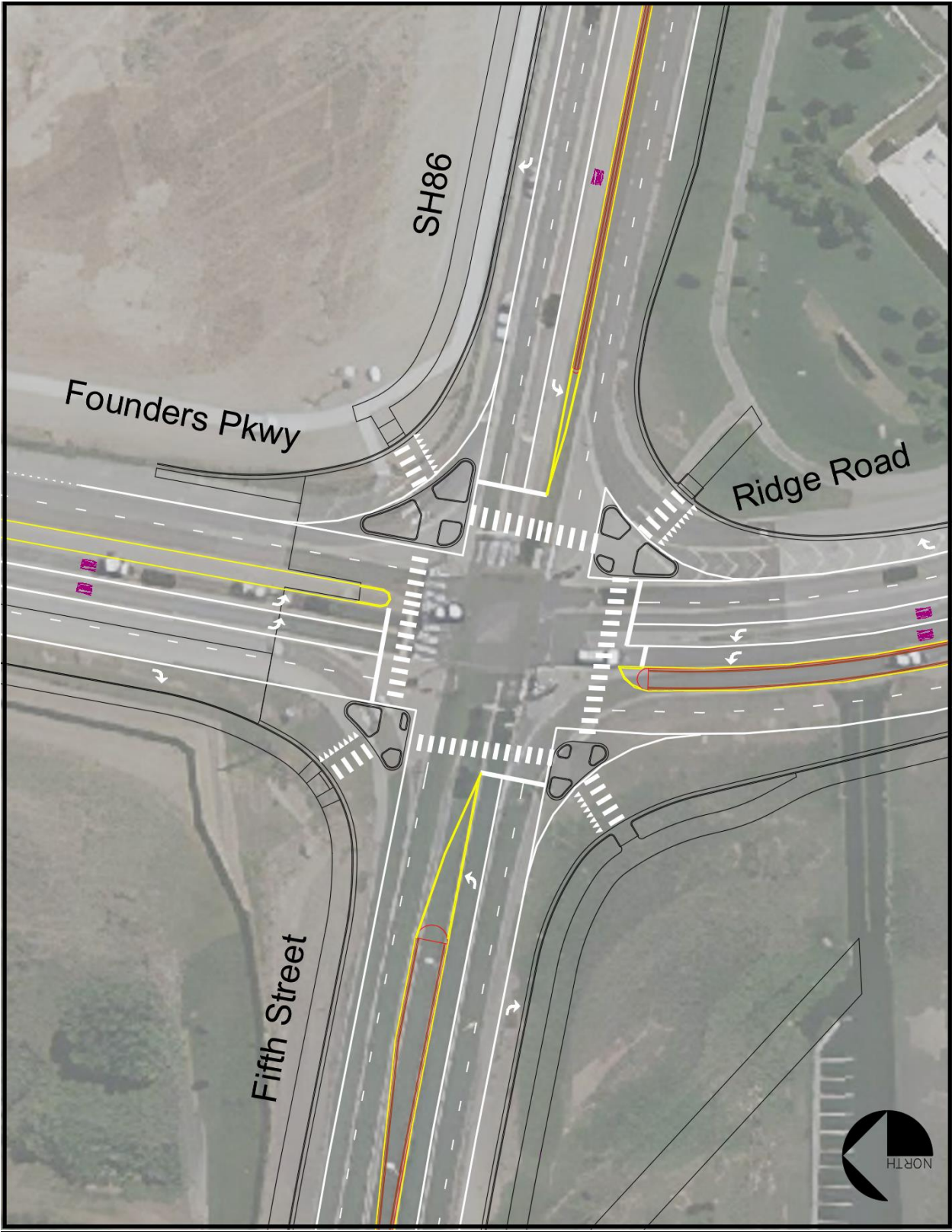
This Resolution is to be presented to the Public Works Commission on November 1, 2021. A formal recommendation from the Public Works Commission will be shared during the Town Council meeting. Staff recommends Town Council approve the Resolution as introduced by title.

**Proposed Motion**

*"I move to approve the Resolution as introduced by title."*

**Attachments**

|               |                           |
|---------------|---------------------------|
| Attachment A: | Map                       |
| Attachment B: | Resolution                |
| Exhibit 1:    | Amended Service Agreement |



**RESOLUTION NO. 2021-096**

**A RESOLUTION APPROVING THE  
FIRST AMENDMENT TO A SERVICES AGREEMENT WITH  
DAVID EVANS AND ASSOCIATES, INC., FOR THE  
DESIGN OF THE FOUR CORNERS INTERSECTION IMPROVEMENT PROJECT**

**WHEREAS**, on September 15, 2020, by Resolution No. 2020-091, the Town Council of the Town of Castle Rock, Colorado (the “Town”) approved a Services Agreement with David Evans and Associates, Inc., (“Consultant”) for the design of the Four Corners Intersection Improvement Project (the “Agreement”); and

**WHEREAS**, the Town and Consultant have determined it is necessary to extend the duration of the Agreement to December 31, 2023; and

**WHEREAS**, the Town and Consultant have determined it is necessary to amend the scope of the Agreement to include additional services; and

**WHEREAS**, the Town and Consultant have determined it is necessary to increase the total contract price by \$355,096.00, for a total obligation of \$1,202,381.00; and

**WHEREAS**, the Town has determined it is necessary to deduct \$12,420.00 from the original contingency amount of \$85,715.00, to stay within the Town’s approved budget; and

**WHEREAS**, the Town and the Consultant have agreed to additional and revised terms and conditions by which Consultant will provide design services for the Four Corners Intersection Improvement Project.

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

**Section 1.     Approval.** The First Amendment of the Town of Castle Rock Services Agreement between the Town of Castle Rock and David Evans and Associates, Inc., in the form attached as ***Exhibit I***, is hereby approved. The Mayor and other proper Town officials are hereby authorized to execute the Agreement 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 additional expenditure of \$355,096.00 and payment from account no. 135-3175-431.78-69. The Town Council authorizes a \$12,420.00 deduction from the original contingency amount of \$85,715.00, for a revised Town-managed contingency in the amount of \$73,295.00. The total contract amount shall not exceed \$1,275,676.00, unless otherwise authorized in writing by the Town.

**PASSED, APPROVED AND ADOPTED** this 2<sup>nd</sup> day of November, 2021 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

\_\_\_\_\_  
Daniel Sailer, Director of Public Works

**FIRST AMENDMENT TO THE  
TOWN OF CASTLE ROCK  
SERVICE AGREEMENT  
(Four Corners Intersection Improvement Project)**

---

**DATE:** \_\_\_\_\_

**PARTIES:** **TOWN OF CASTLE ROCK**, a Colorado municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 (the “Town”).

**DAVID EVANS AND ASSOCIATES, INC.**, an Oregon corporation, 1600 Broadway, Suite 800, Denver, Colorado 80202 (“Consultant”).

**RECITALS:**

A. The Town and Consultant are parties to the Town of Castle Rock Services Agreement (Four Corners Intersection Improvement Project), dated September 15, 2020 (the “Agreement”), and attached as *Exhibit 1*.

B. The Parties wish to extend the duration of the Agreement to December 31, 2023.

C. The Town seeks to engage Consultant to provide additional services in accordance with *Exhibit 2*.

D. The Town and the Consultant seek to increase the project funds by \$355,096.00 for a total cumulative amount not to exceed \$1,202,381.00.

E. The Town and Consultant wish to memorialize these changes in this First Amendment to the Agreement (“Amendment Agreement”).

**TERMS:**

**Section 1. Amendment.** Section 3 of the Agreement is amended to read as follows:

**Section 3. Completion.** Consultant shall commence the Services on September 21, 2020 and complete the Services by December 31, 2023. Consultant shall devote adequate resources to assure timely completion of the Services. Consultant shall perform the Services under this Agreement using a standard of care, skill and diligence ordinarily used by members of Consultant’s profession currently performing under the circumstances similar and in a similar locale to those required by this Agreement.

The Town shall have the right to terminate this Agreement at any time with 30 days written notice to Consultant. In addition, 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 before 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. Consultant shall turn over all work product produced up



to the date of termination. Any reuse of modifications of the work product without the prior consent of the Consultant shall be at the sole risk of the Town.

**Section 2. Amendment.** Section 1 of the Agreement is amended to read as follows:

**Section 1. Scope of Services.** Consultant shall provide professional services related to the Four Corners Intersection Improvement Project, in accordance with the scope of work attached as *Exhibit A* to the Agreement and *Exhibit 2* to this Amendment Agreement, as further modified and qualified by the express terms of this Amendment Agreement.

**Section 3. Amendment.** Section 2 of the Agreement is amended to read as follows:

**Section 2. Payment.** Consultant shall invoice the Town monthly for Services rendered in accordance with the fee schedule in *Exhibit A* to the Agreement and *Exhibit 2* to this Amendment Agreement. The cumulative amount paid to Consultant shall not exceed \$1,202,381.00, unless authorized by the Town in writing.

**Section 4. Certificate of Insurance.** Consultant's Certification of Insurance for the year 2021 is attached as *Exhibit 3*.

**Section 5. Ratification.** In all other respects, the Agreement shall remain in full force and effect.

**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

**CONSULTANT:**

**DAVID EVANS AND ASSOCIATES, INC.**

By: Sarah Kiasto Stacy Tschur

Its: Senior Associate Vice President

## EXHIBIT 1 TO AMENDMENT AGREEMENT

### TOWN OF CASTLE ROCK SERVICES AGREEMENT (FOUR CORNERS INTERSECTION IMPROVEMENT PROJECT)

---

**DATE:** September 15, 2020.

**PARTIES:** **TOWN OF CASTLE ROCK**, a Colorado municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 ("Town").

**David Evans and Associates, Inc.**, a Oregon Corporation, 1600 Broadway, Suite 800, Denver, CO 80202, ("Consultant").

#### RECITALS:

- A. The Town issued a Request for Proposals from qualified firms with expertise in owner representation services.
- B. Consultant timely submitted its proposal.
- C. Town wishes to engage Consultant to provide the services more fully described in the following Agreement and Exhibits.

#### TERMS:

**Section 1. Scope of Services.** Consultant shall provide professional services related to the Four Corners Intersection Improvement project, in accordance with the scope of work attached as *Exhibit A* ("Services").

**Section 2. Payment.** Consultant shall invoice Town on a monthly basis for the Services rendered in accordance with the rate and fee scheduled identified in *Exhibit A*. Town shall pay such invoices within 30 days receipt, and approval of such invoice. In no event shall the cumulative payment to Consultant exceed \$847,285, unless authorized in writing by Town.

**Section 3. Completion.** Consultant shall commence the Services on September 21, 2020 and complete the Services by September 3, 2021. Consultant shall devote adequate resources to assure timely completion of the Services. Consultant shall perform the Services under this Agreement using a standard of care, skill and diligence ordinarily used by members of Consultant's profession currently performing under circumstances similar and in a similar locale to those required by this Agreement.

Town shall have the right to terminate this Agreement at any time with 30 days written notice to Consultant. In addition, this Agreement shall terminate December 31, 2020 in the event funds to support payment under this Agreement are not appropriated for calendar year 2021. 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. Consultant shall turn over all work product produced up to the date of termination. Any reuse of modifications of

the work product without the prior written consent of the consultant shall be at the sole risk of the Town.

**Section 4. Subcontractors.** Consultant may utilize subcontractors to assist with specialized works as necessary to complete the Services. Consultant will submit any proposed subcontractor and the description of their services to the Town for approval.

**Section 5. Assignment.** This Agreement shall not be assigned by Consultant without the written consent of the Town.

**Section 6. 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.

**Section 7. Prohibition Against Employing Illegal Aliens.** Consultant shall not knowingly employ or contract with an illegal alien to perform work under this contract. Consultant shall not enter into a contract with a subcontractor that fails to certify to the Consultant that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract.

Consultant has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under the public contract for services through participation in either the E-verify program or the Department program, as defined in C.R.S. §§ 8-17.5-101(3.3) and 8-17.5-101(3.7), respectively. Consultant is prohibited from using the E-verify program or Department program procedures to undertake pre-employment screening of job applicants while this contract is being performed.

If Consultant obtains actual knowledge that a subcontractor performing work under this Agreement for services knowingly employs or contracts with an illegal alien, Consultant shall:

A. Notify the subcontractor and the Town within three days that the Consultant has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

B. Terminate the subcontract with the subcontractor if within three days of receiving notice required pursuant to this paragraph the subcontractor does not stop employee or contracting with the illegal alien; except that the Consultant shall not terminate the contract with the subcontractor if during such three days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien.

Consultant shall comply with any reasonable request by the Department of Labor and Employment made in the course of an investigation that the Department is undertaking pursuant to the authority established in C.R.S. §8-17.5-102(5).

If Consultant violates a provision of this Agreement required pursuant to C.R.S. §8-17.5-102, Town may terminate the Agreement for breach of contract. If the Agreement is so terminated, the Consultant shall be liable for actual and consequential damages to the Town.

**Section 8. Insurance.** Consultant agrees to procure and maintain, at his own cost, the following policy or policies of insurance. Consultant shall not be relieved of any liability, claims, demands or other obligations assumed pursuant to this Agreement by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types.

A. Consultant shall procure and maintain, and shall cause each subcontractor of the Consultant to procure and maintain a policy with the minimum insurance coverage listed below. Such coverage shall be procured and maintained with forms and insurers acceptable to the Town. All coverage shall be continuously maintained from the date of commencement of services hereunder. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.

1. Workers Compensation insurance to cover obligations imposed by the Workers Compensation Act of Colorado and any other applicable laws for any employee engaged in the performance of Work under this contract, and Employer's Liability insurance with minimum limits of FIVE HUNDRED THOUSAND DOLLARS (\$500,000) each accident, FIVE HUNDRED THOUSAND DOLLARS (\$500,000) disease-policy limit, and FIVE HUNDRED THOUSAND DOLLARS (\$500,000) disease-each employee.

2. Comprehensive General Liability insurance with minimum combined single limits of ONE MILLION DOLLARS (\$1,000,000) each occurrence and ONE MILLION DOLLARS (\$1,000,000) aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including for contractual and employee acts), blanket contractual, independent contractors, products, and completed operations. The policy shall contain a severability of interests provision.

3. Comprehensive Automobile Liability Insurance with minimum combined single limits for bodily injury and property damage of not less than ONE MILLION DOLLARS (\$1,000,000) each occurrence and ONE MILLION DOLLARS (\$1,000,000) aggregate with respect to each of Consultant's owned, hired and/or non-owned vehicles assigned to or used in performance of the services. The policy shall contain a severability of interests provision.

4. Professional Liability insurance with minimum limits of ONE MILLION DOLLARS (\$1,000,000) per claim and ONE MILLION DOLLARS (\$1,000,000) aggregate.

B. The policies required above, except Workers' Compensation insurance, Employers' Liability insurance and Professional Liability insurance shall be endorsed to include the Town, its officers and employees, as an additional insured. Every policy required

above, except Workers' Compensation and Professional Liability insurance, if applicable, shall be primary insurance, and any insurance carried by the Town, its officers, or its employees, shall be excess and not contributory insurance to that provided by Consultant. The additional insured endorsement for the Comprehensive General Liability insurance required above shall not contain any exclusion for bodily injury or property damage arising from completed operations. The Consultant shall be solely responsible for any deductible losses under each of the policies required above.

C. Certificates of insurance shall be completed by Consultant's insurance agent as evidence that policies providing the required coverage, conditions and minimum limits are in full force and effect, and shall be subject to review and approval by the Town. Each certificate shall identify the Project and shall provide that coverage afforded under the policies shall not be cancelled, terminated or materially changed to not meet the requirements of this agreement 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. The Town reserves the right to request and receive a certified copy of any policy and any endorsement thereto which may be redacted at the Consultant's or the Consultant's insurers' discretion to protect confidential or proprietary elements of the policies.

D. Failure on the part of Consultant to procure or maintain policies providing the required coverage, conditions, and minimum limits shall constitute a material breach of contract upon which at the Town's discretion may procure or renew any such policy or any extended connection therewith, and all monies so paid by the Town shall be repaid by Consultant to the Town upon demand, or the Town may offset the cost of the premiums against any monies due to Consultant from the Town.

E. The parties understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this contract, the monetary limitations (presently \$387,000 per person, \$1,093,000 for two or more persons, per occurrence) 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.

**Section 9. Indemnification.** Consultant expressly agrees to indemnify and hold harmless Town or any of its officers or employees from any and all claims, damages, liability, or court awards including attorney's fees that are or may be awarded as a result of any loss, injury or damage sustained or claimed to have been sustained by anyone, including, 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 work 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.

**Section 10. Delays.** Any delays in or failure of performance by any party of his or its 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.

**Section 11. Additional Documents.** The parties agree to execute any additional documents or take any additional action that is necessary to carry out this Agreement.

**Section 12. Entire Agreement.** 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.

**Section 13. Time of the Essence.** Time is of the essence provide that Consultant's services must in all events be governed by the exercise of sound professional practices. 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.

**Section 14. 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 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 and recover its reasonable attorney's fees and costs in such legal action. In addition, no Party will be entitled to lost profits, economic damages, or actual, direct, incidental, consequential, punitive or exemplary damages in the event of a default.

**Section 15. 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.

**Section 16. Governing Law.** This Agreement shall be governed by the laws of the State of Colorado.

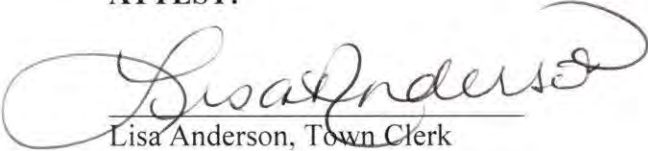
**Section 17. Independent Contractor.** Consultant and Town hereby represent that Consultant is an independent contractor for all purposes hereunder. As such, Consultant is not covered by any worker's compensation insurance or any other insurance maintained by Town except as would apply to members of the general public. Consultant shall not create any indebtedness on behalf of the Town.

**Section 18. 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.

**Section 19. Federal Funds.** Consultant understands and acknowledges that this Agreement is wholly or partially funded by the Federal Highway Administration (FHWA) under Title 23, U.S.C. Accordingly, Consultant agrees to be subject to the terms and conditions set forth in Form FHWA-1273, which form is incorporated herein by reference as **Exhibit B**. Consultant also agrees to incorporate Form FHWA-1273 in each subcontract and further require its inclusion in all lower tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services).

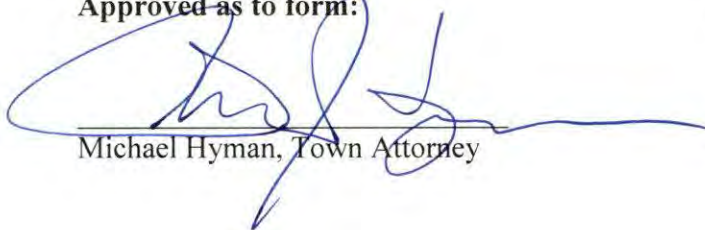
ATTEST:

  
Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK

  
Jason Gray, Town Mayor  
*Jason Bower, mayor Pro Tem*

Approved as to form:

  
Michael Hyman, Town Attorney

Approved as to content:

  
Daniel Sailer, P.E. Director of Public Works

CONSULTANT:

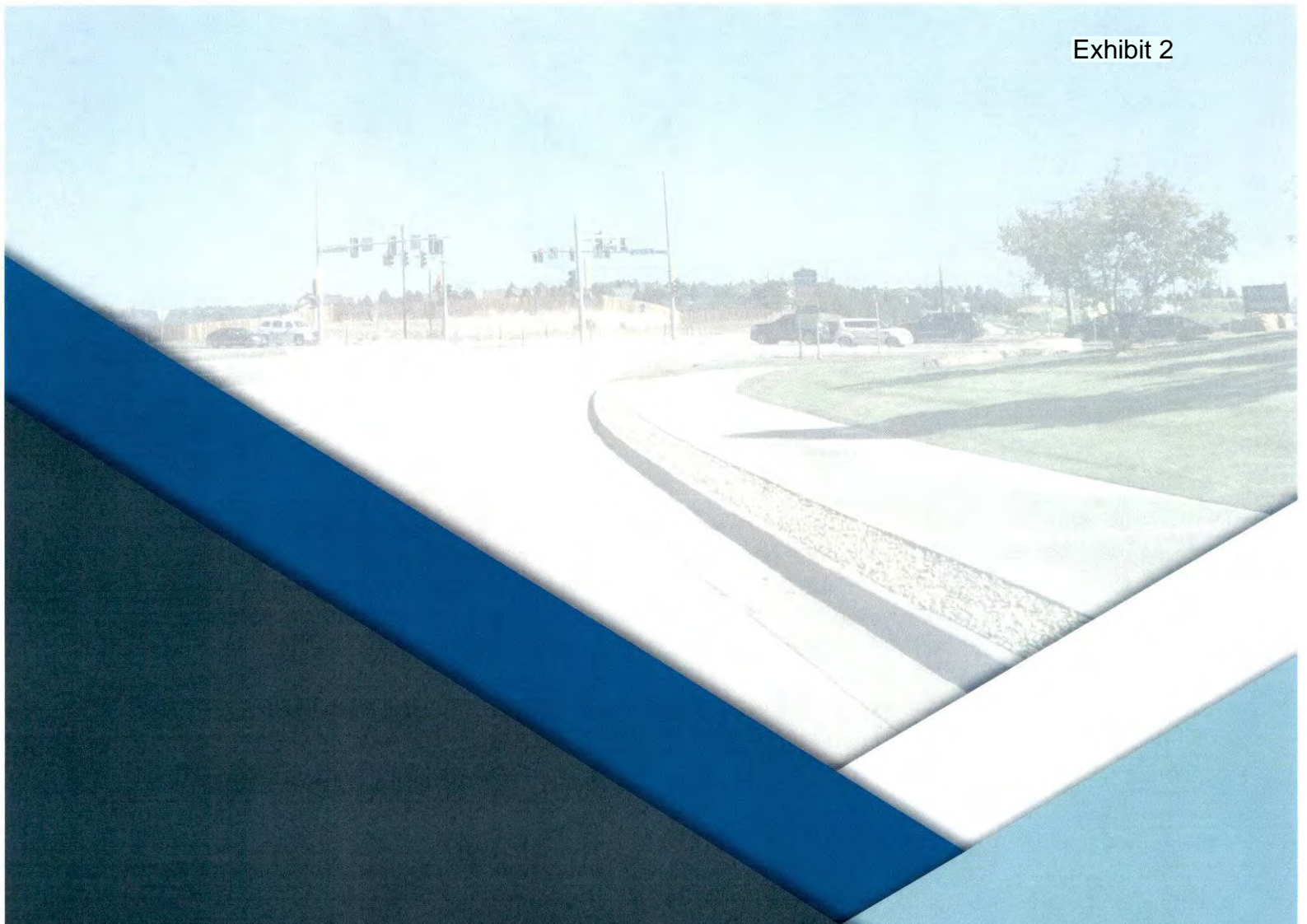
David Evans and Associates, Inc.

By:  

Its: Associate Vice President







August 12, 2020

## TOWN OF CASTLE ROCK

Request for Qualifications & Proposals for  
Consulting Engineering Services

# FOUR CORNER INTERSECTION IMPROVEMENTS PROJECT



DAVID EVANS  
AND ASSOCIATES INC.





August 12, 2020

Aaron Monks  
Town of Castle Rock  
Public Works Department 4175 N. Castleton Ct.  
Castle Rock, CO 80401

**RE: Request for Qualifications & Proposals for Consulting Services for the Four Corners Intersections Improvements Project**

Dear Mr. Monks and Members of the Selection Committee:

With rapid population growth and limited funding for transportation improvements, municipalities across Colorado are striving to implement much-needed improvements in cost-effective and efficient ways. The Town of Castle Rock (Town) is one of the fastest growing cities in Colorado and is experiencing resultant traffic safety and operational issues due to rapid growth and limited funding. The Town of Castle Rock Transportation Master Plan (TMP) was completed in 2017 and analyzed existing and future transportation conditions and identified conceptual solutions for facilities throughout the town, including safety and operational improvements for the Four Corners intersection. Castle Rock was successful in obtaining DRCOG TIP funding for design, which requires compliance with FHWA and CDOT standards, including obtaining clearances from CDOT specialty units.

David Evans and Associates, Inc. (DEA) and our subconsultant partners provide a comprehensive team of planning and design professionals who will collaborate with the Town, the community, and other stakeholders, to deliver a creative, cost-effective, and implementable solution that provides the necessary safety and operational benefits. Sara Ciasto, PE, will serve as project manager. The DEA team provides:

- **Deep Understanding of the Colorado Department of Transportation (CDOT) Local Agency Process:** We have navigated CDOT's clearance processes and understand how to effectively balance clearance requirements that are tied to the funding with efficient and streamlined progress.
- **Efficiency:** Our blend of planning and design professionals will efficiently develop and assess cost-efficient alternatives to determine an optimized solution for the intersection. Our staffing model keeps our team agile as we analyze alternatives and apply engineering best practices throughout the process, allowing us to meet the advertisement date.
- **Balanced and Cost-Conscious Solutions:** We will deliver a result that maximizes operational improvements while maintaining perpetual budget awareness and seeking value-added and affordable solutions during both the alternatives and the design tasks.

We are excited for this opportunity to provide the Town with a comprehensive, responsive, and creative team, leading to an efficient approach and successful result. Please contact Sara Ciasto at 303.242.7632 or SCiasto@deainc.com if you have any questions or require additional information.

Sincerely,

David Evans and Associates, Inc.

A handwritten signature in blue ink that reads 'Sara Ciasto'.

Sara Ciasto, PE  
Project Manager

A handwritten signature in blue ink that reads 'Joseph A. Hart'.

Joe Hart, PE  
Principal-In-Charge



## Section 1 Firm History and Background

### Brief History

DEA's Denver, Colorado office opened in 1998, and it is currently composed of over 60 highly committed professionals whose careers have focused on projects along the Front Range. Over the past 21 years, DEA's Denver staff have completed a wide variety of projects in Colorado for local and state agencies. Our extensive transportation engineering capabilities include roadway/street design, structural engineering, traffic engineering and transportation planning, environmental planning, urban design, land surveying and right-of-way definition, drainage and hydraulic/hydrology design, and construction management. Our technical and managerial staff provide the technical depth, the professional maturity, and the dedication to evaluate problems and develop solutions for complex transportation issues. Our lasting relationship with our clients has fostered lifelong professional connections and imparted the successful delivery of a multitude of diverse transportation projects. We are a multidisciplinary firm with a comprehensive mix of planners and engineers who are ready to reach the right operational and design solutions.





**The DEA Difference**

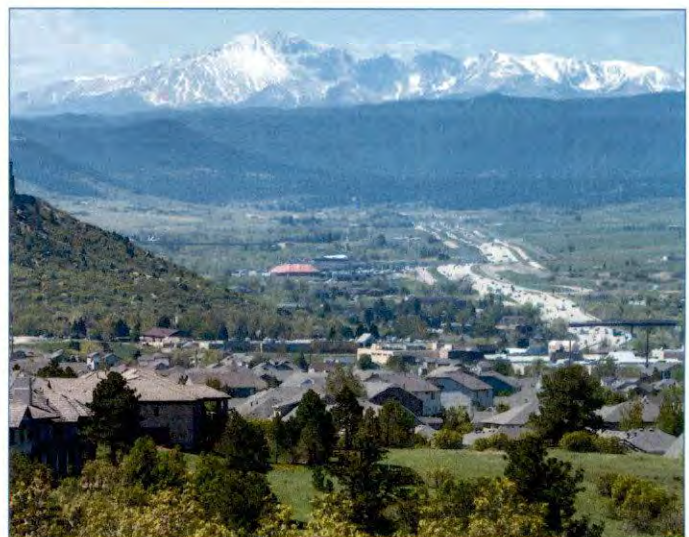
- Clarity of expectations
- Effective communication
- Accountability
- Collaboration and teamwork
- Initiative and creativity
- Trust

**The DEA Difference:** Our philosophy and values shape our unique culture—one of service, innovation, and social and professional responsibility. We take pride in our integrated multidisciplinary approach to design and planning, and our in-house expertise includes urban designers, land use planners, landscape architects, transportation and transit experts engineers, surveyors and natural resources scientists.

### Brief Background Information and Past Experience

Although we have not worked directly for the Town of Castle Rock in recent years, our staff have enjoyed collaborating with Town staff for important projects with CDOT and Douglas County.

**Douglas County 2040 Transportation Master Plan:** In 2019, DEA updated the Douglas County Transportation Master Plan to address new development and transportation needs associated with tremendous changes that have occurred throughout the County. The updated plan included an evaluation of travel demands and public and stakeholder involvement to identify opportunities for an improved, reliable, multimodal transportation system in Douglas County. Town of Castle Rock was included in the planning efforts as a key agency stakeholder.

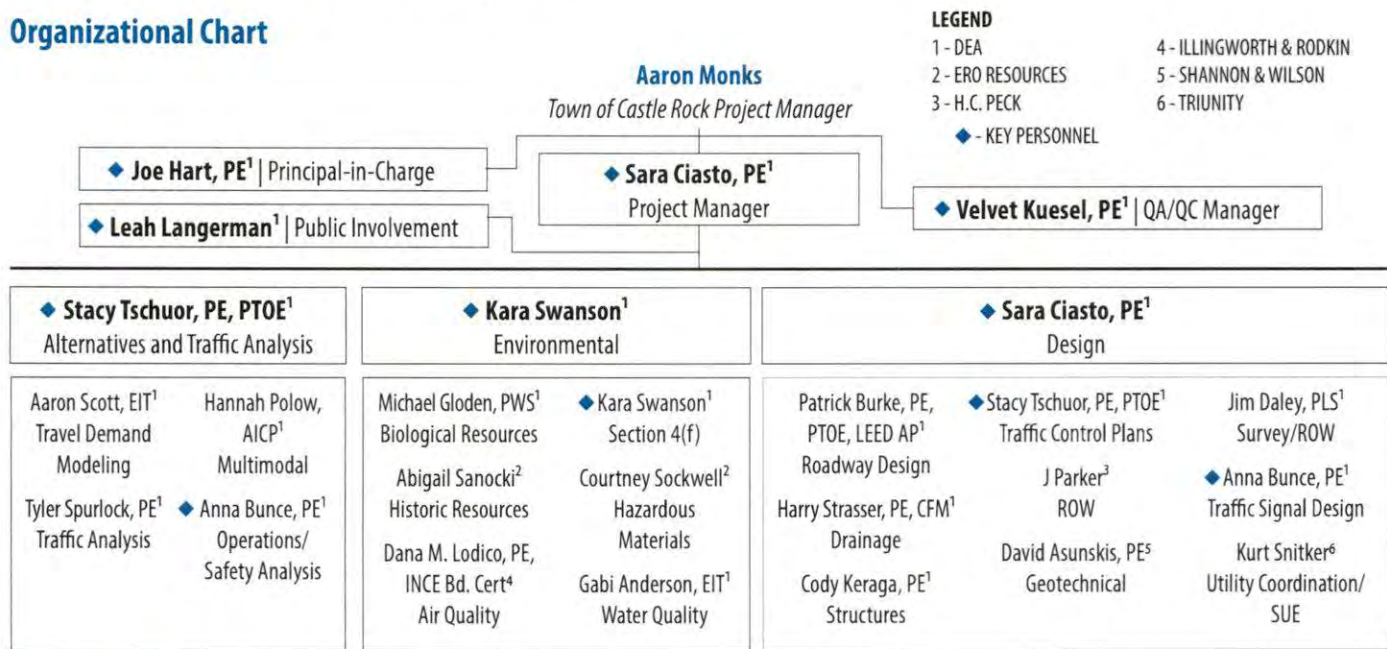




## Section 2 Project Team Qualifications

The schedule and physical constraints of the Four Corner Intersection Improvements Project require a team which can deliver an optimum combination of expertise and creative, cost-effective solutions. The DEA team was assembled to include experts in each discipline and proven subconsultants who have worked together successfully on similar projects in the past.

### Organizational Chart



### Key Personnel

Full resumes for key personnel are located starting on page 13.



#### **SARA CIASTO, PE**

##### *Project Manager; Design Lead*

Sara has 19 years of experience in carrying projects from development through design and into construction. She supports local agencies on projects spanning from smaller task orders to major intersection reconfigurations and operational improvements. Several of her projects have included DRCOG TIP funding. Sara has been responsible for strategizing approaches and presenting information to the public and stakeholders and navigating alternatives processes ahead of design.



#### **ANNA BUNCE, PE**

##### *Traffic Operations/Safety Analysis*

Anna has 18 years of experience in transportation engineering. Her skill set includes traffic signal design; traffic signal construction management and inspections; signal timing and operations including signal programming, configuration, and implementation; specifications review; and crash analysis and safety mitigation.



#### **JOE HART, PE**

##### *Principal-in-Charge*

Joe has extensive experience in traffic engineering and transportation planning; with a focus on solutions that improve traffic flow and enrich quality of life. He has the authority to mobilize DEA resources as needed.



#### **VELVET KUESEL, PE**

##### *QA/QC Manager*

Velvet brings 18 years of experience in transportation engineering, designing transportation infrastructure and integrating multiple disciplines. On several recent large design programs, Velvet was responsible for quality management and project delivery.



#### **KARA SWANSON**

##### *Environmental Lead*

Kara brings strong environmental compliance expertise to the project team. Kara's knowledge of internal CDOT processes benefits the Town's ability to gain timely clearances that will keep the project moving forward.



#### **STACY TSCHUOR, PE, PTOE**

##### *Alternatives and Traffic Analysis Lead*

Stacy has 24 years of experience with a focus on traffic operations. She is able to provide a keen understanding of the effects of specific design treatments on traffic operations, safety, and multimodal circulation. She has recently provided traffic analysis and evaluation of improvement alternatives for DRCOG TIP projects on state highways, efficiently navigating CDOT coordination and schedule needs.



#### **LEAH LANGERMAN**

##### *Public Engagement*

Leah has 15 years of experience facilitating public involvement and agency coordination. Her experience includes organizing public, agency, and committee meetings (including virtual formats); coordinating media coverage; and preparing outreach information. She tailors involvement opportunities to best fit each community and project.



## Project Approach and Methodology

With rapid population growth and limited funding for transportation improvements, municipalities across Colorado are striving to implement needed improvements in cost-effective and efficient ways. The Town of Castle Rock Transportation Master Plan (TMP), completed in 2017, analyzed existing and future transportation conditions and identified conceptual solutions for facilities in the town, including safety and operational improvements for the Four Corners intersection. Castle Rock was successful in obtaining DRCOG TIP funding, which requires compliance with FHWA and CDOT standards, including obtaining clearances from CDOT specialty units.

The following section describes our approach and methodology, including our project management approach and responses to the key questions from the RFP, for the major tasks identified to deliver this project. Major tasks contain subtasks and/or discipline approach discussion, followed by a breakdown of the scope of work.

## Project Management

Our team features project leadership staff who bring experience and lessons learned from TIP-funded local agency transportation projects throughout the metropolitan area. Sara will lead the team's activities. Key elements of our management approach include:

- Continuous communication between Sara and Aaron Monks, or designee
- Clear establishment of budgets and schedules
- Completion of regular internal project reviews
- Immediate identification and communication of project challenges and opportunities
- Confirmation of the use of the latest design and construction standards, practices, and procedures
- Completion of quality reviews of every submittal

## Objectives and Goals Development

Our communication and conversations with Town staff focus on developing our understanding of your goals. We extend this engagement to CDOT and Douglas County personnel as well. **On previous projects, we have found success in blending our technical expertise and experiences with the agencies' vision for project outcomes.** Information gathered regarding your priorities and focus areas will extend into every aspect of the project – from the way that Sara communicates with you and with other agencies; to how we establish screening criteria for the alternatives; and through how we assemble, review, and submit our final plans and specifications.

Critical to projects such as this is an approach that balances immediate operational needs with long-term challenges and the realities of program budgets. An interim solution that requires complete reconstruction or reconfiguration in ten years is unacceptable; a cost-effective immediate solution that can flex to accommodate future travel patterns and multimodal demand will provide greater value.

*For every project, one of our closeout activities is a check-in with you to discuss our performance. Our project managers are focused on providing the DEA Difference (see page 1) in our project delivery, and our clients' feedback on how we do against those intangibles contributes to the internal annual assessment of our performance.*

## Cost, Schedule, and Quality Control

Joe Hart, PE, will assist Sara in monitoring project costs versus progress. Sara's monthly review will include the work of subconsultants to monitor their progress. Upon Notice to Proceed (NTP), we will begin with scoping meetings and discussions with Castle Rock, CDOT, Douglas County, and other agency representatives to confirm specific scope elements and communicate critical schedule milestones.

## Cost Control

We begin by developing a detailed work breakdown structure (WBS) that aligns scope elements with budgets in our internal system. DEA uses the Solomon accounting system for budget tracking and invoicing. We can produce monthly invoice reports that align with the Town's expectations in the RFP.

Sara will utilize several tools out of Solomon to inform her of our project progress and expenditures:

- **Earned Value:** Our earned value tool compares actual cost expended against Sara's assessment of our percentage complete with each task. This will be included with monthly invoices as requested.
- **Cost to Complete:** Our cost to complete tool allows Sara to monitor budgets versus actual costs weekly, as time charges are accrued.
- **Project Analyst:** Sara can quickly review our overall status in costs expended, invoicing and payment status, and project completion dates.



## Schedule Control

Sara will be responsible for monitoring the project schedule. A monthly progress report on the schedule status (as well as budget and work status) will be provided to Aaron Monks or his designee. Issues critical to maintaining the schedule will be identified early in the project and monitored throughout the project to maintain the schedule. The DEA team subconsultants will be kept informed of all critical issues, and Sara will monitor their progress carefully.



### CRITICAL ISSUE: SCHEDULE

The completion date of September 3, 2021 presents unique challenges to delivery of this project. Our draft schedule demonstrates our ability to meet that requirement. Considerations to achieve this include:

- Agreement from all agency reviewers to provide comments during defined review periods.
- Efficient execution of the alternatives phase of the work to reserve as much time as possible for design.
- Timely public and stakeholder engagement so that input is meaningful and serves a project purpose.

Achieving CDOT clearances, securing permits (if needed), and fully acquiring right-of-way are risks to the design schedule and must be mitigated by acting as early as possible.

## Quality Assurance

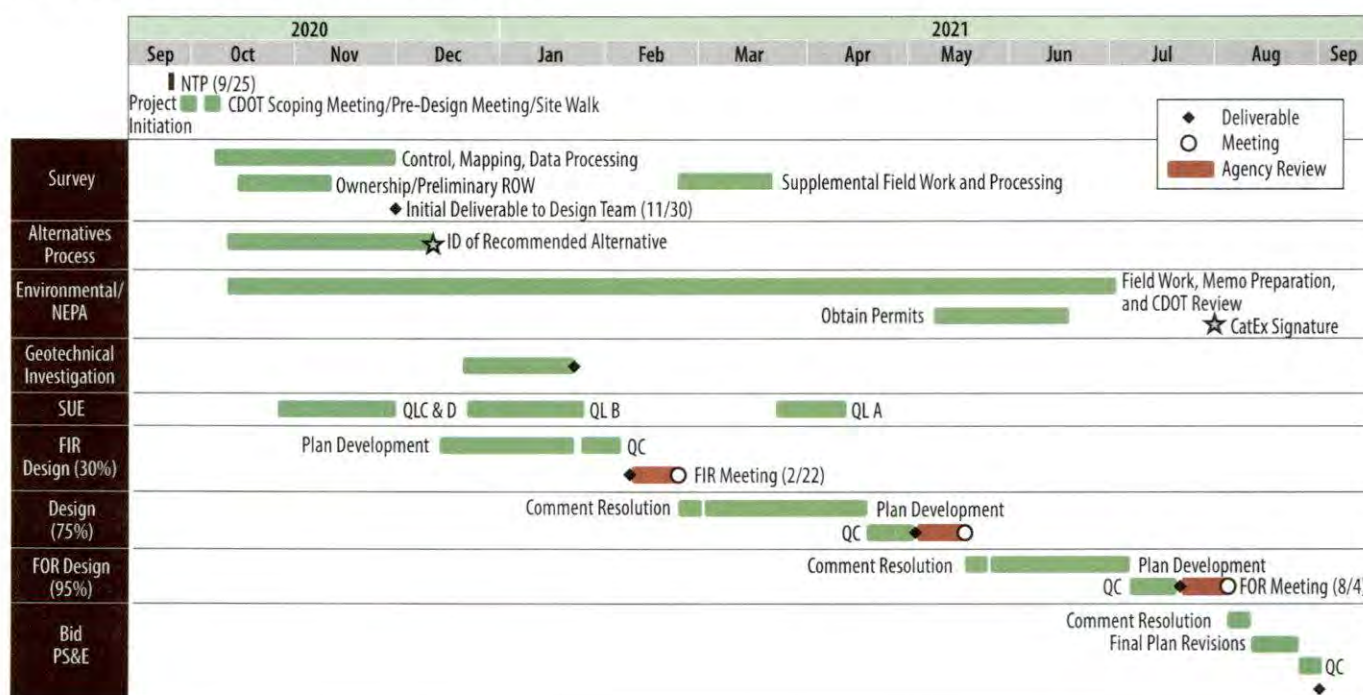
DEA's quality program enhances our services and facilitates communications between disciplines. The quality of DEA's work is maintained through:

- Strict adherence to our clear internal quality requirements and processes.
- Alignment with Town and agency stakeholder requirements for quality.
- Constant communication with Town staff beginning before the contract is signed.
- Problem-solving through project team and peer review meetings, at project milestones, and at critical project decision points.
- Over-the-shoulder and in-process reviews.

The development of and adherence to a tailored project Quality Control Plan is a required part of DEA's internal project setup and management procedures.

Our approach to managing quality starts with the structure of our team. Sara will monitor the overall quality control activities. Velvet Kuesel will provide independent quality reviews, "over the shoulder" design reviews at appropriate times, and quality assurance, overseeing these quality processes and confirming that checks are made at appropriate times.

Additionally, we strive to be timely and thorough in project documentation. Meeting minutes are drafted and submitted to attendees promptly so that critical meeting decisions and outcomes are communicated and implemented. Emails are saved with project files, and team members take careful notes during calls so that discussions can be revisited if needed.





## Report and Presentation Preparation

Our quality processes extend to any deliverable we generate, including public-facing project materials, reports, and collateral for Town leadership. We apply our internal quality process to each document, completing a comprehensive review prior to submittal.

We strive for visual and technical excellence in our printed materials. Visual tools such as SketchUp, InDesign, Illustrator, and others are utilized as appropriate for the content. When possible, we create a standard look and feel for all project documents with consistent headers, fonts, and styles so that all project documents (memos, scope, reports, and others) visually tie to the project. Our team focuses on clear, concise, and crisp writing styles to convey project information.

## Project Management Scope and Deliverables

- Prepare a detailed Microsoft Project schedule and update monthly
- Prepare a Project Management Plan (PMP), including the scope and draft schedule, and a Quality Management Plan (QMP)
- Prepare monthly invoices and detailed progress reports
- Sara will meet with Aaron Monks biweekly to discuss project status (phone or video conference or in person)
- Coordinate, prepare for, and conduct a project pre-design meeting/site walk with Castle Rock; a scoping meeting with Castle Rock, Douglas County, and CDOT; an internal consultant kick-off meeting; and monthly status meetings with Castle Rock and CDOT (additional meetings are included in the specific tasks)
- Quality Assurance/Quality Control documentation

**Deliverables:** Project schedule; PMP; QMP; invoices and progress reports; and agendas, meeting materials, and meeting notes.

## Public and Stakeholder Involvement

Based on the schedule and the Town's desire for a cost-effective project, we recommend two main public engagement points to seek input at key milestones. One during alternatives development and the other following 30% design. This will allow us to provide targeted outreach and hold meetings only when there are milestones that would benefit from public input. In addition, our process will keep the public informed throughout the project to provide transparency. Use of established Town communication channels will maximize exposure and lead to increased involvement.

COVID-19 has changed the way we connect with others, but there are plenty of ways to facilitate meaningful involvement. At this time, we envision the first outreach point being conducted virtually and through distributed print materials, with the hope that the second outreach point could be held as a

combination of in-person and electronic forums. Efforts will be made to involve all types of corridor users, including nearby residents, businesses, and commuters. Listening to diverse perspectives and needs is critical to developing a balanced solution.

## Project Notices

Depending on how much notification the Town, CDOT, and other stakeholders want to provide, we can inform users, community residents, businesses, and through travelers of the corridor of the project in a variety of ways, including:

- Direct mailers (update and utilize the TMP mailing list where appropriate)
- Email
- Town web page
- Town's Facebook, Twitter, and Next Door
- Flyers and signs in gathering places
- Variable message boards

## Virtual Engagement (Outreach Point #1)

The first main outreach point would occur during evaluation criteria and alternatives development. Once the team has developed an initial list of evaluation criteria and potential types of improvements are identified, the public will be asked to review and provide input prior to finalizing alternatives development and evaluation. This outreach could include a brief project introduction video, online survey, interactive maps, questions and answers, and a conversation/idea wall.

## Public or Virtual Open House (Outreach Point #2)

This meeting will allow the project team to present the preliminary (30%) design following Town and CDOT review. Public comments gathered will be considered and incorporated by the project team before the 75% design submittal. Alternatively, existing dispersed events such as farmer's markets could be used for convenient public involvement.

## Public Involvement Scope and Deliverables

- Development and distribution of meeting agendas, notices, and minutes for all engagement opportunities
- Development and maintenance of contact list
- Development, production, and distribution of project notices (electronic and hard copy)
- Coordination, delivery, and documentation of public in-person or virtual meetings (2)
- Coordination, delivery, and documentation of small-group meetings as needed.

**Deliverables:** Contact list; collateral and copy for meetings; and agendas, meeting materials, and meeting notes



## Project Conceptual Engineering Approach

### Area Conditions

Our project assessment will utilize available traffic data from the Castle Rock TMP, CDOT, and Douglas County, compared and updated with regional data so older turning movement counts reflect “existing” base conditions (unaltered by COVID-19). Crash data will be evaluated to identify crash trends and potential safety issues with an updated safety assessment in accordance with CDOT methods. Fieldwork will be conducted to understand the nature of the pedestrian and bicyclist movements through the intersection. The environmental fieldwork will also be conducted to provide information on environmental resource constraints.

Travel demand forecasting will be performed based on the most current DRCOG regional travel model. We will compare those forecasts with area forecasts from the Douglas County travel demand model developed for the Douglas County 2040 Transportation Master Plan, completed by DEA in 2019. Bicycle and pedestrian mobility issues will consider existing and future pedestrian and bicycle origins and destinations, such as the surrounding residential neighborhoods and retail developments.

### Alternatives Development and Evaluation

The alternatives development and evaluation will focus on the project goals of improving traffic operations and enhancing safety and mobility through the intersection. We will use the recommendations from the Castle Rock TMP and the lane configuration options identified in the RFP as a starting point to develop additional opportunities. An initial development of intersection alternatives may include the concepts shown here. The FHWA Capacity Analysis for Planning of Junctions (CAP-X) tool will be used with the future traffic forecasts to provide initial planning-level guidance on intersection concepts to meet the intersection’s future traffic conditions. Additional concepts will be developed and explored with input from the Town, Douglas County, and CDOT.

Realizing the multiple impacts that are associated with a transportation project within a tightly-constrained area, our design team will work

collaboratively to consider roadway, drainage, utilities, and construction phasing to make sure each improvement concept to be evaluated is feasible and the associated impacts are identified.

The streamlined alternatives evaluation will focus on optimizing project goals and identifying fatal flaws that would hinder implementation, such as significant impacts and/or costs related to the area’s physical constraints, like right-of-way, drainage facilities, and utilities. The screening process will consider criteria to assess traffic operations, safety, multimodal mobility, environmental factors, and constructability. A key consideration will be the cost of improvements, recognizing the budget established with the TIP funding. This brief, one-step alternatives evaluation will be documented with the selection of the recommended alternative in an efficient and useful format that can be easily used for agency and public outreach to communicate the project moving forward.

DEA’s experience with planning studies, NEPA studies has yielded valuable knowledge for taking a project from a concept through the CDOT design processes to a construction project. We focus on analysis and documentation that will bolster the alternative selection moving into the categorical exclusion and design.

### Survey and Right-of-Way

Survey tasks will be conducted to obtain base-level information on existing roadway cross sections, project topography, physical features, utilities, and ROW limits. Obtaining this information early provides the team current aerial photo and mapping to use for alternatives. The survey and mapping tasks will build on each other. We will create a survey control diagram and provide it to the Town so all parties will have open access to the survey control system. This access will prevent multiple systems being used by different organizations throughout the project life cycle and prevents unnecessary data and file manipulation.

**Deliverables:** Conceptual Design Report detailing requirements, screening criteria, intersection alternatives, and selected intersection configurations. Report to also include traffic measures of effectiveness, conceptual opinion of cost, potential land acquisition requirements, and conceptual drawings.

### Conceptual Design Scope and Deliverables

#### Alternatives Development

- Identify/confirm project goals for alternatives development
- Compile existing traffic and safety data and identify multimodal movements
- Develop traffic forecasts
- Conduct initial environmental fieldwork
- Develop initial alternatives based on previous studies and CAP-X analysis
- Conduct Design Workshop with Town, County, and CDOT to develop initial alternative concepts

#### Alternatives Evaluation

- Develop evaluation criteria
- Apply screening criteria to alternatives
- Compile evaluation summary for review
- Review draft evaluation results and recommendations with Town, County, and CDOT and then stakeholders
- Revise based on meeting input and stakeholder feedback
- Document existing and future conditions and alternatives development and evaluation in Traffic Study

### Existing Conditions



The intersection operates poorly with heavy SB left turn movements in the PM peak period. The east side of the intersection has retail development and the west side area is constrained by walls and stormwater detention within ROW.

### Potential Alternatives



#### Traffic Signal with Added Lanes

Additional through and turn lanes at the traffic signal would provide increased capacity and queue area for all movements. Shared-right lanes on the SB, EB, and NB approaches would reduce ROW needs and potential issues with downstream merging of the through and acceleration lanes.



#### Continuous Flow Intersection (CFI)

A CFI may provide operational benefits, particularly for the NB and SB approaches with heavy left turns. The crossover signals may be located at the existing retail accesses, with careful signage and channelization.



#### Multi-lane Roundabout

A roundabout could improve safety with slower speeds and reduced conflict points. Providing multiple lanes through the roundabout and right turn bypass lanes may increase capacity, but would need to be evaluated with future traffic forecasts.



#### Bowtie Intersection

Removing the left turn movements at the main intersection would greatly increase throughput. Left turn movements would be shifted to adjacent roundabouts, which could be located at the existing retail accesses. The roundabouts would also lower speeds approaching the signal.



## Preliminary and Final Design Approach

Our overall approach to preliminary and final design will utilize the CDOT process (30% (FIR) and 90% (FOR) plan reviews), modified slightly to accommodate the Town's request in the scope for an additional (75%) design review. Once the alternative is selected, we will proceed into design and advance design detail as we progress through this process.

### Design Criteria, Standards, and Specifications

High-quality design starts with early and clear definition of design criteria. Defining design parameters early limits backtracking during design and aids in clear and efficient quality control processes.

This project will utilize a blend of CDOT, County, and Town standards. Our design and quality review processes aim to eliminate points of confusion so as to limit the Town's risk in contractor pricing.

We have recent, relevant experience in working through the CDOT Local Agency process with a set of contract documents, specifications, and special provisions that draw from the leading local agency as well as CDOT's standards. Our work on the Westerly Creek and Toll Gate Creek Connections to Florida Station project, Iliff Avenue project, and South Boulder Road project, as well as others, capitalized on the strengths and preferences of the local agency and the depth and detail of CDOT's backbone specifications.

### Roadway

Civil design will utilize the existing roadway pavements and facilities where feasible. Roadway cross sections and intersection configuration will be selected during the alternatives phase. Queue lengths, taper lengths, median and shoulder conditions, roadside conditions, accessible multimodal facilities (including curb ramps), and paving plans will be advanced during the design phase. Depending on the alternative, we will work with Shannon and Wilson to leverage their familiarity and previous work to efficiently support decisions regarding pavement widening or reconstruction.



### CRITICAL ISSUE: CONSTRUCTION COST MANAGEMENT THROUGH DESIGN

*Creative efforts through the alternatives and design process must persistently seek value-based solutions that achieve the project goals while demonstrating fiscal responsibility to the project budget. On the Iliff Avenue project in Arapahoe County, Sara and her team developed detailed paving plans that economized paving costs by leveraging use of the existing pavement.*

### Drainage and Water Quality

Storm drainage, temporary water quality (erosion control), and permanent water quality (if needed) elements will be considered, developed, and designed.

A comprehensive drainage report will be developed and submitted at plan submittal milestones. This report will document existing conditions and demonstrate compliance of the proposed facilities with applicable criteria and requirements.

### Structures

Should retaining walls or other structural elements be required to limit ROW impacts, DEA's structural engineers will work with Shannon and Wilson's geotechnical team to evaluate wall types and select a solution that addresses subgrade conditions in a cost-effective manner. Our team can support specialty structural elements if required.

### Traffic

Once the intersection alternative has been identified, we will advance design of signing, striping, traffic control, and if applicable, traffic signal and Intelligent Transportation Systems (ITS) elements as appropriate.

If the recommended alternative is some form of a traffic signal, additional recommendations may be made for optimized intersection operations including advance detection and timing concepts. The challenge of the intersection's location may prove to ultimately be a benefit lending to greater flexibility in operation. This may also provide increased benefits for safety and multimodal operations.

### Construction Phasing

We will evaluate phasing options and develop a phasing plan that is constructible while also optimizing duration and impacts to the traveling public. Phasing options that reduce traffic shifts and maintain the highest level of safety will be prioritized.

### Utilities/SUE

Gathering existing utility information, coordinating potential impacts with utility companies, and completing the subsurface utility engineering (SUE) process will occur as needed. For efficient budget deployment, we will develop basic utility mapping (QL C or D) early in the project so the team is aware of existing facilities during preliminary design work. Once the recommended alternative is identified, we will execute a tailored amount of SUE to manage the overall cost. We will complete utility clearance efforts,



in accordance with CDOT process, and coordination of utility impacts ahead of construction.

### Right-of-Way Acquisition

We will employ a stepped approach to the ownership map, existing property determination, and ROW plan preparation in support of the project. Each completed step will improve the base property information and lead to the final deliverables efficiently.

Should additional ROW be required, the team will commence this process as early as possible in the schedule. We will complete ROW plans in accordance with the CDOT ROW Manual, go through the ROW plan review (ROWPR) process, and commence acquisition activities once plans are approved.



### CRITICAL ISSUE: RIGHT-OF-WAY

*Seeking opportunities for improvements to intersection operations that fit within existing ROW will be important for success within the project schedule.*

### Environmental

Due to the award of TIP funding, the project will adhere to CDOT requirements for environmental documentation. DEA and Castle Rock will hold a formal environmental scoping meeting with CDOT to confirm the appropriate environmental resource requirements and level of NEPA documentation, which is assumed to be a programmatic categorical exclusion (CE).

Our team provides the experience, efficiency, and relationships for environmental clearances through CDOT Region 1, which is critical to maintain the project schedule. We have determined that the following resources may require analysis:

- **Hazardous Materials:** low risk for contributing to soil and/or water contamination. We will conduct an Initial Site Assessment (ISA) to determine the location and extent of potential contamination sources.
- **Biological Resources:** Given the developed nature of the corridor and no obvious evidence of wetlands, we will prepare an abbreviated Biological Resources Report.
- **Air Quality:** A hot-spot analysis may be required depending on the recommended alternative.
- **Historic:** While we do not anticipate any adverse impacts to historic resources, we will conduct a review of the assessor data in the area and coordinate with the CDOT historian regarding potential eligibility.

We do not anticipate any analysis for Section 4(f), Section 6(f), paleontological, or archaeology. A noise analysis would only be triggered if the alternative adds through capacity longer than 2,500 feet.

### Preliminary and Final Design Scope and Deliverables

#### Design Scope

- Conduct field investigations for SUE
- Conduct field sampling and laboratory testing for geotechnical and pavement conditions (if needed)
- Develop and tabulate quantities
- Perform full quality control and quality assurance on deliverables
- Schedule, attend, and document comments from 30%, 75%, and 95% plan review meetings
- Develop roadway typical sections, cross sections, removal plans, paving/trail plans, roadway/trail/drainage profiles, drainage plans, signing/stripping plans, signal plans, ITS plans, geometry, intersection and driveway layouts and details, utility and SUE plans, structural selection memorandum and structural plans, erosion control/SWMP plans, permanent water quality plans, grading plans, and landscaping/irrigation/urban design plans. (All potential elements subject to conditions of the recommended alternative.)
- Develop ROW plans and execute acquisition activities through property closings and filing of recorded deeds.

**Design Deliverables:** Plans, specifications, and cost estimates (30%, 75%, 95%, 100%); drainage and water quality report; geotechnical report; design criteria; structure selection report (if needed); and QA/QC documentation.

### Environmental Clearance Scope and Deliverables

#### Environmental Clearance Scope:

Air quality will be determined once an alternative is chosen.

#### Historic Resources

- Prepare draft Area of Potential Effect (APE) and meet with CDOT Region 1 historian to finalize APE
- Conduct a file search and literature review for the APE
- Compile the records search results in two letters to CDOT, including an effects determination

#### Hazardous Materials

- Conduct a record and file search pertaining to current and past environmental conditions
- Conduct a visual site inspection of the project area and document the general site setting
- Prepare Initial Site Assessment documentation for review by Golden and CDOT Region 1 hazardous materials specialist

#### Biological Resources

- Conduct field visit
- Prepare an abbreviated Biological Resources Report

**Environmental Deliverables:** APE and eligibility and effects letter; biological resources report; and Initial Site Assessment.



## Responses to Key Questions

### How does your firm incorporate context-sensitive design into your project planning & design process?

DEA consistently employs the principles of Context Sensitive Design (CSD) through our planning and design efforts. CSD is not a “special occasion” application for DEA; we incorporate this approach on all of our projects that require multidisciplinary technical collaboration. During the planning process, CSD enhances the project by thoroughly considering the way in which transportation facilities are integrated into the community and recognizes the values and desirable features of that community. CSD requires cohesive teamwork and constant communication from all disciplines and stakeholders to facilitate improvement recommendations that are customized to the surroundings of the project area. DEA provides in-house technical staff, from planning through construction, who have established trust and open communication with each other. The seamless integration of team members allows engineering input during the planning process regarding engineering feasibility and planning input during design to keep the project goals at the forefront of the design process, and a thorough CSD approach confirms that the planning and design decisions all consider stakeholder input. DEA team members have practiced the principles of CSD for many years, and we are recognized as local industry leaders in creative project development and community involvement.

*While working to provide modern pedestrian and vehicular enhancements to downtown Ridgway, CO, our team also recognized the historic Western feel of this mountain community and integrated occasional boardwalks with concrete sidewalks for pedestrian facilities to perpetuate the community heritage.*

### How does your firm provide value-added, cost-effective services?

DEA’s project delivery philosophy seeks opportunities to add value for our clients. We focus on our clients’ goals and needs for each project and align our work to efficiently support those goals. Our local DEA team is composed of comprehensive integrated internal disciplines – roadway, drainage, traffic, structures, planning, environmental, multimodal, surveying, right-of-way, urban design, public involvement, and construction services. Our ability to go straight to

internal expertise saves project budget not needed for subconsultant coordination for those disciplines. This collaborative local team also provides us with the ability to organically complete cross-disciplinary deliverable quality reviews and maximize project budget for construction/implementation.

*On the US 24 PEL Study, our project manager completed the planning, analysis, and documentation tasks efficiently, resulting in the opportunity for CDOT to use the remaining contract budget to move forward with identified improvements. DEA is currently assisting CDOT with preliminary design for an initial capacity improvement, as well as an Access Control Plan along the corridor.*

### How does your firm define exceptional customer service and how do you incorporate this into work activities?

Given the ever-changing nature of transportation conditions and project funding sources, knowledge of client needs is particularly critical for transportation projects. Our strategy in providing effective, proactive transportation planning and engineering services is based on leveraging the expertise of our project manager, establishing an active quality control and management program, assembling a team with expertise that matches the technical needs and availability to provide timely performance, and maintaining frequent and effective project communications with Town staff regarding project status, any anticipated issues, and solutions to resolve problems to keep projects on track.

DEA also requires client surveys at the completion of projects. These surveys are grounded in the “DEA Difference”, a company philosophy focused on delivering high-quality and personalized service to all of our clients. These surveys are intended to help contract managers and discipline leads provide quality deliverables, proactive communication, and problem-solving techniques to all our clients.

### What is your firm’s internal Quality Assurance/Quality Control (QA/QC) process?

Please see the Project Management Approach section of this proposal on page 3.



## Section 3 Related Work Experience

### Federal and CDOT Projects

Projects with federal and/or CDOT funding must adhere to strict requirements for design and environmental documentation. For over five years, Kara Swanson worked as an extension of CDOT Region 1 staff, managing Categorical Exclusions (CEs) for both CDOT and local agency projects. She has established relationships with the Region 1 Environmental staff and has a thorough understanding of the intricacies of completing resource evaluations and how they can affect the overall project schedule.

The CDOT Local Agency process can add additional and unnecessary time to a project if not properly followed. CDOT requires their FIR, FOR, and advertisement review processes to include appropriate review durations for all CDOT

specialty units. It is important to involve all CDOT specialty units in the project scoping decisions, establishing which CAD platform, sheet layout, and specification standards (CDOT versus the local agency) will be used at the very beginning of a project. It is also critical to keep the CDOT Local Agency representative and appropriate disciplines informed of design decisions and the overall status throughout the project, prior to formal review, in order to minimize surprises with changing CDOT staff or requirements. Sara Ciasto is close to completing the Iliff Avenue Final Design for Arapahoe County, meeting federal funding requirements, as well as coordinating with CDOT Region 1 on the design of the Iliff Avenue/Parker Road (SH 83) intersection.

### TIP Process

DRCOG TIP funding comes with additional coordination and schedule obligations. Understanding the project definition, scope, and intent in the original TIP application is critical to full project funding. Stacy Tschur has recent experience assisting City of Aurora and Arapahoe County with several successful sub-regional TIP applications, and she will utilize her knowledge of the TIP application and decision-making process to keep this project on track with the funding obligations. Sara Ciasto recently managed the TIP-funded Westerly Creek to Toll Gate Creek Connections to Florida Station project for the City of Aurora. With close monitoring of the project scope versus the TIP application and available funding, Sara was able to successfully deliver design for a project that included more than originally expected.

## Section 4 Special Expertise

### We provide all major design disciplines in-house

Our blend of environmental, planning, and design professionals in our Denver office is able to efficiently complete the project without the additional coordination needed for a larger subconsultant team, allowing the funding to be used for the actual evaluation, clearance, and design tasks.

### We have a deep understanding of the CDOT Local Agency process

DEA staff are now or have recently navigated CDOT's clearance processes and understand how to efficiently balance clearance requirements that are tied to the funding with efficient and streamlined processes.

In some cases, the availability of environmental subconsultant staff can have dramatic impacts on the overall project schedule. In addition to selecting subconsultants that are trusted DEA and CDOT partners, we also consider their availability and commitment to the schedule and timeliness of deliverables. ERO and Illingworth and Rodkin not only understand the local agency and CDOT clearance process, they also provide timely and quality documentation to facilitate a smooth process.



### We offer conceptual design to construction experience

Our staff typically coordinates across all of our different discipline groups, which promotes streamlined and efficient transitions from planning through preliminary and final design to the construction phase of a given project. As a result, DEA staff is well-versed in considerations of all phases of the project.

### We have intersection operations and traffic signal expertise

Anna Bunce has a unique municipal traffic signals and traffic operations background, as she was recently the Principal Traffic Engineer for the City of Aurora and responsible for design, construction, and signal timing of all Aurora signals. She brings an integrated perspective on often-overlooked signal and civil design details, such as utility conflicts and accessibility requirements, with practical and affordable solutions.



## Section 5 Example Projects



### Parker Rd / Quincy Ave / Smoky Hill Intersection Improvements Study and Design; City of Aurora; Aurora, Colorado

DEA conducted a study of the Parker Road and Quincy Avenue intersection and surrounding area. The purpose of this study was to find low-cost improvements that can improve the transportation system in the near-term, fundable timeframe.

Following work on the study, DEA supported the City of Aurora with analysis, writing, and compilation of an application for DRCOG sub-regional funding through the Arapahoe County Transportation Forum. The project was awarded funding for design, NEPA, and construction of the recommended improvements from the operational study.

DEA is currently completing the design and NEPA phase of the project for the City, including coordination with the CDOT Local Agency group and specialty units to meet CDOT and TIP funding requirements. Access modifications are also being evaluated along Parker Road and Quincy Avenue to optimize the traffic flow and safety improvements with the Parker/Quincy intersection modifications.

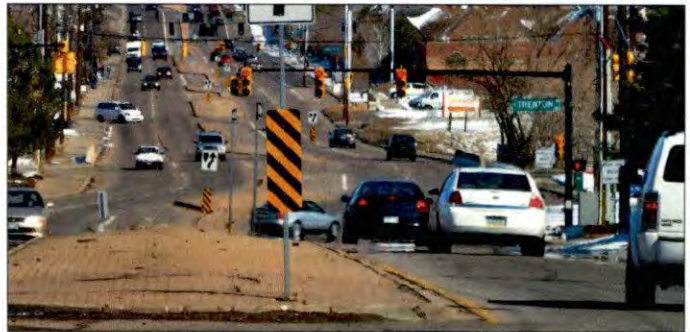
**Relevance:** DRCOG TIP-funded project; Alternatives evaluation considering innovative intersection designs with CDOT Traffic coordination; CDOT and local agency coordination; Categorical exclusion; Public involvement focused on traveling public and adjacent businesses and community land uses

**Key Staff and Teaming Partners:** Stacy Tschur, Joe Hart, Anna Bunce, Leah Langerman, Kara Swanson, ERO Resources, Illingworth & Rodkin, Shannon & Wilson

**Schedule:** DEA completed the intersection study on-schedule with documentation for the City's DRCOG TIP application. The NEPA and preliminary design phase is now on-schedule for completion within the one-year schedule.

**Budget:** The intersection study was completed 20% under budget. The NEPA and design project is also currently estimated to be completed under budget.

**Quality:** DEA's Quality Control Plan includes formal, documented reviews of all deliverables with specific technical reviewers identified by design discipline and special expertise.



### Iliff Avenue Study and Final Design; Arapahoe County; Arapahoe County, Colorado

DEA led the corridor study for Iliff Avenue between Quebec Street and Parker Road, which provided recommendations for improved multimodal transportation mobility, safety, and reliability for commuters and residents. In addition to general public outreach, the study included the coordination of the alternatives evaluation and recommendations with six local and regional agency stakeholders. Building from the work completed on the Corridor Study, DEA is now wrapping up NEPA and final design services. Arapahoe County successfully obtained federal funding for the project, which requires compliance with CDOT standards. The study and design efforts focused on corridor operations, travel time assessments, and public involvement, and the work is resulting in providing acceleration/deceleration lanes at improved signalized intersections with other improvements such as bus queue jump lanes and bike lanes.

**Relevance:** Intersection alternatives evaluation for operational improvements; DRCOG TIP-funded design; CDOT and local agency coordination; Categorical exclusion

**Key Staff and Teaming Partners:** Sara Ciasto, Stacy Tschour, Anna Bunce, Kara Swanson, H.C Peck, Shannon & Wilson

**Schedule:** During final design for the corridor, DEA pulled out the design for a new pedestrian bridge at the Cherry Creek Trail as a separate construction package, completing the design and NEPA for that construction will be completed in 2020.

**Budget:** The project corridor study was completed under budget. The design phase is tracking to be completed on budget.

**Quality:** Comprehensive quality reviews and over-the-shoulder design reviews were completed for plan submittals.





### I-70/Kipling NEPA and Design; CDOT; Wheat Ridge, Colorado,

DEA, in close collaboration with CDOT, led the completion of a template EA document and preliminary design plans to reconstruct the I-70/Kipling interchange for safety and operations improvements. DEA led the PEL study for this interchange to identify the need and recommendations for short- and long-term improvements through a clear and proactive stakeholder involvement program.

Funding for the ultimate reconstruction has not yet been secured. In order to improve the substantial safety and operational issues in the area, CDOT and DEA identified several early action projects. DEA staff are now supporting CDOT for an early action project, the I-70/Kipling North Phase, which will set the ultimate local street connections north of the interchange with signal and intersection reconstruction at four intersections.

**Relevance:** CDOT and local agency coordination from planning through design; Intersection alternatives evaluation to provide optimal traffic flow and safety

**Key Staff and Teaming Partners:** Stacy Tschuor, Leah Langerman, Kara Swanson

**Schedule:** DEA identified and evaluated early action projects early in the NEPA process to construct with available funding.

**Budget:** DEA budgeted the design and NEPA phase 15% under anticipated CDOT contract cost. The team was able to utilize the remaining contract funding to support CDOT for the early action project.

**Quality:** "Your support ensured that CDOT was able to consider our options and make the best decision for the project and our stakeholders. DEA met every challenge with solutions and results." — Adam Parks, CDOT Project Manager



### Vasquez Boulevard I-270 to 64th NEPA & Design Engineering; CDOT; Commerce City, Colorado

DEA is working with CDOT as a blended team to implement improvements to Vasquez Blvd between I-270 and 64th Ave to improve safety and operations for passenger vehicles and freight through and adjacent to Vasquez Blvd. The project includes improvements to two complex intersections at 60th/Parkway and 62nd Ave and adjacent local roadway networks. Services provided include survey, subsurface utility investigations, public and agency outreach, intersection alternatives evaluation, NEPA clearance (categorical exclusion), traffic analysis, and preliminary and final design.

**Relevance:** DRCOG TIP-funded project; Intersection alternatives evaluation to provide optimal traffic flow and safety within constrained ROW; CDOT and local agency coordination with project groups and elected official presentations; Categorical exclusion

**Key Staff and Teaming Partners:** Velvet Kuesel, Stacy Tschuor, Leah Langerman, H.C. Peck

**Schedule:** The NEPA and design are on-schedule for moving into final design.

**Budget:** The scope is estimated to be completed under the original budget.

**Quality:** All deliverables are reviewed by the Quality Manager, or a designated review team, prior to submittal



### Westerly Creek to Toll Gate Creek Connections to Florida Station; City of Aurora; Aurora, Colorado

DEA provided alternatives analysis, public outreach, and engineering services for this project to provide multimodal connections from the two trails to the RTD Light Rail station for area commuters and recreational users. The public outreach process was a key component of this project to help the public and stakeholders understand the importance of and need for the trail connection as well as provide input and feedback on design alternatives. Design efforts included parking evaluation, access considerations, bike signals, ADA-compliant evaluations, and accommodation of bus stops. The project was funded with DRCOG TIP funding and concluded providing more operational improvements and miles of bike lanes than originally scoped within the available budget.

**Relevance:** DRCOG TIP-funded design; CDOT and local agency coordination; Categorical exclusion; Intersection alternatives evaluation for operational improvements

**Key Staff and Teaming Partners:** Sara Ciasto, Stacy Tschuor, Anna Bunce, Kara Swanson, Shannon & Wilson, H.C. Peck

**Schedule:** DEA held bi-weekly Design Team meetings with City design staff to discuss key details and keep the project moving forward.

**Budget:** DEA built the construction cost estimate early in the design and updated frequently to compare with the available funding. With this budget information, the City was able to add in more project scope to provide additional bicycle connections and signal improvements within the TIP funding.

**Quality:** We kept agency staff involved through frequent design meetings prior to submittals so that comments were limited during plan reviews.



## Key Personnel Resumes



### Sara Ciasto, PE

#### Project Manager/Design Lead

Sara has 19 years of experience in carrying projects from development through design and into construction. She supports local agencies across the Front Range on a range of projects, spanning from smaller task orders to major arterial widenings and projects with intersection reconfigurations and operational improvements. Several of her projects have included DRCOG TIP funding. Sara has been responsible for strategizing approaches and presenting information to the public and stakeholders and navigating alternatives processes ahead of design.

#### Registrations

Professional Engineer

CO # 39754

#### Education

BS, Civil Engineering,  
Colorado State  
University

#### Relevant Experience

##### **Iliff Avenue Final Design; Arapahoe County, Colorado**

Sara served as project manager for preliminary and final design, which included addition of bike lanes and trail connections, relocation of utilities, ROW impacts, structural improvements, and widening Iliff to provide additional acceleration and deceleration lanes.

##### **Westerly Creek and Toll Gate Creek Connection to Florida Station; Aurora, Colorado**

Sara served as project manager for the alternatives process and final design of bikeway connections to the light rail station from existing trails. Project included coordination with multiple departments at the City, including Public Works and Parks, Recreation, and Open Space, as well as design review through the City's systems and CDOT.

##### **Parker Road/Quincy Avenue/Smoky Hill Intersection Improvements Study; Aurora, Colorado**

DEA completed this comprehensive transportation study of the Parker Road and Smoky Hill Road intersections along Quincy Avenue. DEA completed a comprehensive alternatives analysis considering traffic operations, multimodal safety, physical impacts, and cost to identify optimized solutions closely

coordinated with City staff. On this project, Sara served as the utilities task lead. She gathered data for the existing utilities and summarized it briefly for the existing conditions report.

##### **SH 62 Improvements; Ridgway, Colorado**

Sara served as project manager for roadway improvements along SH 62 and local roads in downtown Ridgway, Colorado. The project includes roadway, drainage, utility, landscaping, and lighting elements, as well as a Categorical Exclusion and public involvement program. The project is being completed in a blended team format, with CDOT staff completing portions of the environmental work, geotechnical and pavement design, some utility coordination, and survey/ROW efforts.

##### **SH 42 and South Boulder Road Intersection Improvements; Louisville, Colorado**

Sara served as project manager for the evaluation of alternatives and production of construction documents for the intersection at SH 42 and South Boulder Road that increased capacity. The alternatives considered safety, right-of-way impacts, access needs, utility impacts, environmental compliance with Categorical Exclusion, and drainage issues.



## Key Personnel Resumes



### Joe Hart, PE

#### Principal-in-Charge

Joe has extensive experience in traffic engineering, and transportation planning. His projects focus on solutions that improve traffic flow and multimodal mobility to enrich quality of life and advance economic prosperity. He is a Senior Vice President with authority to mobilize DEA resources as needed.

#### Registrations

Professional Engineer  
CO # 18310

#### Education

MS, Civil Engineering,  
University of Colorado  
BS, Civil Engineering,  
University of Dayton

#### Relevant Experience

##### **I-70 & Kipling Interchange NEPA and Preliminary Design; Wheat Ridge, Colorado**

Joe served as project director and quality control manager for the study to explore feasible alternatives for improvement to the interchange of I-70 with Kipling Street (SH-391) which currently experiences recurring morning and afternoon peak-hour congestion.

##### **Douglas County 2040 Transportation Master Plan; Douglas County, Colorado**

Joe provided QA/QC and served as principal-in-charge for the Douglas County Transportation Plan Update. The updated plan will serve as a key resource for County staff and the community and include evaluation of a range of alternatives to meet future travel demands, roadway network and multimodal infrastructure and services. The plan will enable the County to demonstrate to the stakeholders, residents, and community partners that the complete plan is flexible and responsive to the differing areas of the County.

##### **Parker Road and Quincy Avenue Operational Improvement Study; Aurora, Colorado**

Joe served as QA/QC manager of the study analyses and project deliverables for a study of short-term improvements to address increasing congestion and

safety issues at the intersection. The study considers options in support of long-term recommendations made in the Parker Road Corridor Planning and Environmental Linkage Study completed by DEA for Arapahoe County.

##### **Iliff Avenue Corridor Study; Arapahoe County, Colorado**

Joe served as principal-in-charge and quality control manager for corridor study to provide recommendations for improved transportation system mobility, safety, and reliability for commuters and residents along Iliff Avenue between Quebec Street and Parker Road. The study included a public involvement program with coordination and input with County and adjacent local agency staff, as well as the general public.

##### **Parker Road Corridor Study; Arapahoe County, Colorado**

Joe served as project manager for the multimodal corridor study and Access Control Plan for an 8-mile-long major arterial highway (SH 83) corridor, considering the need for grade-separated interchanges at high volume arterial street intersection, addition through travel lanes, safety improvements including center median barrier and auxiliary lanes, bicycle and pedestrian infrastructure and transit service enhancements.



## Key Personnel Resumes



### **Velvet Kuesel, PE**

QA/QC Manager

Velvet brings 18 years of experience in transportation project management and engineering for infrastructure projects. She has been responsible for managing and designing streets and bikeways and integrating multiple disciplines for both new and reconstruction projects. On several recent large design programs, Velvet was responsible for quality management and project delivery for multidisciplinary and complex projects.

#### **Registrations**

Professional Engineer

CO # 40170

#### **Education**

BS, Civil Engineering,

Colorado School of  
Mines

#### **Relevant Experience**

##### **Vasquez Blvd I-270 to 64th NEPA & Design Engineering**

Velvet is serving as project manager implementing improvements to Vasquez Blvd between I-270 and 64th Avenue to improve safety and operations through and adjacent to Vasquez Blvd. The project includes improvements to two complex intersections at 60th/Parkway and 62nd Avenue and adjacent local roadway networks. Services provided include survey, subsurface utility investigations, public and agency outreach, PEL to NEPA transition, alternatives evaluation, NEPA clearance, traffic analysis, preliminary and final design and construction documents.

##### **US 36 Phase 1 Managed Lane Design Build Project; Westminster/Broomfield, Colorado**

Velvet served as the Project Engineer responsible for managing preliminary roadway design efforts for improvements on US 36 from Federal Boulevard to the west towards Boulder. This project included reconstructing ten miles of US 36 pavement, the addition of one managed lane in each direction, interchange ramp improvements and bikeway design. The design-build project was funded through Transportation Investment Generating Economic

Recovery (TIGER) and Colorado Bridge Enterprise, managed through CDOT.

##### **Central 70 Project; Denver, Colorado**

Velvet served as the internal quality assurance/quality control (QA/QC) lead responsible for coordinating internal QA/QC efforts for the Central and East Segments of the project. Velvet developed QA/QC procedures in compliance with project quality requirements and conducted QA audits to ensure compliance with the Project Agreement requirements.

##### **CCD Staff Augmentation; Denver, Colorado**

Velvet served as project manager providing staff augmentation services for CCD. She supported several different types of tasks including TIP applications, program identification and prioritization and project management on behalf of the City. Velvet managed three protected bike lanes projects with similar scope and processes which allows her to identify efficiencies and bring lessons learned to the delivery of these Community Network design services projects.



## Key Personnel Resumes



### Leah Langerman

#### Public Engagement

Leah has 15 years of experience facilitating public involvement and agency coordination for all phases of transportation projects. Her experience includes organizing public, agency, and committee meetings (including virtual meeting format); coordinating media coverage; and preparing clear and concise outreach information. She tailors public and stakeholder involvement opportunities to best fit each community and project and believes in thorough documentation.

#### Education

BS, Psychology,  
University of Wisconsin  
– La Crosse

#### Relevant Experience

##### **Parker Road/Quincy Avenue/Smoky Hill Road Intersection Improvement Study; Aurora, Colorado**

Leah led the public and agency involvement efforts for this study, which identified implementable near-term operational improvements for two congested intersections. The study area is adjacent to many businesses and residences, and also serves a high volume of regional commuters. Leah developed and executed a Public and Agency Participation Plan, which included agency stakeholder meetings, presentation to a neighborhood group, and three public open house meetings. Leah developed postcard mailers, flyers, project web page content, and the contact list of stakeholders to receive the information. In an effort to inform and involve the adjacent business tenants, she visited nearly 50 businesses to distribute information, discuss the project, and collect feedback.

##### **I-70 and Kipling Interchange Planning and Environmental Linkage (PEL) Study and Environmental Assessment; Wheat Ridge, Colorado**

Leah led public and agency involvement tasks for this PEL study to identify existing conditions and develop a range of improvements to reduce congestion and improve operations

and safety of interchange of I-70 and Kipling Street (SH 391). The extensive public and stakeholder involvement program included meetings of local agency technical staff, elected official briefings and environmental resource agency coordination. Public involvement included well-attended general public meetings, Community Focus Group Meetings, door-to-door business outreach, and direct coordination with potentially impacted property owners. Leah prepared outreach tools such as the project web page, news releases, social media posts, flyers and newsletters, and also arranged and staffed a project booth at a local festival, which successfully engaged hundreds of community members.

##### **Westerly Creek and Toll Gate Creek Connections to Florida Station; Aurora, Colorado**

Leah served as the public and stakeholder involvement coordinator for the alternatives process and final design of trail and bikeway connections to the Florida light rail station at I-225 from existing creekside trails to the west and east. The project included extensive coordination with multiple departments at the City of Aurora, including their Public Works, Parks, Recreation, and Open Space team.



## Key Personnel Resumes



### Stacy Tschuor, PE, PTOE

#### Alternatives and Traffic Analysis Lead

Stacy has 24 years of experience with a focus on traffic operations and multimodal. With her knowledge of both design and operations, she is able to provide a keen understanding of the effects of specific design treatments on traffic operations, safety, and multimodal circulation. She has recently provided traffic analysis and evaluation of improvement alternatives for DRCOG TIP projects on state highways, efficiently navigating CDOT coordination and schedule needs.

#### Registrations

Professional Engineer

CO # 34715

Registered Professional  
Traffic Operations  
Engineer

#### Education

MS, Civil Engineering,  
University of Texas at  
Austin

BS, Civil Engineering,  
University of Miami

BS, Architectural  
Engineering, University  
of Miami

#### Relevant Experience

##### I-70 & Kipling Interchange NEPA and Preliminary Design; Wheat Ridge, Colorado

Stacy served as project manager for the preliminary design and a Template EA for reconstruction of the I-70 and Kipling Street (SH 391) interchange. The project included an extensive stakeholder involvement program, as well as thorough documentation of the existing traffic and environmental conditions, alternatives development and evaluation, and recommendations. The interchange will be reconstructed as a Diverging Diamond Interchange (DDI) and the project identified early action projects to provide congestion and safety improvements prior to the full interchange improvements.

##### Vasquez Blvd I-270 to 64th NEPA & Design Engineering; Commerce City, Colorado

Stacy is serving as the PEL-to-NEPA Technical Lead for improvements to Vasquez Blvd between I-270 and 64th Avenue to improve safety and operations through and adjacent to Vasquez Blvd. The project includes improvements to two complex intersections at 60th/ Parkway and 62nd Avenue and adjacent local roadway networks. Services provided include survey, subsurface utility investigations, public and agency

outreach, PEL to NEPA transition, alternatives evaluation, NEPA clearance, traffic analysis, preliminary and final design and construction documents.

##### Westerly Creek and Toll Gate Creek Connection to Florida Station; Aurora, Colorado

Stacy served as traffic engineer for the alternatives analysis, public outreach, and engineering services for the Westerly Creek to Toll Gate Creek Trail project which provides multimodal connections between the two trails and the RTD R/H-lines Florida Light Rail station for area commuters and recreational users. DEA's process began with analysis, continued through design concepts, and culminated in preparation of final plans and specifications.

##### Douglas County 2040 Transportation Master Plan; Douglas County, Colorado

Stacy served as the alternatives analysis lead for the project that included working with Douglas County to update the existing Douglas County 2030 Transportation Plan. The updated plan serves as a key resource for County staff and the community and includes evaluation of a range of alternatives to meet future travel demands, roadway network and multimodal infrastructure and services.



## Key Personnel Resumes



### **Kara Swanson**

#### **Environmental Lead**

Kara brings strong NEPA and environmental compliance expertise to the project team. Kara's knowledge of internal CDOT processes and working relationships with key environmental subconsultants benefit the Town's ability to gain timely, comprehensive clearances that will keep the project moving forward.

#### **Education**

Masters of  
Environmental Science  
and Policy, Johns  
Hopkins University

BS, Environmental  
Science, Iowa State  
University

#### **Relevant Experience**

##### **Environmental Non-Project Specific Contract - CDOT Region 1; Denver, Colorado**

Kara has served as the CDOT Region 1 Environmental project manager on over 50 Categorical Exclusions throughout the Denver metro area. Her responsibilities include coordination with CDOT project managers, resource specialists, local agencies, and consultants. She is responsible for ensuring appropriate mitigation measures are incorporated into design plans and the Form 128s completed and signed prior to the ad date.

##### **Parker Road and Quincy Avenue Operational Improvement Study; Aurora, Colorado**

Kara led the high-level environmental analysis for this comprehensive study of the Parker Road and Smoky Hill Road intersections along Quincy Avenue. DEA completed a transparent alternatives analysis considering traffic operations, multi-modal safety, physical impacts, and cost to identify optimized solutions closely coordinated with City staff. The environmental analysis looked at existing conditions and potential impacts of the recommended improvements.

##### **I-70 & Kipling Interchange NEPA and Preliminary Design; Wheat Ridge, Colorado**

Kara served as the Environmental Task Lead for the environmental assessment for this project. Her work included managing the team's environmental resource specialists, writing and reviewing technical memos, and collaboration with the project team on the analysis used to determine the preferred alternative.

##### **Iliff Avenue Corridor Final Design; Arapahoe County, Colorado**

Kara is the Environmental Lead for preliminary and final design, which included bike lanes, trail connections, utility relocation, structural improvements, and widening of Iliff to provide additional acceleration and deceleration lanes. Kara assisted with the CDOT clearance process, was responsible for all coordination with the environmental resource specialists on the team, and aided in coordination with current CDOT projects.



## Key Personnel Resumes



### Anna Bunce, PE

#### Traffic Operations/Safety Analysis

Anna has 18 years of experience in all facets of transportation engineering. Her skill set includes traffic signal design; traffic signal construction management and inspections; signal timing and operations including both signal programming, configuration, and implementation; specifications development and review; and crash analysis and safety mitigation.

#### Registrations

Professional Engineer  
CO # 41647

#### Education

BA, Mathematics &  
Classical Languages,  
Randolph-Macon  
Woman's College

MS, Applied  
Mathematics,  
University of Colorado  
at Boulder

MS, Civil Engineering,  
University of Colorado  
at Denver

#### Relevant Experience

##### Westerly Creek and Toll Gate Creek Connections to Florida Station; Aurora, Colorado\*

While at the City of Aurora, Anna provided traffic engineering guidance for the alternatives analysis and engineering services for the project, which provides multimodal connections between two trails and the RTD R/H-lines Florida Light Rail station for area commuters and recreational users. The process began with analysis, continued through design concepts, and culminated in preparation of final plans and specifications.

##### Parker Road and Quincy Avenue Operational Improvement Study; Aurora, Colorado\*

Anna served as the Aurora traffic lead for the study of the Parker Road and Quincy Avenue intersection and surrounding area. The purpose of this study was to find lowcost improvements that can improve the transportation system in the interim while the City works on securing funding to construct the ultimate interchange.

##### Annual Traffic Signal Construction; Aurora, Colorado\*

Anna annually, either personally or as a manager depending on the year and project, designed traffic signal new or rebuild plans; procured materials and

labor; reviewed equipment submittals; prepared traffic signal timing and programming; staked traffic signal pole and control equipment locations; managed the labor contractor in the field; and coordinated for punch list inspection and signal acceptance.

##### Traffic Signal Plans, Submittal Reviews, and Construction Management & Inspections Support for other City projects involving traffic signals; Aurora, Colorado\*

On an ongoing basis, Anna reviewed and redlined traffic signal, signing and striping, traffic control plans, and roadway plans submitted by other work groups within the City for conformance with national and local standards and specifications as well as good engineering practice while applying engineering judgement as needed. She also regularly staked traffic signal pole and control equipment locations in the field and provided support as needed to City Project Managers on traffic-related items, including citizen contact and construction items.







# **REQUIRED CONTRACT PROVISIONS FEDERAL-AID CONSTRUCTION CONTRACTS**

- I. General
- II. Nondiscrimination
- III. Nonsegregated Facilities
- IV. Davis-Bacon and Related Act Provisions
- V. Contract Work Hours and Safety Standards Act Provisions
- VI. Subletting or Assigning the Contract
- VII. Safety: Accident Prevention
- VIII. False Statements Concerning Highway Projects
- IX. Implementation of Clean Air Act and Federal Water Pollution Control Act
- X. Compliance with Governmentwide Suspension and Debarment Requirements
- XI. Certification Regarding Use of Contract Funds for Lobbying

## **ATTACHMENTS**

A. Employment and Materials Preference for Appalachian Development Highway System or Appalachian Local Access Road Contracts (included in Appalachian contracts only)

## **I. GENERAL**

1. Form FHWA-1273 must be physically incorporated in each construction contract funded under Title 23 (excluding emergency contracts solely intended for debris removal). The contractor (or subcontractor) must insert this form in each subcontract and further require its inclusion in all lower tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services).

The applicable requirements of Form FHWA-1273 are incorporated by reference for work done under any purchase order, rental agreement or agreement for other services. The prime contractor shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Form FHWA-1273 must be included in all Federal-aid design-build contracts, in all subcontracts and in lower tier subcontracts (excluding subcontracts for design services, purchase orders, rental agreements and other agreements for supplies or services). The design-builder shall be responsible for compliance by any subcontractor, lower-tier subcontractor or service provider.

Contracting agencies may reference Form FHWA-1273 in bid proposal or request for proposal documents, however, the Form FHWA-1273 must be physically incorporated (not referenced) in all contracts, subcontracts and lower-tier subcontracts (excluding purchase orders, rental agreements and other agreements for supplies or services related to a construction contract).

2. Subject to the applicability criteria noted in the following sections, these contract provisions shall apply to all work performed on the contract by the contractor's own organization and with the assistance of workers under the contractor's immediate superintendence and to all work performed on the contract by piecework, station work, or by subcontract.

3. A breach of any of the stipulations contained in these Required Contract Provisions may be sufficient grounds for withholding of progress payments, withholding of final payment, termination of the contract, suspension / debarment or any other action determined to be appropriate by the contracting agency and FHWA.

4. Selection of Labor: During the performance of this contract, the contractor shall not use convict labor for any purpose within the limits of a construction project on a Federal-aid highway unless it is labor performed by convicts who are on parole, supervised release, or probation. The term Federal-aid highway does not include roadways functionally classified as local roads or rural minor collectors.

## **II. NONDISCRIMINATION**

The provisions of this section related to 23 CFR Part 230 are applicable to all Federal-aid construction contracts and to all related construction subcontracts of \$10,000 or more. The provisions of 23 CFR Part 230 are not applicable to material supply, engineering, or architectural service contracts.

In addition, the contractor and all subcontractors must comply with the following policies: Executive Order 11246, 41 CFR 60, 29 CFR 1625-1627, Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The contractor and all subcontractors must comply with: the requirements of the Equal Opportunity Clause in 41 CFR 60-1.4(b) and, for all construction contracts exceeding \$10,000, the Standard Federal Equal Employment Opportunity Construction Contract Specifications in 41 CFR 60-4.3.

Note: The U.S. Department of Labor has exclusive authority to determine compliance with Executive Order 11246 and the policies of the Secretary of Labor including 41 CFR 60, and 29 CFR 1625-1627. The contracting agency and the FHWA have the authority and the responsibility to ensure compliance with Title 23 USC Section 140, the Rehabilitation Act of 1973, as amended (29 USC 794), and Title VI of the Civil Rights Act of 1964, as amended, and related regulations including 49 CFR Parts 21, 26 and 27; and 23 CFR Parts 200, 230, and 633.

The following provision is adopted from 23 CFR 230, Appendix A, with appropriate revisions to conform to the U.S. Department of Labor (US DOL) and FHWA requirements.

**1. Equal Employment Opportunity:** Equal employment opportunity (EEO) requirements not to discriminate and to take affirmative action to assure equal opportunity as set forth under laws, executive orders, rules, regulations (28 CFR 35, 29 CFR 1630, 29 CFR 1625-1627, 41 CFR 60 and 49 CFR 27) and orders of the Secretary of Labor as modified by the provisions prescribed herein, and imposed pursuant to 23 U.S.C. 140 shall constitute the EEO and specific affirmative action standards for the contractor's project activities under

this contract. The provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.) set forth under 28 CFR 35 and 29 CFR 1630 are incorporated by reference in this contract. In the execution of this contract, the contractor agrees to comply with the following minimum specific requirement activities of EEO:

a. The contractor will work with the contracting agency and the Federal Government to ensure that it has made every good faith effort to provide equal opportunity with respect to all of its terms and conditions of employment and in their review of activities under the contract.

b. The contractor will accept as its operating policy the following statement:

"It is the policy of this Company to assure that applicants are employed, and that employees are treated during employment, without regard to their race, religion, sex, color, national origin, age or disability. Such action shall include: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship, pre-apprenticeship, and/or on-the-job training."

**2. EEO Officer:** The contractor will designate and make known to the contracting officers an EEO Officer who will have the responsibility for and must be capable of effectively administering and promoting an active EEO program and who must be assigned adequate authority and responsibility to do so.

**3. Dissemination of Policy:** All members of the contractor's staff who are authorized to hire, supervise, promote, and discharge employees, or who recommend such action, or who are substantially involved in such action, will be made fully cognizant of, and will implement, the contractor's EEO policy and contractual responsibilities to provide EEO in each grade and classification of employment. To ensure that the above agreement will be met, the following actions will be taken as a minimum:

a. Periodic meetings of supervisory and personnel office employees will be conducted before the start of work and then not less often than once every six months, at which time the contractor's EEO policy and its implementation will be reviewed and explained. The meetings will be conducted by the EEO Officer.

b. All new supervisory or personnel office employees will be given a thorough indoctrination by the EEO Officer, covering all major aspects of the contractor's EEO obligations within thirty days following their reporting for duty with the contractor.

c. All personnel who are engaged in direct recruitment for the project will be instructed by the EEO Officer in the contractor's procedures for locating and hiring minorities and women.

d. Notices and posters setting forth the contractor's EEO policy will be placed in areas readily accessible to employees, applicants for employment and potential employees.

e. The contractor's EEO policy and the procedures to implement such policy will be brought to the attention of employees by means of meetings, employee handbooks, or other appropriate means.

**4. Recruitment:** When advertising for employees, the contractor will include in all advertisements for employees the notation: "An Equal Opportunity Employer." All such advertisements will be placed in publications having a large circulation among minorities and women in the area from which the project work force would normally be derived.

a. The contractor will, unless precluded by a valid bargaining agreement, conduct systematic and direct recruitment through public and private employee referral sources likely to yield qualified minorities and women. To meet this requirement, the contractor will identify sources of potential minority group employees, and establish with such identified sources procedures whereby minority and women applicants may be referred to the contractor for employment consideration.

b. In the event the contractor has a valid bargaining agreement providing for exclusive hiring hall referrals, the contractor is expected to observe the provisions of that agreement to the extent that the system meets the contractor's compliance with EEO contract provisions. Where implementation of such an agreement has the effect of discriminating against minorities or women, or obligates the contractor to do the same, such implementation violates Federal nondiscrimination provisions.

c. The contractor will encourage its present employees to refer minorities and women as applicants for employment. Information and procedures with regard to referring such applicants will be discussed with employees.

**5. Personnel Actions:** Wages, working conditions, and employee benefits shall be established and administered, and personnel actions of every type, including hiring, upgrading, promotion, transfer, demotion, layoff, and termination, shall be taken without regard to race, color, religion, sex, national origin, age or disability. The following procedures shall be followed:

a. The contractor will conduct periodic inspections of project sites to insure that working conditions and employee facilities do not indicate discriminatory treatment of project site personnel.

b. The contractor will periodically evaluate the spread of wages paid within each classification to determine any evidence of discriminatory wage practices.

c. The contractor will periodically review selected personnel actions in depth to determine whether there is evidence of discrimination. Where evidence is found, the contractor will promptly take corrective action. If the review indicates that the discrimination may extend beyond the actions reviewed, such corrective action shall include all affected persons.

d. The contractor will promptly investigate all complaints of alleged discrimination made to the contractor in connection with its obligations under this contract, will attempt to resolve such complaints, and will take appropriate corrective action within a reasonable time. If the investigation indicates that the discrimination may affect persons other than the complainant, such corrective action shall include such other persons. Upon completion of each investigation, the contractor will inform every complainant of all of their avenues of appeal.

**6. Training and Promotion:**

a. The contractor will assist in locating, qualifying, and increasing the skills of minorities and women who are



applicants for employment or current employees. Such efforts should be aimed at developing full journey level status employees in the type of trade or job classification involved.

b. Consistent with the contractor's work force requirements and as permissible under Federal and State regulations, the contractor shall make full use of training programs, i.e., apprenticeship, and on-the-job training programs for the geographical area of contract performance. In the event a special provision for training is provided under this contract, this subparagraph will be superseded as indicated in the special provision. The contracting agency may reserve training positions for persons who receive welfare assistance in accordance with 23 U.S.C. 140(a).

c. The contractor will advise employees and applicants for employment of available training programs and entrance requirements for each.

d. The contractor will periodically review the training and promotion potential of employees who are minorities and women and will encourage eligible employees to apply for such training and promotion.

**7. Unions:** If the contractor relies in whole or in part upon unions as a source of employees, the contractor will use good faith efforts to obtain the cooperation of such unions to increase opportunities for minorities and women. Actions by the contractor, either directly or through a contractor's association acting as agent, will include the procedures set forth below:

a. The contractor will use good faith efforts to develop, in cooperation with the unions, joint training programs aimed toward qualifying more minorities and women for membership in the unions and increasing the skills of minorities and women so that they may qualify for higher paying employment.

b. The contractor will use good faith efforts to incorporate an EEO clause into each union agreement to the end that such union will be contractually bound to refer applicants without regard to their race, color, religion, sex, national origin, age or disability.

c. The contractor is to obtain information as to the referral practices and policies of the labor union except that to the extent such information is within the exclusive possession of the labor union and such labor union refuses to furnish such information to the contractor, the contractor shall so certify to the contracting agency and shall set forth what efforts have been made to obtain such information.

d. In the event the union is unable to provide the contractor with a reasonable flow of referrals within the time limit set forth in the collective bargaining agreement, the contractor will, through independent recruitment efforts, fill the employment vacancies without regard to race, color, religion, sex, national origin, age or disability; making full efforts to obtain qualified and/or qualifiable minorities and women. The failure of a union to provide sufficient referrals (even though it is obligated to provide exclusive referrals under the terms of a collective bargaining agreement) does not relieve the contractor from the requirements of this paragraph. In the event the union referral practice prevents the contractor from meeting the obligations pursuant to Executive Order 11246, as amended, and these special provisions, such contractor shall immediately notify the contracting agency.

**8. Reasonable Accommodation for Applicants / Employees with Disabilities:** The contractor must be familiar

with the requirements for and comply with the Americans with Disabilities Act and all rules and regulations established there under. Employers must provide reasonable accommodation in all employment activities unless to do so would cause an undue hardship.

**9. Selection of Subcontractors, Procurement of Materials and Leasing of Equipment:** The contractor shall not discriminate on the grounds of race, color, religion, sex, national origin, age or disability in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall take all necessary and reasonable steps to ensure nondiscrimination in the administration of this contract.

a. The contractor shall notify all potential subcontractors and suppliers and lessors of their EEO obligations under this contract.

b. The contractor will use good faith efforts to ensure subcontractor compliance with their EEO obligations.

#### **10. Assurance Required by 49 CFR 26.13(b):**

a. The requirements of 49 CFR Part 26 and the State DOT's U.S. DOT-approved DBE program are incorporated by reference.

b. The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy as the contracting agency deems appropriate.

**11. Records and Reports:** The contractor shall keep such records as necessary to document compliance with the EEO requirements. Such records shall be retained for a period of three years following the date of the final payment to the contractor for all contract work and shall be available at reasonable times and places for inspection by authorized representatives of the contracting agency and the FHWA.

a. The records kept by the contractor shall document the following:

(1) The number and work hours of minority and non-minority group members and women employed in each work classification on the project;

(2) The progress and efforts being made in cooperation with unions, when applicable, to increase employment opportunities for minorities and women; and

(3) The progress and efforts being made in locating, hiring, training, qualifying, and upgrading minorities and women;

b. The contractors and subcontractors will submit an annual report to the contracting agency each July for the duration of the project, indicating the number of minority, women, and non-minority group employees currently engaged in each work classification required by the contract work. This information is to be reported on [Form FHWA-1391](#). The staffing data should represent the project work force on board in all or any part of the last payroll period preceding the end of July. If on-the-job training is being required by special provision, the contractor



will be required to collect and report training data. The employment data should reflect the work force on board during all or any part of the last payroll period preceding the end of July.

### III. NONSEGREGATED FACILITIES

This provision is applicable to all Federal-aid construction contracts and to all related construction subcontracts of \$10,000 or more.

The contractor must ensure that facilities provided for employees are provided in such a manner that segregation on the basis of race, color, religion, sex, or national origin cannot result. The contractor may neither require such segregated use by written or oral policies nor tolerate such use by employee custom. The contractor's obligation extends further to ensure that its employees are not assigned to perform their services at any location, under the contractor's control, where the facilities are segregated. The term "facilities" includes waiting rooms, work areas, restaurants and other eating areas, time clocks, restrooms, washrooms, locker rooms, and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing provided for employees. The contractor shall provide separate or single-user restrooms and necessary dressing or sleeping areas to assure privacy between sexes.

### IV. DAVIS-BACON AND RELATED ACT PROVISIONS

This section is applicable to all Federal-aid construction projects exceeding \$2,000 and to all related subcontracts and lower-tier subcontracts (regardless of subcontract size). The requirements apply to all projects located within the right-of-way of a roadway that is functionally classified as Federal-aid highway. This excludes roadways functionally classified as local roads or rural minor collectors, which are exempt. Contracting agencies may elect to apply these requirements to other projects.

The following provisions are from the U.S. Department of Labor regulations in 29 CFR 5.5 "Contract provisions and related matters" with minor revisions to conform to the FHWA-1273 format and FHWA program requirements.

#### 1. Minimum wages

a. All laborers and mechanics employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account (except such payroll deductions as are permitted by regulations issued by the Secretary of Labor under the Copeland Act (29 CFR part 3)), the full amount of wages and bona fide fringe benefits (or cash equivalents thereof) due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Labor which is attached hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor and such laborers and mechanics.

Contributions made or costs reasonably anticipated for bona fide fringe benefits under section 1(b)(2) of the Davis-Bacon Act on behalf of laborers or mechanics are considered wages paid to such laborers or mechanics, subject to the provisions

of paragraph 1.d. of this section; also, regular contributions made or costs incurred for more than a weekly period (but not less often than quarterly) under plans, funds, or programs which cover the particular weekly period, are deemed to be constructively made or incurred during such weekly period. Such laborers and mechanics shall be paid the appropriate wage rate and fringe benefits on the wage determination for the classification of work actually performed, without regard to skill, except as provided in 29 CFR 5.5(a)(4). Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein: Provided, That the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination (including any additional classification and wage rates conformed under paragraph 1.b. of this section) and the Davis-Bacon poster (WH-1321) shall be posted at all times by the contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

b.(1) The contracting officer shall require that any class of laborers or mechanics, including helpers, which is not listed in the wage determination and which is to be employed under the contract shall be classified in conformance with the wage determination. The contracting officer shall approve an additional classification and wage rate and fringe benefits therefore only when the following criteria have been met:

(i) The work to be performed by the classification requested is not performed by a classification in the wage determination; and

(ii) The classification is utilized in the area by the construction industry; and

(iii) The proposed wage rate, including any bona fide fringe benefits, bears a reasonable relationship to the wage rates contained in the wage determination.

(2) If the contractor and the laborers and mechanics to be employed in the classification (if known), or their representatives, and the contracting officer agree on the classification and wage rate (including the amount designated for fringe benefits where appropriate), a report of the action taken shall be sent by the contracting officer to the Administrator of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, Washington, DC 20210. The Administrator, or an authorized representative, will approve, modify, or disapprove every additional classification action within 30 days of receipt and so advise the contracting officer or will notify the contracting officer within the 30-day period that additional time is necessary.

(3) In the event the contractor, the laborers or mechanics to be employed in the classification or their representatives, and the contracting officer do not agree on the proposed classification and wage rate (including the amount designated for fringe benefits, where appropriate), the contracting officer shall refer the questions, including the views of all interested parties and the recommendation of the contracting officer, to the Wage and Hour Administrator for determination. The Wage and Hour Administrator, or an authorized representative, will issue a determination within 30 days of receipt and so advise the contracting officer or

will notify the contracting officer within the 30-day period that additional time is necessary.

(4) The wage rate (including fringe benefits where appropriate) determined pursuant to paragraphs 1.b.(2) or 1.b.(3) of this section, shall be paid to all workers performing work in the classification under this contract from the first day on which work is performed in the classification.

c. Whenever the minimum wage rate prescribed in the contract for a class of laborers or mechanics includes a fringe benefit which is not expressed as an hourly rate, the contractor shall either pay the benefit as stated in the wage determination or shall pay another bona fide fringe benefit or an hourly cash equivalent thereof.

d. If the contractor does not make payments to a trustee or other third person, the contractor may consider as part of the wages of any laborer or mechanic the amount of any costs reasonably anticipated in providing bona fide fringe benefits under a plan or program, Provided, That the Secretary of Labor has found, upon the written request of the contractor, that the applicable standards of the Davis-Bacon Act have been met. The Secretary of Labor may require the contractor to set aside in a separate account assets for the meeting of obligations under the plan or program.

## **2. Withholding**

The contracting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor, withhold or cause to be withheld from the contractor under this contract, or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to Davis-Bacon prevailing wage requirements, which is held by the same prime contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics, including apprentices, trainees, and helpers, employed by the contractor or any subcontractor the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic, including any apprentice, trainee, or helper, employed or working on the site of the work, all or part of the wages required by the contract, the contracting agency may, after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds until such violations have ceased.

## **3. Payrolls and basic records**

a. Payrolls and basic records relating thereto shall be maintained by the contractor during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records shall contain the name, address, and social security number of each such worker, his or her correct classification, hourly rates of wages paid (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof of the types described in section 1(b)(2)(B) of the Davis-Bacon Act), daily and weekly number of hours worked, deductions made and actual wages paid. Whenever the Secretary of Labor has found under 29 CFR 5.5(a)(1)(iv) that the wages of any laborer or mechanic include the amount of any costs reasonably anticipated in providing benefits under a plan or program described in section 1(b)(2)(B) of the Davis-

Bacon Act, the contractor shall maintain records which show that the commitment to provide such benefits is enforceable, that the plan or program is financially responsible, and that the plan or program has been communicated in writing to the laborers or mechanics affected, and records which show the costs anticipated or the actual cost incurred in providing such benefits. Contractors employing apprentices or trainees under approved programs shall maintain written evidence of the registration of apprenticeship programs and certification of trainee programs, the registration of the apprentices and trainees, and the ratios and wage rates prescribed in the applicable programs.

b.(1) The contractor shall submit weekly for each week in which any contract work is performed a copy of all payrolls to the contracting agency. The payrolls submitted shall set out accurately and completely all of the information required to be maintained under 29 CFR 5.5(a)(3)(i), except that full social security numbers and home addresses shall not be included on weekly transmittals. Instead the payrolls shall only need to include an individually identifying number for each employee (e.g., the last four digits of the employee's social security number). The required weekly payroll information may be submitted in any form desired. Optional Form WH-347 is available for this purpose from the Wage and Hour Division Web site at <http://www.dol.gov/esa/whd/forms/wh347instr.htm> or its successor site. The prime contractor is responsible for the submission of copies of payrolls by all subcontractors. Contractors and subcontractors shall maintain the full social security number and current address of each covered worker, and shall provide them upon request to the contracting agency for transmission to the State DOT, the FHWA or the Wage and Hour Division of the Department of Labor for purposes of an investigation or audit of compliance with prevailing wage requirements. It is not a violation of this section for a prime contractor to require a subcontractor to provide addresses and social security numbers to the prime contractor for its own records, without weekly submission to the contracting agency..

(2) Each payroll submitted shall be accompanied by a "Statement of Compliance," signed by the contractor or subcontractor or his or her agent who pays or supervises the payment of the persons employed under the contract and shall certify the following:

(i) That the payroll for the payroll period contains the information required to be provided under §5.5 (a)(3)(ii) of Regulations, 29 CFR part 5, the appropriate information is being maintained under §5.5 (a)(3)(i) of Regulations, 29 CFR part 5, and that such information is correct and complete;

(ii) That each laborer or mechanic (including each helper, apprentice, and trainee) employed on the contract during the payroll period has been paid the full weekly wages earned, without rebate, either directly or indirectly, and that no deductions have been made either directly or indirectly from the full wages earned, other than permissible deductions as set forth in Regulations, 29 CFR part 3;

(iii) That each laborer or mechanic has been paid not less than the applicable wage rates and fringe benefits or cash equivalents for the classification of work performed, as specified in the applicable wage determination incorporated into the contract.

(3) The weekly submission of a properly executed certification set forth on the reverse side of Optional Form WH-347 shall satisfy the requirement for submission of the "Statement of Compliance" required by paragraph 3.b.(2) of this section.

(4) The falsification of any of the above certifications may subject the contractor or subcontractor to civil or criminal prosecution under section 1001 of title 18 and section 231 of title 31 of the United States Code.

c. The contractor or subcontractor shall make the records required under paragraph 3.a. of this section available for inspection, copying, or transcription by authorized representatives of the contracting agency, the State DOT, the FHWA, or the Department of Labor, and shall permit such representatives to interview employees during working hours on the job. If the contractor or subcontractor fails to submit the required records or to make them available, the FHWA may, after written notice to the contractor, the contracting agency or the State DOT, take such action as may be necessary to cause the suspension of any further payment, advance, or guarantee of funds. Furthermore, failure to submit the required records upon request or to make such records available may be grounds for debarment action pursuant to 29 CFR 5.12.

#### 4. Apprentices and trainees

##### a. Apprentices (programs of the USDOL).

Apprentices will be permitted to work at less than the predetermined rate for the work they performed when they are employed pursuant to and individually registered in a bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration, Office of Apprenticeship Training, Employer and Labor Services, or with a State Apprenticeship Agency recognized by the Office, or if a person is employed in his or her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by the Office of Apprenticeship Training, Employer and Labor Services or a State Apprenticeship Agency (where appropriate) to be eligible for probationary employment as an apprentice.

The allowable ratio of apprentices to journeymen on the job site in any craft classification shall not be greater than the ratio permitted to the contractor as to the entire work force under the registered program. Any worker listed on a payroll at an apprentice wage rate, who is not registered or otherwise employed as stated above, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any apprentice performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed. Where a contractor is performing construction on a project in a locality other than that in which its program is registered, the ratios and wage rates (expressed in percentages of the journeyman's hourly rate) specified in the contractor's or subcontractor's registered program shall be observed.

Every apprentice must be paid at not less than the rate specified in the registered program for the apprentice's level of progress, expressed as a percentage of the journeymen hourly

rate specified in the applicable wage determination. Apprentices shall be paid fringe benefits in accordance with the provisions of the apprenticeship program. If the apprenticeship program does not specify fringe benefits, apprentices must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification. If the Administrator determines that a different practice prevails for the applicable apprentice classification, fringes shall be paid in accordance with that determination.

In the event the Office of Apprenticeship Training, Employer and Labor Services, or a State Apprenticeship Agency recognized by the Office, withdraws approval of an apprenticeship program, the contractor will no longer be permitted to utilize apprentices at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

##### b. Trainees (programs of the USDOL).

Except as provided in 29 CFR 5.16, trainees will not be permitted to work at less than the predetermined rate for the work performed unless they are employed pursuant to and individually registered in a program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, Employment and Training Administration.

The ratio of trainees to journeymen on the job site shall not be greater than permitted under the plan approved by the Employment and Training Administration.

Every trainee must be paid at not less than the rate specified in the approved program for the trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Trainees shall be paid fringe benefits in accordance with the provisions of the trainee program. If the trainee program does not mention fringe benefits, trainees shall be paid the full amount of fringe benefits listed on the wage determination unless the Administrator of the Wage and Hour Division determines that there is an apprenticeship program associated with the corresponding journeyman wage rate on the wage determination which provides for less than full fringe benefits for apprentices. Any employee listed on the payroll at a trainee rate who is not registered and participating in a training plan approved by the Employment and Training Administration shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed. In addition, any trainee performing work on the job site in excess of the ratio permitted under the registered program shall be paid not less than the applicable wage rate on the wage determination for the work actually performed.

In the event the Employment and Training Administration withdraws approval of a training program, the contractor will no longer be permitted to utilize trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

c. Equal employment opportunity. The utilization of apprentices, trainees and journeymen under this part shall be in conformity with the equal employment opportunity requirements of Executive Order 11246, as amended, and 29 CFR part 30.



d. Apprentices and Trainees (programs of the U.S. DOT).

Apprentices and trainees working under apprenticeship and skill training programs which have been certified by the Secretary of Transportation as promoting EEO in connection with Federal-aid highway construction programs are not subject to the requirements of paragraph 4 of this Section IV. The straight time hourly wage rates for apprentices and trainees under such programs will be established by the particular programs. The ratio of apprentices and trainees to journeymen shall not be greater than permitted by the terms of the particular program.

**5. Compliance with Copeland Act requirements.** The contractor shall comply with the requirements of 29 CFR part 3, which are incorporated by reference in this contract.

**6. Subcontracts.** The contractor or subcontractor shall insert Form FHWA-1273 in any subcontracts and also require the subcontractors to include Form FHWA-1273 in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the contract clauses in 29 CFR 5.5.

**7. Contract termination: debarment.** A breach of the contract clauses in 29 CFR 5.5 may be grounds for termination of the contract, and for debarment as a contractor and a subcontractor as provided in 29 CFR 5.12.

**8. Compliance with Davis-Bacon and Related Act requirements.** All rulings and interpretations of the Davis-Bacon and Related Acts contained in 29 CFR parts 1, 3, and 5 are herein incorporated by reference in this contract.

**9. Disputes concerning labor standards.** Disputes arising out of the labor standards provisions of this contract shall not be subject to the general disputes clause of this contract. Such disputes shall be resolved in accordance with the procedures of the Department of Labor set forth in 29 CFR parts 5, 6, and 7. Disputes within the meaning of this clause include disputes between the contractor (or any of its subcontractors) and the contracting agency, the U.S. Department of Labor, or the employees or their representatives.

**10. Certification of eligibility.**

a. By entering into this contract, the contractor certifies that neither it (nor he or she) nor any person or firm who has an interest in the contractor's firm is a person or firm ineligible to be awarded Government contracts by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

b. No part of this contract shall be subcontracted to any person or firm ineligible for award of a Government contract by virtue of section 3(a) of the Davis-Bacon Act or 29 CFR 5.12(a)(1).

c. The penalty for making false statements is prescribed in the U.S. Criminal Code, 18 U.S.C. 1001.

**V. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT**

The following clauses apply to any Federal-aid construction contract in an amount in excess of \$100,000 and subject to the overtime provisions of the Contract Work Hours and Safety Standards Act. These clauses shall be inserted in addition to the clauses required by 29 CFR 5.5(a) or 29 CFR 4.6. As used in this paragraph, the terms laborers and mechanics include watchmen and guards.

**1. Overtime requirements.** No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.

**2. Violation; liability for unpaid wages; liquidated damages.** In the event of any violation of the clause set forth in paragraph (1.) of this section, the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (1.) of this section, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (1.) of this section.

**3. Withholding for unpaid wages and liquidated damages.** The FHWA or the contracting agency shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid wages and liquidated damages as provided in the clause set forth in paragraph (2.) of this section.

**4. Subcontracts.** The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (1.) through (4.) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (1.) through (4.) of this section.

## VI. SUBLETTING OR ASSIGNING THE CONTRACT

This provision is applicable to all Federal-aid construction contracts on the National Highway System.

1. The contractor shall perform with its own organization contract work amounting to not less than 30 percent (or a greater percentage if specified elsewhere in the contract) of the total original contract price, excluding any specialty items designated by the contracting agency. Specialty items may be performed by subcontract and the amount of any such specialty items performed may be deducted from the total original contract price before computing the amount of work required to be performed by the contractor's own organization (23 CFR 635.116).

a. The term "perform work with its own organization" refers to workers employed or leased by the prime contractor, and equipment owned or rented by the prime contractor, with or without operators. Such term does not include employees or equipment of a subcontractor or lower tier subcontractor, agents of the prime contractor, or any other assignees. The term may include payments for the costs of hiring leased employees from an employee leasing firm meeting all relevant Federal and State regulatory requirements. Leased employees may only be included in this term if the prime contractor meets all of the following conditions:

- (1) the prime contractor maintains control over the supervision of the day-to-day activities of the leased employees;
- (2) the prime contractor remains responsible for the quality of the work of the leased employees;
- (3) the prime contractor retains all power to accept or exclude individual employees from work on the project; and
- (4) the prime contractor remains ultimately responsible for the payment of predetermined minimum wages, the submission of payrolls, statements of compliance and all other Federal regulatory requirements.

b. "Specialty Items" shall be construed to be limited to work that requires highly specialized knowledge, abilities, or equipment not ordinarily available in the type of contracting organizations qualified and expected to bid or propose on the contract as a whole and in general are to be limited to minor components of the overall contract.

2. The contract amount upon which the requirements set forth in paragraph (1) of Section VI is computed includes the cost of material and manufactured products which are to be purchased or produced by the contractor under the contract provisions.

3. The contractor shall furnish (a) a competent superintendent or supervisor who is employed by the firm, has full authority to direct performance of the work in accordance with the contract requirements, and is in charge of all construction operations (regardless of who performs the work) and (b) such other of its own organizational resources (supervision, management, and engineering services) as the contracting officer determines is necessary to assure the performance of the contract.

4. No portion of the contract shall be sublet, assigned or otherwise disposed of except with the written consent of the contracting officer, or authorized representative, and such consent when given shall not be construed to relieve the contractor of any responsibility for the fulfillment of the contract. Written consent will be given only after the contracting agency has assured that each subcontract is

evidenced in writing and that it contains all pertinent provisions and requirements of the prime contract.

5. The 30% self-performance requirement of paragraph (1) is not applicable to design-build contracts; however, contracting agencies may establish their own self-performance requirements.

## VII. SAFETY: ACCIDENT PREVENTION

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

1. In the performance of this contract the contractor shall comply with all applicable Federal, State, and local laws governing safety, health, and sanitation (23 CFR 635). The contractor shall provide all safeguards, safety devices and protective equipment and take any other needed actions as it determines, or as the contracting officer may determine, to be reasonably necessary to protect the life and health of employees on the job and the safety of the public and to protect property in connection with the performance of the work covered by the contract.

2. It is a condition of this contract, and shall be made a condition of each subcontract, which the contractor enters into pursuant to this contract, that the contractor and any subcontractor shall not permit any employee, in performance of the contract, to work in surroundings or under conditions which are unsanitary, hazardous or dangerous to his/her health or safety, as determined under construction safety and health standards (29 CFR 1926) promulgated by the Secretary of Labor, in accordance with Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C. 3704).

3. Pursuant to 29 CFR 1926.3, it is a condition of this contract that the Secretary of Labor or authorized representative thereof, shall have right of entry to any site of contract performance to inspect or investigate the matter of compliance with the construction safety and health standards and to carry out the duties of the Secretary under Section 107 of the Contract Work Hours and Safety Standards Act (40 U.S.C.3704).

## VIII. FALSE STATEMENTS CONCERNING HIGHWAY PROJECTS

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

In order to assure high quality and durable construction in conformity with approved plans and specifications and a high degree of reliability on statements and representations made by engineers, contractors, suppliers, and workers on Federal-aid highway projects, it is essential that all persons concerned with the project perform their functions as carefully, thoroughly, and honestly as possible. Willful falsification, distortion, or misrepresentation with respect to any facts related to the project is a violation of Federal law. To prevent any misunderstanding regarding the seriousness of these and similar acts, Form FHWA-1022 shall be posted on each Federal-aid highway project (23 CFR 635) in one or more places where it is readily available to all persons concerned with the project:

18 U.S.C. 1020 reads as follows:

"Whoever, being an officer, agent, or employee of the United States, or of any State or Territory, or whoever, whether a person, association, firm, or corporation, knowingly makes any false statement, false representation, or false report as to the character, quality, quantity, or cost of the material used or to be used, or the quantity or quality of the work performed or to be performed, or the cost thereof in connection with the submission of plans, maps, specifications, contracts, or costs of construction on any highway or related project submitted for approval to the Secretary of Transportation; or

Whoever knowingly makes any false statement, false representation, false report or false claim with respect to the character, quality, quantity, or cost of any work performed or to be performed, or materials furnished or to be furnished, in connection with the construction of any highway or related project approved by the Secretary of Transportation; or

Whoever knowingly makes any false statement or false representation as to material fact in any statement, certificate, or report submitted pursuant to provisions of the Federal-aid Roads Act approved July 1, 1916, (39 Stat. 355), as amended and supplemented;

Shall be fined under this title or imprisoned not more than 5 years or both."

#### **IX. IMPLEMENTATION OF CLEAN AIR ACT AND FEDERAL WATER POLLUTION CONTROL ACT**

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts.

By submission of this bid/proposal or the execution of this contract, or subcontract, as appropriate, the bidder, proposer, Federal-aid construction contractor, or subcontractor, as appropriate, will be deemed to have stipulated as follows:

1. That any person who is or will be utilized in the performance of this contract is not prohibited from receiving an award due to a violation of Section 508 of the Clean Water Act or Section 306 of the Clean Air Act.
2. That the contractor agrees to include or cause to be included the requirements of paragraph (1) of this Section X in every subcontract, and further agrees to take such action as the contracting agency may direct as a means of enforcing such requirements.

#### **X. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION**

This provision is applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FHWA approval or that is estimated to cost \$25,000 or more – as defined in 2 CFR Parts 180 and 1200.

##### **1. Instructions for Certification – First Tier Participants:**

- a. By signing and submitting this proposal, the prospective first tier participant is providing the certification set out below.
- b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this

covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default.

d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions," provided by the department or contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (<https://www.epls.gov/>), which is compiled by the General Services Administration.



i. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the prospective participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph (f) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

\* \* \* \* \*

## **2. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – First Tier Participants:**

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

## **2. Instructions for Certification - Lower Tier Participants:**

(Applicable to all subcontracts, purchase orders and other lower tier transactions requiring prior FHWA approval or estimated to cost \$25,000 or more - 2 CFR Parts 180 and 1200)

a. By signing and submitting this proposal, the prospective lower tier is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department, or agency with which

this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances.

d. The terms "covered transaction," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 CFR Parts 180 and 1200. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations. "First Tier Covered Transactions" refers to any covered transaction between a grantee or subgrantee of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a grantee or subgrantee of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the Excluded Parties List System website (<https://www.epls.gov/>), which is compiled by the General Services Administration.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the

department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

\*\*\*\*\*

**Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Participants:**

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

\*\*\*\*\*

**XI. CERTIFICATION REGARDING USE OF CONTRACT FUNDS FOR LOBBYING**

This provision is applicable to all Federal-aid construction contracts and to all related subcontracts which exceed \$100,000 (49 CFR 20).

1. The prospective participant certifies, by signing and submitting this bid or proposal, to the best of his or her knowledge and belief, that:

a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any Federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

2. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

3. The prospective participant also agrees by submitting its bid or proposal that the participant shall require that the language of this certification be included in all lower tier subcontracts, which exceed \$100,000 and that all such recipients shall certify and disclose accordingly.

**ATTACHMENT A - EMPLOYMENT AND MATERIALS  
PREFERENCE FOR APPALACHIAN DEVELOPMENT  
HIGHWAY SYSTEM OR APPALACHIAN LOCAL ACCESS  
ROAD CONTRACTS**

This provision is applicable to all Federal-aid projects funded under the Appalachian Regional Development Act of 1965.

1. During the performance of this contract, the contractor undertaking to do work which is, or reasonably may be, done as on-site work, shall give preference to qualified persons who regularly reside in the labor area as designated by the DOL wherein the contract work is situated, or the subregion, or the Appalachian counties of the State wherein the contract work is situated, except:

a. To the extent that qualified persons regularly residing in the area are not available.

b. For the reasonable needs of the contractor to employ supervisory or specially experienced personnel necessary to assure an efficient execution of the contract work.

c. For the obligation of the contractor to offer employment to present or former employees as the result of a lawful collective bargaining contract, provided that the number of nonresident persons employed under this subparagraph (1c) shall not exceed 20 percent of the total number of employees employed by the contractor on the contract work, except as provided in subparagraph (4) below.

2. The contractor shall place a job order with the State Employment Service indicating (a) the classifications of the laborers, mechanics and other employees required to perform the contract work, (b) the number of employees required in each classification, (c) the date on which the participant estimates such employees will be required, and (d) any other pertinent information required by the State Employment Service to complete the job order form. The job order may be placed with the State Employment Service in writing or by telephone. If during the course of the contract work, the information submitted by the contractor in the original job order is substantially modified, the participant shall promptly notify the State Employment Service.

3. The contractor shall give full consideration to all qualified job applicants referred to him by the State Employment Service. The contractor is not required to grant employment to any job applicants who, in his opinion, are not qualified to perform the classification of work required.

4. If, within one week following the placing of a job order by the contractor with the State Employment Service, the State Employment Service is unable to refer any qualified job applicants to the contractor, or less than the number requested, the State Employment Service will forward a certificate to the contractor indicating the unavailability of applicants. Such certificate shall be made a part of the contractor's permanent project records. Upon receipt of this certificate, the contractor may employ persons who do not normally reside in the labor area to fill positions covered by the certificate, notwithstanding the provisions of subparagraph (1c) above.

5. The provisions of 23 CFR 633.207(e) allow the contracting agency to provide a contractual preference for the use of mineral resource materials native to the Appalachian region.

6. The contractor shall include the provisions of Sections 1 through 4 of this Attachment A in every subcontract for work which is, or reasonably may be, done as on-site work.



## **EXHIBIT 2 TO AMENDMENT AGREEMENT - ADDITIONAL SERVICES**

### **PROFESSIONAL ENGINEERING SERVICES FOR FOUR CORNERS INTERSECTION IMPROVEMENTS PROJECT**

**DAVID EVANS AND ASSOCIATES, INC.**

#### **General Addendum Description**

The following includes work descriptions for tasks to be accomplished beyond the project initial scope (dated September 2, 2020). Elements included in this addendum include:

- Extension of project management activities from 9/4/2021 through 12/31/2023 (anticipated work in 2023 to cover responses to RFIs and/or other field questions during construction (Work identified in original scope of services; this extension is for time only.))
- Additional analyses requested by CDOT in support of the alternatives analysis
- Design of a conceptual roundabout at the Ridge Road intersection with the northern entrance to Founders Marketplace
- Additional project supplemental survey to collect utility markings and additional required topographic features in support of the wall evaluation tasks
- Additional right-of-way plan preparation and acquisition
- Additional geotechnical investigation and design
- Additional Subsurface Utility Engineering investigation
- Traffic counts to support additional requested traffic analyses
- Structural design of three walls

#### Project Management

The consultant will be responsible for the following additional management tasks:

- Bi-Weekly Project Management meetings (*assumes additional 1 year of meetings (26) – September 2021-August 2022*)
  - Assumes that these meetings will be utilized for design status as well as monitoring progress of the ROW process
- Monthly Invoices and Progress Reports. The consultant shall submit monthly written progress reports in the format required by the initial project scope of work.
- The consultant shall provide monthly schedule updates for review (*assumes additional 12 months of invoicing and schedule updates*).

#### Alternatives Analysis

As part of the alternatives process, the consultant was required to complete additional analyses at the request of CDOT Region 1 Traffic in order for the final alternative to be recommended:

- A preliminary ("Level 1") screening of the alternatives via CAP-X analysis program
- Development of a traffic forecasting methods memorandum for review and approval prior to evaluating alternatives
- Preparation for and participation in two additional alternatives meetings

The original scope of work for this project included the development of an alternatives report. The memoranda provided as part of the alternatives process as well as those described above will replace the full alternatives report and will be provided as a compiled and complete document for the alternatives process.

### Conceptual Design

- The consultant provided a conceptual design alternative for a roundabout intersection at the northern Ridge Road entrance to the Founders Marketplace.
- Consultant reviewed various concepts with Town and CDOT staff to gain consensus on whether to incorporate the roundabout into the project plan.

### Field Survey

This scope includes supplemental survey efforts to expand, augment, or update the previous field survey information.

#### Assumptions/Clarifications

- *The original scope included a maximum of \$25,000 in supplemental survey.*
- *This scope adds \$20,050 of additional supplemental survey to support the additional property pins, the addition of the church driveway, and other additional supplemental topography required where walls are now to be evaluated.*
- *This scope assumes that the direct expenses associated with the additional supplemental survey effort will not exceed \$450.*

### Right-of-Way Information

In accordance with the original project scope of work, the consultant shall support the documentation of needed right-of-way and develop ROW plans in accordance with the requirements of the CDOT ROW Manual. Specific items to be accomplished include:

- Consultant shall acquire title work for up to eleven additional parcels for property acquisitions.
- The consultant will be required to delineate necessary acquisition of rights-of-way, permanent easements, temporary easements, and complete the preparation of right-of-way/easement legal descriptions, and Right-of-Way Plan Review (ROWPR) plans. Consultant is responsible for all cadastral research necessary to accurately represent existing and proposed property lines. Town may assist with Town related documents i.e. ordinances, vacation documents, etc.
- Prepare ROW plans for CDOT review for acquisition of up to twenty additional partial properties.
- Consultant shall prepare legal descriptions for each additional parcel including name, book and page, reception number, and area acquired in acres and square feet.

#### Assumptions

- *One set of revisions prior to the ROWPR and one set of revisions post ROWPR*

### Geotechnical Investigation and Wall Design

Geotechnical explorations and design recommendations for retaining walls are required. The retaining wall types and approximate geometry will be as follows:

- Wall A – South 5<sup>th</sup> Street Wall
  - ~550' Long with 15' Max height; cut wall
  - Assume Soil Nail Wall w/ segmental precast panels
- Wall B – North 5<sup>th</sup> Street Wall
  - ~350' long with 8' Max height, fill wall
  - Assume MSE w/ segmental precast panels
- Wall C – West Founders Wall
  - ~350' Long with 9' Max height; cut wall
  - Assume Soil Nail Wall w/ segmental precast panels

The geotechnical scope of work will include a field exploration program, laboratory testing, recommendations to support structure selection report by DEA, design of the 3 retaining walls (including detail sheet preparation and quantities), and preparation of a geotechnical design report.

The field exploration program will consist of 7 borings to depths ranging from 15 to 30 feet (estimated 155 feet of drilling). We anticipate that drilling for Walls A and C may require drilling/access on private property (requiring right-of-entry). We anticipate that borings for Wall B will need to be drilled in the existing Fifth Street roadway due to the proximity of overhead power lines.

A geologist or geotechnical engineer will complete a geotechnical reconnaissance, log borings, and collect samples for classification and laboratory testing. Data generated during the subsurface exploration and laboratory testing programs will be analyzed by a geotechnical engineer in developing findings and recommendations to be presented in a formal report. Laboratory testing will be conducted in accordance with AASHTO, CDOT, and Town of Castle Rock standards. Laboratory testing will include:

- moisture content,
- density of fine-grained samples,
- gradation characteristics of coarse-grained samples,
- consolidation and/or swell potential of fine-grained soil samples,
- Atterberg limits, and
- Corrosion potential (sulfates, pH, resistivity, and chlorides),

The geotechnical design report will be signed and sealed by a professional engineer registered in Colorado. The report will be combined with the project pavement report (pavement design is being completed by Shannon & Wilson under a separate scope of work). The report will include:

- a site plan showing exploration locations;
- field and laboratory test results, including boring logs;
- general description of subsurface soil/rock conditions and groundwater levels below the site;
- recommendations regarding selected wall types; and
- recommended design parameters for the proposed retaining walls (bearing resistance, sliding, settlement, earth pressures, and global stability).

We will provide the following information for retaining wall design under separate cover from the geotechnical design report:

- Walls A & C: soil nail wall design and detail sheets
  - Nail type, lengths, and spacing for internal and external/global stability
  - Temporary reinforced shotcrete design
  - Quantities for nail length, geocomposite strip drain, and temporary shotcrete
  - Engineering geology sheets
  - Assist DEA with modification of CDOT Standard Specifications/Standard Special Provisions
- Wall B: MSE wall design and detail sheets
  - Reinforcement length for external and global stability
  - Quantities for reinforced backfill
  - Engineering geology sheets



- Assist with modification of CDOT Standard Specifications/Standard Special Provisions

Each wall design will include an independent design check.

#### Assumptions

- *Field work will be completed in a single mobilization.*
- *Borings will be staked using site features and a hand-held GPS device; surveying of boring locations is not included.*
- *Private utility locating will be required for up to 3 borings.*
- *We will coordinate with the Town to obtain a no-fee ROW Use Permit.*
- *We will coordinate with CDOT Region 1 to obtain a no-fee ROW Special Use Permit for work alongside Founders Parkway (CO 86).*
- *Right-of-entry for borings on (or access requiring travel through) private property will be secured by the consultant.*
- *Work hour restrictions at the site are anticipated to be on weekdays only from 8:30 am to 3:30 pm for borings in Town of Castle Rock ROW.*
- *Traffic control will be required for approximately two borings.*
- *Approximately two days of drilling are anticipated.*
- *Borings will be accessible using a truck-mounted drill rig.*
- *Pavement cores will NOT be taken for any borings drilled the roadway.*
- *Borings drilled through pavement will be backfilled with flow fill and finished with high strength non-shrink grout or hot-mix asphalt as required by the Town. Borings drilled outside of the roadway will be backfilled with drill cuttings.*
- *Excess drill cuttings can be spread around the site.*
- *Contaminated soil/rock will not be encountered during the drilling operations.*
- *Our scope of work does not include subsurface utility engineering, bid documents, generation of project specifications, or design/recommendations for geotechnical features other than the three retaining walls.*
- *Our scope of work does not include landscape repair. We will endeavor to limit disturbance to the extent possible but traversing on trails and grass has the potential to damage landscaping.*
- *For the MSE wall, Shannon & Wilson will determine the minimum required reinforcement length for global and external stability. Internal stability will be evaluated by the wall supplier. The wall supplier will also prepare shop drawings detailing the soil reinforcement type and spacing, facing connections, and internal drainage features.*

#### Subsurface Utility Engineering

The consultant shall provide up to 30 additional Quality Level A Utility Test holes for a total of 50, including traffic control, permits, survey, and hole restoration per Town of Castle Rock requirements.

The consultant shall provide engineering oversight and coordination associated with Utility Test hole activities, including documentation of test holes and compiling of data into the Utility Plans.

Additionally, the DEA surveyors will collect and map supplemental utility designations and additional test hole locations up to a maximum of \$5,010.

#### Assumptions

- *Engineered design (e.g. waterline design) of utility relocations is excluded from this change order.*

### Preliminary Design (30%)

In support of preliminary design efforts and iterative design processes to finalize the project footprint, turning movement traffic counts were collected:

- To support the analysis requested by CDOT Region 1 Traffic for the elimination of the acceleration lane on CO 86 from the Founders Marketplace entrance (to avoid widening farther east)
- To support the analysis of lanes required on Ridge Road at Founders Marketplace (and to compare turning movement volumes at Founders Marketplace entrances)

The consultant has also coordinated with the 5th Street project consultant regarding project tie-ins and available project traffic modeling.

The consultant will develop and provide plan and profile sections for the proposed retaining walls now included in the project.

### Structural Wall Design

Major wall structures are walls with a total length greater than one hundred feet and an exposed height greater than three feet. This length is measured along the top of wall.

The following wall structures are anticipated as part of this additional scope:

- A retaining wall along the south side of 5<sup>th</sup> Street and a new driveway to Emmaus Anglican Church.
- A retaining wall along the north side of 5<sup>th</sup> Street.
- A retaining wall along the west side of Founders Parkway.

The structural design for this major wall includes:

- a. Structural Data Collection:
  - (1) Obtain the structure site data. The following data, as applicable, shall be collected: typical roadway section, roadway plan and profile sheets showing all alignment data, drainage survey, utility maps, planimetric topography, right-of-way restrictions, and architectural recommendations.
- b. Structure Selection and Layout
  - (1) Review the structure site data to determine the requirements that will control the structure size, layout, and type.
  - (2) Determine the structure layout alternatives. For walls, determine the top and bottom of wall profiles.
  - (3) Determine the structure type alternatives. For walls, determine the feasible wall types in accordance with the CDOT Bridge Design Manual Section 5. The following wall types will be considered for this project: soil nail wall, MSE wall, and CIP cantilever wall. Deep foundation wall types shall not be considered.
  - (4) To obtain supporting information, initiate the foundation investigation as early as possible during the preliminary design phase. See Geotechnical Investigation Scope for additional information.
  - (5) Compute preliminary quantities and preliminary cost estimates as necessary to evaluate and compare the structure types.
  - (6) Evaluate the structure alternatives. Establish the criteria for evaluating and comparing the structure alternatives that, in addition to cost, encompass all aspects of the project's objectives. Based on these criteria, select the optimum structure type for recommendation to the Town.
  - (7) Prepare preliminary general layout for the recommended structure. Prepare

structure layouts in accordance with the CDOT Bridge Detailing Manual. Special detail drawings and a detailed preliminary cost estimate shall accompany the general layout. The special detail drawings shall include the architectural treatment, if applicable.

c. Structure Selection Report

The consultant shall develop and distribute a structure selection report for the project to document and obtain approval for the structures preliminary design. By means of the structure general layout, with supporting drawings, tables, and discussion, provide for the following:

- (1) Summarize the structure site data used to select and layout the structures. Include the following:
  - (a) Project site plan
  - (b) Roadway vertical and horizontal alignments and cross sections at the structure.
  - (c) Construction phasing
  - (d) Utilities on, below, and adjacent to the structure
  - (e) Preliminary geology information for structure foundation
  - (f) Architectural requirements. Formliners (up to 3) will be recommended for use on the project and reviewed and approved by the Town.
- (2) Report on the structure selection and layout process. Include the following:
  - (a) Discuss the structure layout, and type alternatives considered.
  - (b) Define the criteria used to evaluate the structure alternatives and how the recommended structure was selected.
  - (c) Provide a detailed preliminary cost estimate and general layout of the recommended structure.
- (3) Obtain acceptance by Town for the recommended structure and its layout by submitting a revised structure selection report to the Town. Allow approximately two weeks for review of the structure selection report. The associated general layout, with the revisions required by the Town review, will be included in the FOR plans. The work schedule shall be planned accordingly. The structure selection report, with the associated general layout, must be accepted in writing by the Town prior to the commencement of further design activities.

d. Preliminary Design (30%/FIR): The Consultant will develop plans and quantities/cost estimate as part of preliminary (FIR) design. The Consultant team will include the following plans at preliminary design:

- (1) General Information
- (2) Wall Summary of Quantities
- (3) Wall General Layouts
- (4) Wall Typical Sections

e. Final Design (90%/FOR): The Consultant will perform final design on the recommended wall type, including modeling to obtain final wall elevations and layout. Design and Independent Design calculations shall be performed on all major structure walls. Plans will include all details necessary to detail the walls in accordance with the CDOT BDM. The Consultant will develop structural specifications as required for the retaining walls following CDOT specification standards. The Consultant will address comments from the Town, CDOT and other stakeholders from the FIR design and provide responses at the FOR submittal. CDOT Bridge comments will be addressed and responded in the CDOT Bridge standard form. The Consultant shall submit a revised and final structure selection



report that is signed and sealed by a Professional Engineer registered in the state of Colorado. The Plans will include the FIR plans plus the following:

- (1) Wall Structural Details
- (2) Engineering Geology Sheets
- (3) Aesthetic Treatment Details

- f. PS&E Design (AD): The Consultant will address comments on the structural plans, specifications, and estimate from FOR. The Consultant will submit revised plans, specifications, and estimate. Design Calculations and Independent Design Calculation packages will be provided at PS&E. Both shall be stamped by a professional engineer registered in the state of Colorado.
- g. CDOT Bridge Final Submittal: The Consultant will compile and submit at PS&E or after bidding, as directed by the Town, the final CDOT Bridge submittal in accordance with the CDOT BDM E.5, as applicable for retaining walls and this project.

#### Assumptions

- *At least one retaining wall is within CDOT ROW and CDOT standards shall be followed.*
- *All designs in accordance with AASHTO LRFD Specifications for Highway Bridges, latest edition, and the CDOT Bridge Design Manual.*
- *Independent Design calculations will be performed on major structures.*
- *Assumes 2 meetings with CDOT Staff Bridge to review structure layout and type selection.*

#### Right-of-Way (ROW) Acquisition

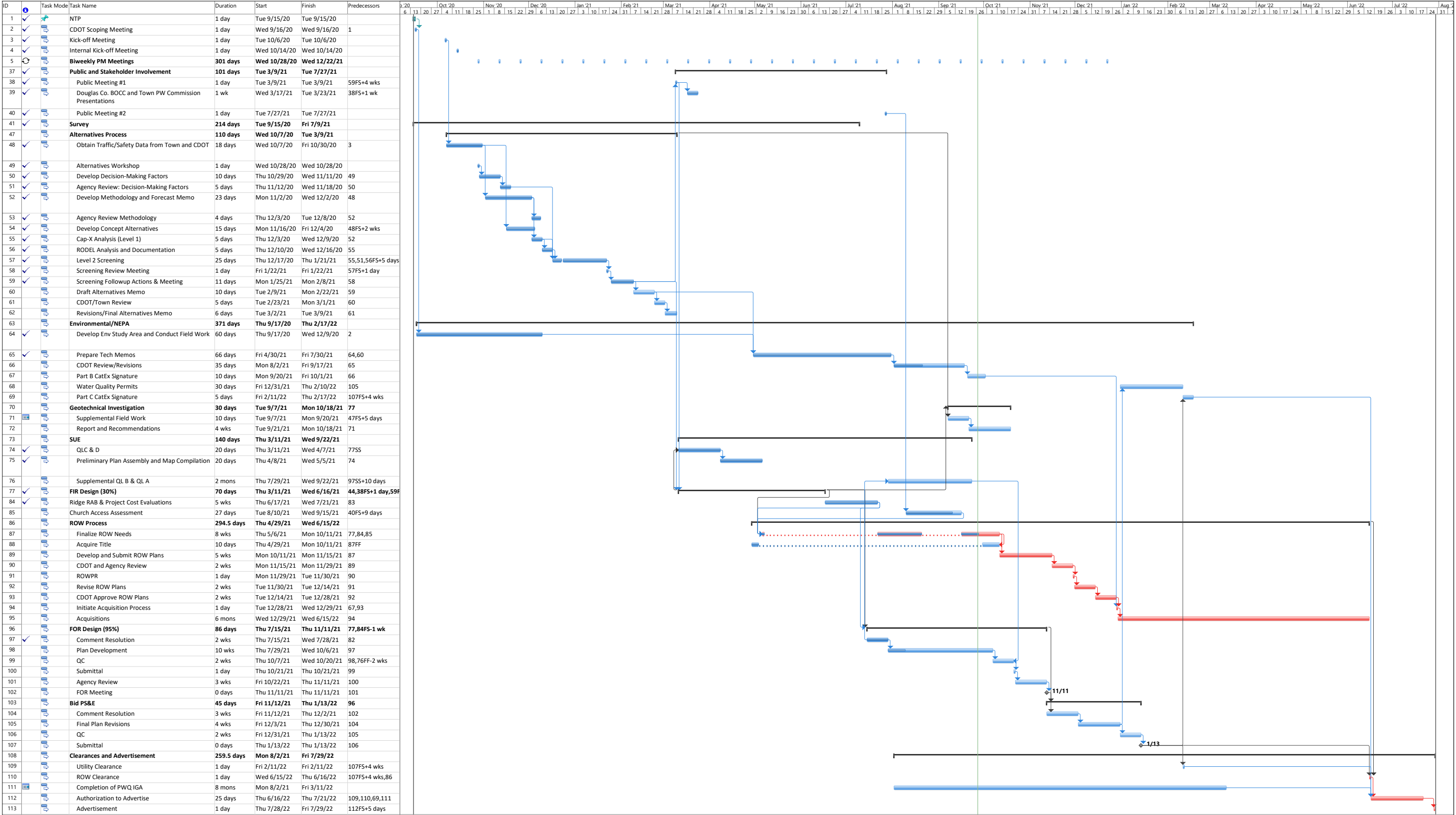
The consultant shall complete the acquisition of up to twenty additional properties (easement, temporary easement, and/or permanent right-of-way). All ROW activities will occur pursuant to the CDOT ROW manual. The ROW acquisition work for these additional properties includes:

- Provision of three additional appraisals
- Purchase negotiation, acquisition, and closing
- Coordination

#### Assumptions

- *This scope assumes no total takes and no relocation is required.*

|                                                                 |                 |           | DEA                   |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             | DEA Total Labor Cost         | Shannon & Wilson |           |                 | HC Peck        |               |                     | Triunity           |                |                      | DEA Direct Costs    | Grand Total Cost |                  |           |
|-----------------------------------------------------------------|-----------------|-----------|-----------------------|--------------|-----------------|-------------------------------------|--------------------------|------------------------------|---------------------|--------------------|-----------------|-----------------|------------------|---------------------|---------------------|------------------|--------------------------|------------------|-----------------|----------------|------------------|-------------|------------------------------|------------------|-----------|-----------------|----------------|---------------|---------------------|--------------------|----------------|----------------------|---------------------|------------------|------------------|-----------|
|                                                                 |                 |           | Project Management/PI |              |                 |                                     | Environmental Planning   |                              | Design              |                    | Structures      |                 |                  |                     | Traffic Engineering |                  |                          |                  | Survey/ROW      |                |                  |             |                              | Admin & Acct     |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
|                                                                 |                 |           | \$ 310.00             | \$ 230.00    | \$ 225.00       | \$ 150.00                           | \$ 200.00                | \$ 158.00                    | \$ 230.00           | \$ 115.00          | \$ 110.00       | \$ 175.00       | \$ 135.00        | \$ 150.00           | \$ 110.00           | \$ 290.00        | \$ 200.00                | \$ 135.00        | \$ 110.00       | \$ 200.00      | \$ 145.00        | \$ 115.00   |                              | \$ 126.00        |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
|                                                                 |                 |           | Joe                   | Sara         | Velvet          | Leah                                | Kara                     | Michael                      | Sara                | Trevor             | Aaron           | Cody            | Matt             | Randy               | Charlie             | Stacy            | Anna                     | Tyler            | Aaron           | Jim            | Ramon            | Ryan        |                              | Teri             |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
| Task                                                            | Grand Total Hrs | DEA Hours | Vice President        | Senior PM II | Quality Manager | Senior Planner / Public Involvement | Planning Project Manager | Senior Environmental Planner | Design Task Manager | Junior Engineer II | Junior Engineer | Senior Engineer | Project Engineer | Senior CADD Manager | Junior Engineer     | Project Director | Engineering Task Manager | Project Engineer | Junior Engineer | Survey Manager | Project Surveyor | Survey Tech | Senior Project Administrator |                  | S&W Hours | S&W Direct Cost | S&W Total Cost | HC PECK Hours | HC PECK Direct Cost | HC PECK Total Cost | Triunity Hours | Triunity Direct Cost | Triunity Total Cost | DEA Direct Costs | Grand Total Cost |           |
| 1. PROJECT MANAGEMENT                                           |                 |           |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             |                              |                  |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
| Meetings (Design Status & ROW Process Monitoring)               | 47              | 47        |                       | 26           |                 |                                     | 13                       |                              |                     |                    |                 | 4               | 4                |                     |                     |                  |                          |                  |                 |                |                  |             |                              | \$9,820          |           |                 |                |               |                     | 0                  |                |                      |                     | \$9,820          |                  |           |
| Invoicing and Schedule                                          | 24              | 24        |                       | 12           |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  | 12          | \$4,272                      | 0                |           | \$0             | 0              |               | \$0                 | 0                  |                | \$0                  |                     | \$4,272          |                  |           |
| SUBTOTAL                                                        | 71              | 71        | 0                     | 38           | 0               | 0                                   | 13                       | 0                            | 0                   | 0                  | 0               | 4               | 4                | 0                   | 0                   | 0                | 0                        | 0                | 0               | 0              | 0                | 0           | 12                           | \$14,092         | 0         | 0               | \$0            | 0             | 0                   | \$0                | 0              | 0                    | \$0                 | \$0              | \$14,092         |           |
| 2. ALTERNATIVES ANALYSIS                                        |                 |           |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             |                              |                  |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
| CAP-X                                                           | 10              | 10        |                       | 2            |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     | 2                | 6                        |                  |                 |                |                  |             | \$2,240                      | 0                |           | \$0             | 0              |               | \$0                 | 0                  |                | \$0                  |                     | \$2,240          |                  |           |
| Traffic Forecasting Memo                                        | 5               | 5         |                       | 1            |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     | 4                |                          |                  |                 |                |                  |             | \$1,390                      | 0                |           | \$0             | 0              |               | \$0                 | 0                  |                | \$0                  |                     | \$1,390          |                  |           |
| Alternatives Meetings (2)                                       | 14              | 14        |                       | 6            |                 |                                     | 4                        |                              |                     |                    |                 |                 |                  |                     |                     | 4                |                          |                  |                 |                |                  |             | \$3,340                      | 0                |           | \$0             | 0              |               | \$0                 | 0                  |                | \$0                  |                     | \$3,340          |                  |           |
| SUBTOTAL                                                        | 29              | 29        | 0                     | 9            | 0               | 0                                   | 4                        | 0                            | 0                   | 0                  | 0               | 0               | 0                | 0                   | 0                   | 10               | 6                        | 0                | 0               | 0              | 0                | 0           | \$6,970                      | 0                | \$0       | \$0             | 0              | \$0           | \$0                 | 0                  | \$0            | \$0                  | \$0                 | \$6,970          |                  |           |
| 3. CONCEPTUAL DESIGN                                            |                 |           |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             |                              |                  |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
| Ridge roundabout                                                | 98              | 98        |                       | 18           |                 |                                     |                          |                              |                     | 40                 | 40              |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             | \$13,140                     | 0                |           | \$0             | 0              |               | \$0                 | 0                  |                | \$0                  |                     | \$13,140         |                  |           |
| SUBTOTAL                                                        | 98              | 98        | 0                     | 18           | 0               | 0                                   | 0                        | 0                            | 0                   | 40                 | 40              | 0               | 0                | 0                   | 0                   | 0                | 0                        | 0                | 0               | 0              | 0                | 0           | \$13,140                     | 0                | \$0       | \$0             | 0              | \$0           | \$0                 | 0                  | \$0            | \$0                  | \$0                 | \$13,140         |                  |           |
| 4. FIELD SURVEY                                                 |                 |           |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             |                              |                  |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
| Supplemental survey                                             | 153             | 153       |                       | 2            |                 |                                     |                          |                              |                     | 6                  |                 |                 |                  |                     |                     |                  |                          |                  |                 | 5              | 60               | 80          |                              | \$20,050         | 0         |                 | \$0            | 0             |                     | \$0                | 0              |                      | \$0                 | 450              | \$20,500         |           |
| SUBTOTAL                                                        | 153             | 153       | 0                     | 2            | 0               | 0                                   | 0                        | 0                            | 0                   | 6                  | 0               | 0               | 0                | 0                   | 0                   | 0                | 0                        | 0                | 0               | 5              | 60               | 80          | 0                            | \$20,050         | 0         | \$0             | \$0            | 0             | \$0                 | \$0                | 0              | \$0                  | \$0                 | \$450            | \$20,500         |           |
| 5. RIGHT OF WAY INFORMATION                                     |                 |           |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             |                              |                  |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
| Verify Existing ROW/survey Information                          | 5               | 5         |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 | 1              | 4                |             |                              | \$780            | 0         |                 | \$0            | 0             |                     | \$0                | 0              |                      | \$0                 |                  | \$780            |           |
| ROW Plans (additional parcel needs)                             | 130             | 130       |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 | 10             | 120              |             |                              | \$19,400         |           |                 |                |               |                     |                    |                |                      |                     | \$19,400         |                  |           |
| SUBTOTAL                                                        | 135             | 135       | 0                     | 0            | 0               | 0                                   | 0                        | 0                            | 0                   | 0                  | 0               | 0               | 0                | 0                   | 0                   | 0                | 0                        | 0                | 0               | 11             | 124              | 0           | 0                            | \$20,180         | 0         | \$0             | \$0            | 0             | \$0                 | \$0                | 0              | \$0                  | \$0                 | \$0              | \$20,180         |           |
| 6. GEOTECHNICAL INVESTIGATION AND DESIGN                        |                 |           |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             |                              |                  |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
| Wall Field Exploration and Lab Testing                          | 63              | 0         |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             | \$0                          | 63               | \$12,140  | \$18,620        | 0              |               | \$0                 | 0                  |                | \$0                  |                     | \$18,620         |                  |           |
| Wall Analysis and Design                                        | 428             | 0         |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             | \$0                          | 428              |           | \$58,840        | 0              |               | \$0                 | 0                  |                | \$0                  |                     | \$58,840         |                  |           |
| SUBTOTAL                                                        | 491             | 0         | 0                     | 0            | 0               | 0                                   | 0                        | 0                            | 0                   | 0                  | 0               | 0               | 0                | 0                   | 0                   | 0                | 0                        | 0                | 0               | 0              | 0                | 0           | \$0                          | 491              | \$12,140  | \$77,460        | 0              | \$0           | \$0                 | 0                  | \$0            | \$0                  | \$0                 | \$0              | \$77,460         |           |
| 7. UTILITIES/SUE                                                |                 |           |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             |                              |                  |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
| SUE (QL A-D)                                                    | 156             | 40        |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 | 2              | 8                | 30          |                              | \$5,010          | 0         |                 | \$0            | 0             |                     | \$0                | 116            | \$30,200             | \$45,472            |                  | \$50,482         |           |
| SUBTOTAL                                                        | 156             | 40        | 0                     | 0            | 0               | 0                                   | 0                        | 0                            | 0                   | 0                  | 0               | 0               | 0                | 0                   | 0                   | 0                | 0                        | 0                | 0               | 2              | 8                | 30          | 0                            | \$5,010          | 0         | \$0             | \$0            | 0             | \$0                 | \$0                | 116            | \$30,200             | \$45,472            | \$0              | \$50,482         |           |
| 8. PRELIMINARY DESIGN (30%)                                     |                 |           |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             |                              |                  |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
| Traffic Counts                                                  | 1               | 1         |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     | 1                |                          |                  |                 |                |                  |             | \$290                        | 0                |           | \$0             | 0              |               | \$0                 | 0                  |                | \$0                  | 300                 | \$590            |                  |           |
| Ridge Road coordination                                         | 14              | 14        |                       | 2            |                 |                                     |                          |                              |                     | 6                  |                 |                 |                  |                     |                     | 2                |                          |                  | 4               |                |                  |             | \$2,170                      | 0                |           | \$0             | 0              |               | \$0                 |                    |                | \$0                  |                     | \$2,170          |                  |           |
| Retaining wall modeling                                         | 136             | 136       |                       | 8            |                 |                                     |                          |                              |                     | 60                 | 60              |                 | 8                |                     |                     |                  |                          |                  |                 |                |                  |             | \$16,420                     | 0                |           | \$0             | 0              |               | \$0                 |                    |                | \$0                  |                     | \$16,420         |                  |           |
| SUBTOTAL                                                        | 15              | 15        | 0                     | 10           | 0               | 0                                   | 0                        | 0                            | 0                   | 66                 | 60              | 0               | 8                | 0                   | 0                   | 3                | 0                        | 0                | 4               | 0              | 0                | 0           | \$18,880                     | 0                | \$0       | \$0             | 0              | \$0           | \$0                 | 0                  | \$0            | \$0                  | \$300               | \$19,180         |                  |           |
| 9. STRUCTURES (MAJOR)                                           |                 |           |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             |                              |                  |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
| Structural Data Collection                                      | 2               | 2         |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 | 2                |                     |                     |                  |                          |                  |                 |                |                  |             | \$270                        |                  |           |                 | 0              |               | \$0                 | 0                  |                | \$0                  |                     | \$270            |                  |           |
| Structure Selection and Layout                                  | 16              | 16        |                       |              |                 |                                     |                          |                              |                     |                    |                 | 2               | 6                | 8                   |                     |                  |                          |                  |                 |                |                  |             | \$2,360                      |                  |           |                 |                |               |                     |                    |                |                      |                     | \$2,360          |                  |           |
| Structure Selection Report                                      | 34              | 34        |                       |              |                 |                                     |                          |                              |                     |                    |                 | 4               | 6                | 12                  | 12                  |                  |                          |                  |                 |                |                  |             | \$4,630                      |                  |           |                 |                |               |                     |                    |                |                      |                     | \$4,630          |                  |           |
| Preliminary Design: Plans and Cost Estimate                     | 98              | 98        |                       |              |                 |                                     |                          |                              |                     |                    |                 | 8               | 20               | 30                  | 40                  |                  |                          |                  |                 |                |                  |             | \$13,000                     |                  |           |                 |                |               |                     |                    |                |                      |                     | \$13,000         |                  |           |
| Final Design: Plans, Specifications, Cost Estimate              | 210             | 210       |                       |              |                 |                                     |                          |                              |                     |                    |                 | 12              | 36               | 80                  | 82                  |                  |                          |                  |                 |                |                  |             | \$27,980                     |                  |           |                 |                |               |                     |                    |                |                      |                     | \$27,980         |                  |           |
| PS&E Design: Plans, Specifications, Cost Estimate, Calculations | 66              | 66        |                       |              |                 |                                     |                          |                              |                     |                    |                 | 6               | 8                | 20                  | 32                  |                  |                          |                  |                 |                |                  |             | \$8,650                      |                  |           |                 |                |               |                     |                    |                |                      |                     | \$8,650          |                  |           |
| CDOT Bridge Submittal                                           | 18              | 18        |                       |              |                 |                                     |                          |                              |                     |                    |                 | 4               | 6                |                     | 8                   |                  |                          |                  |                 |                |                  |             | \$2,390                      | 0                |           | \$0             | 0              |               | \$0                 | 0                  |                | \$0                  |                     | \$2,390          |                  |           |
| SUBTOTAL                                                        | 444             | 444       | 0                     | 0            | 0               | 0                                   | 0                        | 0                            | 0                   | 0                  | 0               | 36              | 84               | 150                 | 174                 | 0                | 0                        | 0                | 0               | 0              | 0                | 0           | \$59,280                     | 0                | \$0       | \$0             | 0              | \$0           | \$0                 | 0                  | \$0            | \$0                  | \$0                 | \$59,280         |                  |           |
| 10. ROW ACQUISITION                                             |                 |           |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             |                              |                  |           |                 |                |               |                     |                    |                |                      |                     |                  |                  |           |
| Appraisals (3)                                                  | 0               | 0         |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             | \$0                          |                  |           |                 | 0              | \$19,500      | \$19,500            |                    |                |                      |                     | \$19,500         |                  |           |
| Title Commitments (15)                                          | 0               | 0         |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             | \$0                          |                  |           |                 | 0              | \$12,750      | \$12,750            |                    |                |                      |                     | \$12,750         |                  |           |
| Oversight/Coordination                                          | 56              | 0         |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             | \$0                          |                  |           |                 | 56             |               | \$8,112             |                    |                |                      |                     | \$8,112          |                  |           |
| Negotiation                                                     | 300             | 0         |                       |              |                 |                                     |                          |                              |                     |                    |                 |                 |                  |                     |                     |                  |                          |                  |                 |                |                  |             | \$0                          | 0                |           | \$0             | 300            | \$3,000       | \$33,450            |                    |                | \$0                  |                     | \$33,450         |                  |           |
| SUBTOTAL                                                        | 356             | 0         | 0                     | 0            | 0               | 0                                   | 0                        | 0                            | 0                   | 0                  | 0               | 0               | 0                | 0                   | 0                   | 0                | 0                        | 0                | 0               | 0              | 0                | 0           | \$0                          | 0                | \$0       | \$0             | 356            | \$35,250      | \$73,812            | 0                  | \$0            | \$0                  | \$0                 | \$73,812         |                  |           |
| TOTAL LABOR HOURS                                               |                 |           | 1795                  | 832          | 0               | 75                                  | 0                        | 0                            | 17                  | 0                  | 106             | 100             | 40               | 96                  | 150                 | 174              | 13                       | 6                | 0               | 4              | 13               | 132         | 30                           | 12               | \$157,602 | 491             | \$12,140       | \$77,460      | 356                 | \$35,250           | \$73,812       | 116                  | \$30,200            | \$45,472         | \$750            | \$355,096 |





## **EXHIBIT 3**

### **CERTIFICATE OF INSURANCE**



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

12/1/2021

12/29/2020

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).

|                                                                                                                   |                                                                                             |  |                        |
|-------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|--|------------------------|
| <b>PRODUCER</b> Lockton Companies<br>444 W. 47th Street, Suite 900<br>Kansas City MO 64112-1906<br>(816) 960-9000 | <b>CONTACT NAME:</b><br><b>PHONE (A/C. No. Ext):</b><br><b>E-MAIL ADDRESS:</b>              |  | <b>FAX (A/C. No):</b>  |
|                                                                                                                   | <b>INSURER(S) AFFORDING COVERAGE</b><br><b>INSURER A:</b> Zurich American Insurance Company |  | <b>NAIC #</b><br>16535 |
| <b>INSURED</b> DAVID EVANS AND ASSOCIATES, INC.<br>1456304 2100 S RIVER PARKWAY, SUITE 100<br>PORTLAND OR 97201   | <b>INSURER B:</b> Continental Casualty Company                                              |  | 20443                  |
|                                                                                                                   | <b>INSURER C:</b> American Guarantee and Liab. Ins. Co.                                     |  | 26247                  |
|                                                                                                                   | <b>INSURER D:</b> American Zurich Insurance Company                                         |  | 40142                  |
|                                                                                                                   | <b>INSURER E:</b><br><b>INSURER F:</b>                                                      |  |                        |

**COVERAGES** DEAIN01 - MAIN **CERTIFICATE NUMBER:** 17024038

**REVISION NUMBER:** XXXXXXXX

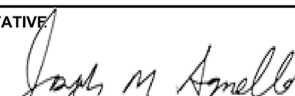
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE 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        | <input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b><br><input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR<br>GEN'L AGGREGATE LIMIT APPLIES PER:<br><input checked="" type="checkbox"/> POLICY <input checked="" type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC<br>OTHER: | Y                                            | N        | GLO9830389     | 12/1/2020               | 12/1/2021               | EACH OCCURRENCE \$ 1,000,000<br>DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 1,000,000<br>MED EXP (Any one person) \$ 10,000<br>PERSONAL & ADV INJURY \$ 1,000,000<br>GENERAL AGGREGATE \$ 2,000,000<br>PRODUCTS - COMP/OP AGG \$ 2,000,000<br>\$ |
| C        | <b>AUTOMOBILE LIABILITY</b><br><input checked="" type="checkbox"/> ANY AUTO<br><input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS<br><input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY                                                                      | Y                                            | N        | BAP9830390     | 12/1/2020               | 12/1/2021               | COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000<br>BODILY INJURY (Per person) \$ XXXXXXXX<br>BODILY INJURY (Per accident) \$ XXXXXXXX<br>PROPERTY DAMAGE (Per accident) \$ XXXXXXXX<br>\$ XXXXXXXX                                               |
|          | <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR<br><b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE<br>DED <input type="checkbox"/> RETENTION \$                                                                                                                                                                       |                                              |          | NOT APPLICABLE |                         |                         | EACH OCCURRENCE \$ XXXXXXXX<br>AGGREGATE \$ XXXXXXXX<br>\$ XXXXXXXX                                                                                                                                                                               |
| D        | <b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b><br>ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)<br>If yes, describe under DESCRIPTION OF OPERATIONS below                                                                                                                                     | Y/N<br><input checked="" type="checkbox"/> N | N/A      | WC9336626      | 12/1/2020               | 12/1/2021               | <input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER<br>E.L. EACH ACCIDENT \$ 1,000,000<br>E.L. DISEASE - EA EMPLOYEE \$ 1,000,000<br>E.L. DISEASE - POLICY LIMIT \$ 1,000,000                                         |
| B        | <b>PROFESSIONAL LIABILITY</b>                                                                                                                                                                                                                                                                                                     | N                                            | N        | AEH591924704   | 12/1/2020               | 12/1/2021               | PER CLAIM \$1,000,000<br>ANNUAL AGGREGATE \$1,000,000                                                                                                                                                                                             |

**DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)**

RE: TOCR-0002 - TOWN OF CASTLE ROCK - FOUR CORNERS INTERSECTION IMPROVEMENTS PROJECT. TOWN OF CASTLE ROCK, ITS OFFICERS AND EMPLOYEES ARE ADDITIONAL INSURED AS RESPECTS GENERAL LIABILITY AND AUTO LIABILITY, AND THESE COVERAGES ARE PRIMARY, AS REQUIRED BY WRITTEN CONTRACT. THE ADDITIONAL INSURED'S OWN COVERAGE IS EXCESS OF AND NON-CONTRIBUTORY WITH THE GENERAL LIABILITY, AND ON THE AUTO LIABILITY AS RESPECTS THE USE OF VEHICLES OWNED BY DAVID EVANS AND ASSOCIATES, INC. IF REQUIRED BY WRITTEN CONTRACT.

**CERTIFICATE HOLDER**
**CANCELLATION**

|                                                                                                                           |                                                                                                                                                                                                                                                                                          |
|---------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>17024038</b><br>TOWN OF CASTLE ROCK<br>ATTN: ARRON MONKS, PROJECT MANAGER<br>100 N. WILCOX ST.<br>CASTLE ROCK CO 80104 | SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.<br><br>AUTHORIZED REPRESENTATIVE<br> |
|---------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

© 1988-2015 ACORD CORPORATION. All rights reserved.



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 11/2/2021

---

**Item #:** 11. **File #:** RES 2021-097

---

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

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

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

**Resolution Approving the Assignment and Assumption Agreement Regarding the Establishing Agreement for the Plum Creek Water Reclamation Authority** *[Allowing Parker Water and Sanitation District to Replace Castle Pines North Metropolitan District on the Plum Creek Water Reclamation Authority Board]*

---

### Executive Summary

This memorandum has been prepared to request Town Council approval of a Resolution Approving an Assignment and Assumption Agreement Regarding the Establishing Agreement for the Plum Creek Water Reclamation Authority, see **Attachment A**. Castle Pines North Metro District (CPNMD) is a board member of the Plum Creek Water Reclamation Authority (PCWRA) along with Castle Pines Metro District (CPMD) and the Town of Castle Rock. The citizens of the Castle Pines North Metro District (CPNMD) voted to include the water and wastewater systems for CPNMD into the Parker Water and Sanitation District (PWSD) earlier this year.

As part of the inclusion requirements for CPNMD, the Board of PCWRA must by unanimous vote allow PWSD to take over CPNMD's seat on the Board as well as all of its privileges and obligations. At the October 26, 2021 Board Meeting, the PCWRA Board voted to allow PWSD to take over CPNMD's seat on the Board as well as all of its privileges and obligations. Since the Establishing Agreement of the PCWRA was originally approved by Town Council, however, Town Council must also approve this Assignment and Assumption Agreement for PWSD to take over for CPNMD.

Castle Rock Water supports this inclusion as it reduces the number of small water providers operating in Douglas County, creates economies of scale for residents in the County, and ensures that these residents have access to a long term renewable water supply, something which PWSD is pursuing like Castle Rock. CPNMD did not have a solid long term renewable water plan. Further, Castle Rock Water has a strong regional partnership with PWSD, and having them on the Board of PCWRA will only further strengthen that relationship and create more opportunities for shared infrastructure and regional cooperation.



### **Notification and Outreach Efforts**

Since this action does not impact Castle Rock residents, no notification or outreach efforts have been undertaken.

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

There have been no presentations to Commissions, Boards or Council on this topic, but members of Council and Commission have been made briefed under other regional topics.

### **Budget Impact**

There is no budget impact to Castle Rock Water or the broader Town.

### **Staff Recommendation**

Staff strongly supports PWSD replacing CPNMD on the Board of PCWRA, and therefore recommends approval of the Assignment and Assumption Agreement.

### **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:** Assignment & Assumption Agreement

**RESOLUTION NO. 2021-**

**A RESOLUTION APPROVING THE ASSIGNMENT AND ASSUMPTION  
AGREEMENT REGARDING THE ESTABLISHING AGREEMENT FOR  
THE PLUM CREEK WATER RECLAMATION AUTHORITY**

**WHEREAS**, on December 14, 1989, the Town of Castle Rock the “Town”), Castle Pines Metropolitan District (“CP Metro”), and Castle Pines North Metropolitan District (“CPNMD”) entered into an Establishing Agreement for the Plum Creek Water Reclamation Authority (the “Authority”), as amended (the “Establishing Agreement”); and

**WHEREAS**, recently, CPNMD has received voter authorization for the inclusion of its water and wastewater services and infrastructure into the Parker Water and Sanitation District (“PWSD”), which inclusion is currently anticipated to close on January 3, 2022; and

**WHEREAS**, accordingly, CPNMD desires to assign all of its rights and responsibilities under the Establishing Agreement to PWSD effective upon inclusion (the “Assignment”); and

**WHEREAS**, Section 11.12 of the Establishing Agreement requires consent of all the members of the Authority for the Assignment; and

**WHEREAS**, the Town and CP Metro, as the other two members of the Authority, desire to approve the Assignment.

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

**Section 1. Approval.** The Assignment and Assumption Agreement by and between the Town, PWSD, CPNMD, and CP Metro regarding the Establishing Agreement for the Plum Creek Water Reclamation Authority in the form attached as ***Exhibit 1*** is hereby approved.

**PASSED, APPROVED AND ADOPTED** this 2<sup>nd</sup> day of November, 2021, 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 Castle Rock Water

## **ASSIGNMENT AND ASSUMPTION AGREEMENT**

### **(ESTABLISHING AGREEMENT FOR THE PLUM CREEK WATER RECLAMATION AUTHORITY)**

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2021, by and between THE PARKER WATER AND SANITATION DISTRICT ("PWSD"), THE CASTLE PINES METROPOLITAN DISTRICT ("CP METRO"), THE TOWN OF CASTLE ROCK ("CASTLE ROCK") and THE CASTLE PINES NORTH METROPOLITAN DISTRICT ("CPNMD") (collectively the "Parties").

WHEREAS, CPNMD is a quasi-municipal corporation and political subdivision of the State of Colorado and a founding member of the Plum Creek Water Reclamation Authority (the "Authority");

WHEREAS, CPNMD has received voter authorization for the inclusion of its water and wastewater services and infrastructure into PWSD with a currently anticipated closing date of January 3, 2022;

WHEREAS, CPNMD desires to assign all of its rights and responsibilities under the Establishing Agreement for the Plum Creek Water Reclamation Authority, dated December 14, 1989, as amended (the "Establishing Agreement"), to PWSD effective upon inclusion;

WHEREAS, Section 11.12 of the Establishing Agreement requires consent of all the members of the Authority for such an assignment; and

WHEREAS, CP METRO and CASTLE ROCK, as the other two members of the Authority, desire to approve the assignment.

NOW, THEREFORE, for the consideration hereinafter set forth, the receipt and sufficiency of which is hereby acknowledged, the Parties hereto agree as follows:

1. CPNMD hereby assigns all of its obligations, rights, title, and interest under the Establishing Agreement to PWSD, effective upon completion of due diligence and closing of the inclusion between CPNMD and PWSD and the issuance of an Order by Douglas County District Court making the area currently within CPNMD part of PWSD.

2. PWSD hereby assumes all of CPNMD's obligations, rights, title, and interest under the Establishing Agreement, effective upon completion of due diligence and closing of the inclusion between CPNMD and PWSD and the issuance of an Order by Douglas County District Court making the area currently within CPNMD part of PWSD.

3. CP METRO and CASTLE ROCK hereby consent to the assignment set forth herein.

4. This Agreement shall be void in the event the proposed inclusion is not completed on or before January 1, 2023.



IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date first set forth above.

**PARKER WATER AND SANITATION DISTRICT,**  
a Colorado special district

By: \_\_\_\_\_  
Ron R. Redd, P.E., District Manager

**CASTLE PINES METROPOLITAN DISTRICT,**  
a Colorado special district

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**CASTLE PINES NORTH METROPOLITAN DISTRICT,** a Colorado special district

By: \_\_\_\_\_  
Title: \_\_\_\_\_

**TOWN OF CASTLE ROCK,** a Colorado municipality

By: \_\_\_\_\_  
Title: \_\_\_\_\_



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 11/2/2021

---

**Item #:** 12. **File #:** MIN 2021-019

---

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

**From:** Lisa Anderson, Town Clerk

**Minutes:** October 19, 2021 Town Council Meeting

---

### Executive Summary

Attached are minutes from the October 19, 2021 Town Council Meeting for your review and approval.



## **Town Council Meeting Minutes - Draft**

Mayor Jason Gray  
Mayor Pro Tem Kevin Bracken  
Councilmember Ryan Hollingshead  
Councilmember Laura Cavey  
Councilmember Desiree LaFleur  
Councilmember Caryn Johnson  
Councilmember Tim Dietz

---

**Tuesday, October 19, 2021**

**6:00 PM**

**Town Hall Council Chambers  
100 North Wilcox Street  
Castle Rock, CO 80104  
Phone in: 720-650-7664  
Meeting code: 146 887 8216  
[www.CRgov.com/CouncilMeeting](http://www.CRgov.com/CouncilMeeting)**

---

This meeting is open to the public and will be held in a virtual format in accordance with the Town Council Electronic Participation, Connected, and Hybrid Meeting Policy. Public may choose to attend in person at Town Hall, or electronically or by phone if preferred. This meeting will be hosted online and can be accessed at [www.CRgov.com/CouncilMeeting](http://www.CRgov.com/CouncilMeeting), or phone in by calling 720-650-7664, meeting code 146 887 8216 (if prompted for a password enter "Oct19Council"). All Town Council Meetings are also streamed online in real time at [www.CRgov.com/WatchCouncil](http://www.CRgov.com/WatchCouncil), and are broadcast for Comcast Cable subscribers on Channel 22 (please note there is a delay to the broadcast).

All times indicated on the agenda are approximate. Remote participants please visit [www.CRgov.com/CouncilComments](http://www.CRgov.com/CouncilComments) to sign up to speak to an item, and for related instructions. Public Comments may also be submitted in writing online by 1:00 p.m. October 19, 2021, to be included in the public record.

### **COUNCIL DINNER & INFORMAL DISCUSSION**

### **INVOCATION - Pastor Franck Corbiere, Calvary Rockview Baptist Church**

### **CALL TO ORDER / ROLL CALL**

**Present:** 7 - Councilmember Hollingshead, Councilmember Cavey, Councilmember LaFleur, Councilmember Johnson, Councilmember Dietz, Mayor Pro Tem Bracken, Mayor Gray

### **PLEDGE OF ALLEGIANCE**

### **COUNCIL COMMENTS**

Councilmember Hollingshead thanked Town staff for helping with the open house hosted by Mayor Pro Tem Bracken and himself.

Councilmember Cavey spoke to her position on mandates.

Councilmember Johnson acknowledged staff celebrating service anniversaries with the Town. Johnson also questioned if the Town would be adopting an electrical code.

Councilmember Dietz spoke to downtown development concerns and issues of public safety associated with continued growth.



Mayor Gray thanked staff for the work done on the State of the Town address and highlighted that October is Breast Cancer Awareness Month. Additionally, he recognized and offered condolences for influential community members that recently passed.

## UNSCHEDULED PUBLIC APPEARANCES

Dave Hammelman, resident, acknowledged the Town's high level of employee retention and years of service as a positive for the community.

## TOWN MANAGER'S REPORT

### [ID 2021-107](#)

#### **Presentation: Your Town Academy Graduating Class**

Kristin Read, Assistant Town Manager, introduced members of the Your Town Academy Program to Council. Mayor Gray congratulated and presented each graduate with a certificate.

### [ID 2021-108](#)

#### **Update: Calendar Reminders**

Town Manager, Dave Corliss, reviewed upcoming holiday office closures for the Town.

### [ID 2021-109](#)

#### **Update: Monthly Department Reports**

Dan Sailer, Director of Public Works, provided an overview of the Town's Snow and Ice Control Program.

Councilmembers questioned if current staffing concerns will impact the Town's snow removal response and if area high school students could assist elderly citizens, or others in need, with snow removal in conjunction with the high school student community service hours requirement. Emphasis was also placed on continued communication with the public during snow events.

### [ID 2021-110](#)

#### **Update: Third Quarter Major Projects**

Councilmember Johnson asked for additional information on the development of metro district model service plans.

Town Manager, Dave Corliss, responded that staff is working with consultants to review and develop model service plans and will schedule related agenda items to be presented to Council in the upcoming months.

### [ID 2021-111](#)

#### **Update: Water Court Cases *[Cases located in Douglas County, Weld County and other areas near the Lower South Platte River]***

Tim Friday, Assistant Director Castle Rock Water, presented the annual update on water rights to Council. Friday also announced the open house for the Water Resources Strategic Master Plan this upcoming Thursday.

### [ID 2021-112](#)

#### **Development Services Project Updates**

### [ID 2021-113](#)

#### **Update: Quasi-Judicial Projects**

**TOWN ATTORNEY'S REPORT**

No report.

**ACCEPTANCE OF AGENDA**

**Moved by Councilmember Johnson, seconded by Councilmember Hollingshead, to Approve Agenda as presented. The motion passed by a vote of:**

**Yes:** 7 - Hollingshead, Cavey, LaFleur, Johnson, Dietz, Bracken, Gray

**CONSENT CALENDAR**

**Moved by Mayor Pro Tem Bracken, seconded by Councilmember Johnson to Approve the Consent Calendar as read. The motion passed by a vote of:**

**Yes:** 7 - Hollingshead, Cavey, LaFleur, Johnson, Dietz, Bracken, Gray

**MIN 2021-018 Minutes: October 5, 2021 Town Council Meeting**

**ADVERTISED PUBLIC HEARINGS & DISCUSSION ACTION ITEMS**[DIR 2021-023](#)

**Discussion/Direction of the Public Safety Commission's Recommendations for the 2022 Philip S. Miller Resource Grant Program, Three Applications**

Pete Mangers, Revenue Manager, presented overview of the program to Council and called forward Kerstin Keough, Vice Chairperson of the Public Safety Commission to speak to their recommendation to increase the Philip S. Miller Resource Grant budget by \$2,500 to support social and human services within the community.

No public comment received.

Councilmember Cavey, Council liaison to the Public Safety Commission, confirmed that all applicants were worthy recipients and endorsed item before Council seeking an increase in the budget to provide requested grants to the three applicants.

Councilmember Dietz asked for consideration of an increase in funds awarded to the American Legion in the future.

**Moved by Councilmember Cavey, seconded by Councilmember Dietz to Approve the Public Safety Commission recommendations and award the 2022 Philip S. Miller Resource Grants to Applicants. The motion passed by the following vote:**

**Yes:** 7 - Hollingshead, Cavey, LaFleur, Johnson, Dietz, Bracken, Gray

[DIR 2021-024](#)

**Discussion/Direction: Follow up to Council Direction on Alternative Motions**

Town Manager, Corliss introduced item before Council.

No public comment received.

Point of order was raised by Councilmember Johnson to clarify the motion on the floor. Town Attorney, Mike Hyman, clarified the motion was to approve the item without Option 3 Motion for Denial included.

**Moved by Mayor Pro Tem Bracken, seconded by Councilmember LaFleur, to Approve Alternative Motion Examples without Option 3 - Motion for Denial. The motion passed by a vote of:**

**Yes:** 6 - Hollingshead, Cavey, LaFleur, Dietz, Bracken, Gray

**No:** 1 - Johnson

[TMP 2021-886](#)

**Discussion/Direction: Ordinance Amending Various Sections of the Castle Rock Municipal Code Regarding Board and Commission Membership, Term Limits and Bylaws, and Adding Chapter 2.18 Oath of Office [Revised October 15, 2021]**

Item was presented by Deputy Town Attorney, Elizabeth Allen.

Absence and residency requirements for Town boards and commissions was discussed by Council.

No public comment was received.

Councilmember Johnson moved to direct staff to amend the Code to clarify residency preference for members of the Historic Preservation Board and to further clarify the preference that Craig & Gould members be residents.

Deputy Town Attorney, Allen, noted that the motion only spoke to clarifying residency requirements and a preference for Castle Rock residents as it pertained to the Historic Preservation Board. She indicated that Council discussion had indicated this consideration be extended to all Town boards and commissions as well.

Point of order was raised by Mayor Pro Tem Bracken questioning if a motion was necessary for a discussion and direction item. Attorney Allen clarified that a motion and vote was typically used to determine a majority consensus for council's direction to staff to amend the draft ordinance.

Councilmember Johnson withdrew her motion.

Councilmember Johnson moved to direct staff to amend the ordinance to indicate preference of Castle Rock residents followed by Douglas County residents, seconded by Councilmember Dietz.

Town Manager, Corliss, questioned if the motion before Council was for all Town boards and commissions with the exception of the DDA.

Mayor Pro Tem proposed an amendment to the motion notwithstanding the current board members, if non residents, not be removed from their commission.



Deputy Town Attorney, Allen, also clarified that staff had recommended that Council have the ability to waive any residency requirements and be able to approve and appoint anyone to any board or commission.

Councilmember Johnson again withdrew the motion before Council.

Town Manager asked Council if the consensus was to have a Town residency requirement for all boards and commissions not otherwise governed by state law, with current service grandfathered in. Council confirmed in the affirmative.

**Moved by Councilmember Johnson, seconded by Councilmember Dietz that Town residency be a requirement for Town boards and commissions and those currently serving, that may not reside in the Town, be grandfathered in until the end of their current term.**

**Yes:** 7 - Hollingshead, Cavey, LaFleur, Johnson, Dietz, Bracken, Gray

Council discussion addressed the method of determining absences.

Mayor asked the Clerk to re-read the motion into the record.

Town Manager, Corliss, clarified the intent of the ordinance was to not exceed four unexcused absences.

Council questioned if the chair could excuse the member from the meeting, and it was clarified by counsel that the staff recommendation was for the Town Manager or designee to determine the absence as excused or unexcused.

**Moved by Councilmember Johnson, seconded by Councilmember Cavey to amend the Code to not exceed four unexcused absences for the Design Review Board and the Planning Commission. The motion passed by a vote of:**

**Yes:** 6 - Hollingshead, Cavey, Johnson, Dietz, Bracken, Gray

**No:** 1 - LaFleur

Councilmember Johnson moved to direct staff to provide Council with a template for model board and commission bylaws and asked that the adopted bylaws be published on the Town website.

Councilmember Johnson restated her motion.

No further discussion.

**Moved by Councilmember Johnson, seconded by Councilmember Cavey to direct staff to bring model bylaws back to Council at first reading. Seconded by Councilmember Cavey. The motion passed by a vote of:**

**Yes:** 6 - Hollingshead, Cavey, LaFleur, Johnson, Dietz, Gray

**No:** 1 - Bracken

**Moved by Councilmember Dietz, seconded by Councilmember Cavey directing staff to bring back the ordinance at the December 7 council meeting.**

**Yes:** 7 - Hollingshead, Cavey, LaFleur, Johnson, Dietz, Bracken, Gray

**RES 2021-094 Resolution Approving a Service Agreement with CORE Consultants for Design Services Associated with the Relocation of Dawson Ridge Boulevard and the West Frontage Road**

Dan Sailer, Public Works Director introduced item to Council as a preconstruction agreement for a portion of the west frontage road that ties into the Crystal Valley Interchange project. Upon completion it will eliminate four at grade railroad crossings.

Town Manager, Corliss added that the Town is proceeding with design work in a timely fashion as this is a very important infrastructure project, however the ability to proceed with the Crystal Valley Interchange is dependent on the successful temporary TABOR time out ballot issue.

It was clarified by Public Works Director, Sailer, that a portion of the existing frontage road would have to be closed due to the interstate ramp configuration, thereby necessitating realignment of the frontage road to the west of the existing railroad tracks.

Mayor Pro Tem Bracken left the room briefly.

No public comment received.

**Moved by Councilmember LaFleur, seconded by Councilmember Dietz that Resolution 2021-094 be Approved as presented. The motion passed by the following vote:**

**Yes:** 6 - Hollingshead, Cavey, LaFleur, Johnson, Dietz, Gray

**Not Present:** 1 - Bracken

## **QUASI JUDICIAL HEARINGS**

**RES 2021-095 Resolution Finding that Certain Property, which is the Subject of a Petition for Annexation Submitted by 455 Alexander, LLC, and Tierra Investors, LLC, is in Substantial Compliance with Article II, Section 30 of the Colorado Constitution and Section 31-12-107(1), C.R.S.; and Setting a Date, Time, and Place for a Hearing to Determine if the Subject Property is Eligible for Annexation Under Article II, Section 30 of the Colorado Constitution and Sections 31-12-104 and 31-12-105, C.R.S. (Alexander Way Annexation)**

Tony Felts, Assistant Director Development Services introduced item to Council.

Property location was identified as northeast of the Home Depot and Sprouts area, at the base of the hill below Diamond Ridge. The property is currently zoned agriculture and is in unincorporated Douglas County.

No public comment received.

**Moved by Councilmember LaFleur, seconded by Councilmember Hollingshead, that Quasi-Judicial Resolution 2021-095 be Approved as presented. The motion passed by the following vote:**

**Yes:** 7 - Hollingshead, Cavey, LaFleur, Johnson, Dietz, Bracken, Gray

## **ADJOURN**

**Mayor Pro Tem Bracken moved, seconded by Councilmember Johnson to adjourn the meeting. The motion passed by a vote of:**

**Yes:** 7 - Hollingshead, Cavey, LaFleur, Johnson, Dietz, Bracken, Gray

Meeting was adjourned at 8:52 pm.

Submitted by:

---

Robbie Schonher, Assistant Town Clerk



# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 11/2/2021

---

**Item #:** 13. **File #:** RES 2021-098

---

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

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

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

**Resolution Approving the Intergovernmental Agreement Between the Town of Castle Rock and the Consolidated Bell Mountain Ranch Metropolitan District for Water Service and Improvements** *[Unincorporated Douglas County subdivision located south of Town and adjacent to Crystal Valley Ranch and Lanterns subdivisions]*

---

### Executive Summary

This memorandum has been prepared to request Town Council approval of a Resolution Approving an Intergovernmental Agreement (IGA) with Bell Mountain Ranch for water service and improvements, see **Attachment A**. The proposed IGA between the Town and the Consolidated Bell Mountain Ranch Metropolitan District (CBMR) provides significant benefits to both parties. CBMR gets an award winning water utility to own and operate their system, access to sustainable renewable water, and resolution of a number of regulatory and infrastructure challenges currently facing the community. The Town gets additional economies of scale, revenues from extraterritorial surcharges, and land and infrastructure which can allow for upgrades and expansion of capacity for use Town wide.

Bell Mountain Ranch Metropolitan District (BMR) currently owns and operates the water system that serves the Bell Mountain Ranch community, a subdivision of 321 single family lots in unincorporated Douglas County located contiguous to the Town's southern border. BMR has approached the Town to provide water service through an extraterritorial agreement. This has been an ongoing conversation between the Town and BMR for almost a decade and, in 2019, BMR representatives reviewed various options to solve ongoing issues with running a small community water system and decided that connecting to the Town's system would be the best option. Draft terms of an extraterritorial service agreement with BMR were reviewed and endorsed by Council in October of 2020.

Currently, BMR operates two Denver Basin groundwater (non-renewable groundwater) supply wells and an ion exchange water treatment process to remove iron and manganese. In order to continue this process, BMR would have to make significant investments in the treatment process in order to



comply with Colorado Department of Public Health and Environment (CDPHE) regulations regarding the byproduct of the treatment process. More specifically, ion exchange results in technologically enhanced naturally occurring radioactive material (TENORM) in the residual waste. CRW produces similar residual waste, but is capable of managing the material in accordance with CDPHE requirements. New regulations were promulgated in January 2021 which make it even more difficult for BMR to comply.

In addition to the regulatory challenges, BMR does not have access to a long term renewable water supply, only non-renewable groundwater. BMR recognizes the importance of a long term renewable water supply and connection to the Town will provide this renewable supply.

Extraterritorial agreements are common for water utilities and can provide additional economies of scale, which if done properly, can substantially benefit existing rate payers as well as the new customers being served. The Town currently has an extraterritorial agreement to provide water service to the Macanta development (f.k.a. Canyons South) and an extraterritorial agreement to provide fire flow water service to Castle Rock Cold and Storage, LLC, a proposed business in Castleton Center to be located at 3197 Castleton Court. A ten percent and twenty-five percent extraterritorial service charge is in place for water and sewer for Macanta, respectively. For the Castle Rock Cold and Storage, LLC a twenty-five percent extraterritorial service charge is in place. CRW proposes to serve BMR through a similar extraterritorial agreement described in more detail below.

### **Notification and Outreach Efforts**

The Consolidated Bell Mountain Ranch Metro District has been doing outreach to their customer base for approximately 18 months with a monthly newsletter sent to each customer providing details of the proposed change in service providers. CRW attended an online community meeting with the BMRMD board and BMR citizens on September 2, 2021. The board presented an overview of the proposed connection to the Town's water system and terms of the agreement, and CRW participated by answering questions and providing more information about the proposed water service. CRW will continue to be involved with further outreach to the BMR customer base.

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

CRW presented the concept of an extraterritorial agreement to the Water Resources Committee in November 2013. The Water Resources Committee was receptive to this idea and CRW continued to work with BMRMD on draft terms for a service agreement.

On October 6, 2020, CRW presented draft terms to the Water Resources Committee and received a favorable response.

On October 20, 2020, CRW presented an update and draft terms of an extraterritorial water service agreement to Town Council. Council directed staff to proceed with developing an extraterritorial water service agreement with BMR.

On October 28, 2020, CRW presented an update to the CRW Commission regarding the potential for an extraterritorial service agreement with BMR. Commission members were very supportive of moving forward on an agreement.

On July 28, 2021, the proposed water service agreement was presented to the CRW Commission and the CRW Commission voted unanimously in support of the extraterritorial agreement.

CRW has met with Douglas County officials several times over the past few years and, most recently, on July 22, 2021 to discuss this plan. Douglas County supports this water service agreement.

### **Discussion**

BMR is a platted subdivision zoned - Planned Development Nonurban (PDNU) - in unincorporated Douglas County and is contiguous to the Town on the Town's southern boundary (see **Attachment B** - Facilities Plan). The subdivision originally was platted for 305 single family homes and currently includes 305 occupied homes within its boundaries. An additional 16 home sites have been added bringing the total to 321. BMR operates its own public water system, but has struggled with water supply and water quality issues over the years, and more recently is under the gun to solve a compliance matter related to water treatment residuals. Representatives of the District have met with CRW staff numerous times over the past eight years and requested that the Town consider options for connecting BMR to the Town's water system. They have considered other alternatives to solving water quality issues, including upgrading their existing water treatment system, but that will not solve their long term renewable water supply issue.

The terms for this extraterritorial agreement are summarized as follows:

- Agreement will be exclusive to BMR (321 homes, 2 irrigation taps, with reservations for 6 additional taps one for a future community center and up to 5 additional residential parcels) and will be perpetual;
- BMR residents will become CRW customers subject to the same rates and fees plus a 10% extraterritorial surcharge;
- System development fees will be charged with a 10% extraterritorial surcharge and will be recovered over a 30-year period at an interest rate of 2.54% (CRW's current average carrying cost of debt). BMR would be assessed system development fees at 2020 system development fees;
- System development fees will be partially offset by the depreciated value of contributed assets plus the value of excess groundwater rights at \$2,500/acre foot (AF);
- Town will acquire additional property in BMR at fair market value for future expansion of the existing BMR water treatment plant (WTP) and for installation of raw water pipelines from additional wells already owned by the Town and to be constructed in the future by the Town to the WTP;
- BMR will pay for the infrastructure required to connect their system to the Town's (see **Attachment B**) and the cost will be rolled into their debt to be paid back to the Town over a 30-year period. The Town will manage design and construction of connection;

- Based on approved 2021 rates and fees, estimated total monthly bills for BMR customers will range approximately from \$136 to \$271 and average \$179. This includes an initial finance charge of \$77 per month for system development fees and connection costs, minus credits for depreciated assets, water rights and property. Individual bills will depend on actual usage and final terms and will be adjusted annually based on CRW rates and fees as approved by Council;
- All groundwater rights and fixed assets comprising the water system will be deeded to the Town. BMR will relinquish all control over the BMR water system and will be dissolved once the transfer has occurred;
- Town will own, operate, maintain and replace (as necessary) the water distribution system in BMR as part of CRW's service area. Customers in BMR will be customers of CRW and subject to the same rules and requirements for water service as other customers of CRW, including all water conservation requirements;
- CRW will administer customer accounts, read meters on a monthly basis, and send bills directly to customers on a monthly basis;
- BMR will be required to adopt CRW's rules and regulations and rates and fees on an annual basis to ensure that enforcement of the rules and regulations and rates and fees can be implemented by CRW;
- Water supplied to BMR will not be returned via sanitary sewer; hence, there is a loss of use of the large majority of this water. However, the water rights to all irrigation and septic return flows will be retained by CRW; and
- Once the agreement is fully executed and the transfer of assets occurs at closing (closing to occur after Douglas County District Court enters an Order dissolving BMR but before the Order is recorded), CRW will own and operate the system. CRW will have the option to improve and expand the plant as deemed necessary to serve the Town's needs or could take the plant offline indefinitely once the connection to the Town's system is fully operational.

Some of the advantages and disadvantages to providing extraterritorial services to BMR include:  
Advantages

- Economies of scale (for both parties);
- Improved water age for the Town on a long, dead end line;
- Potential revenues above cost of service from water sales to extraterritorial customers (10% surcharge on system development fees and all rates and fees worth over \$2.6M over 30 years);
- Regional economic and social benefits by connecting a non-renewable groundwater-reliant community in Douglas County to a renewable water supply;
- Preservation of the Town's non-renewable groundwater supplies by controlling aquifer usage near Town borders by surrounding communities;

- Additional assets that could benefit existing Town customers including a water plant easily expandable to 1.3 million gallons per day (MGD) which is almost 1 MGD more than needed to serve BMR as well as additional non-renewable groundwater rights and well supplies (some already owned by CRW) in the area that can be connected to the plant; and
- Real property across from the existing water plant that could be used to build a larger future water plant for service to the broader Town.

#### Disadvantages

- Town loses benefit of return flows because BMR uses septic systems for wastewater disposal. However, the Town can work to get approval of these septic return flows as a water right similar to lawn irrigation return flows.

#### **Budget Impact**

By serving BMR, the Town would have increased operating expenses that would be offset by corresponding revenues. Rates and fees would be charged at 110% of the adopted rates and fees as established by municipal code (13.12.040 Extension of services outside municipal boundaries) unless approved otherwise by Town Council. The cost to serve BMR should be borne by BMR and should not be subsidized by any other ratepayers. Therefore, applicable system development fees need to be collected as part of the agreement so as not to place any financial burden on the existing customers. As part of our analysis, CRW retained Stantec to conduct an independent review of retail service to BMR, and they agreed with the approach proposed above to recover the costs of connecting BMR customers as retail customers (see **Attachment C** for a copy of Stantec's technical memorandum). CRW also retained Burns and McDonnell Engineering (B&McD) to review BMR's existing assets and evaluate the options for improving and expanding BMR's existing water plant (see **Attachment D**).

Since October 2020, CRW and the Town Attorney have worked closely with BMR and their attorney to craft a water service agreement that will effect a smooth transfer of ownership, protect both the Town and BMR from existing and future liabilities, and ensure that BMR pays their fair share and no burden is placed upon Town residents. **Attachment E** contains the agreements necessary to dissolve the Bell Mountain Ranch Metropolitan District, transfer ownership of the water system to the Town of Castle Rock, and govern the long term provision of extraterritorial water service to BMR. Several steps need to take place by BMR and the Town before the Town can assume ownership and operation of the water system. These steps include:

1. BMR transfers its duties, functions and assets of BMR and its Enterprise to the Consolidated Bell Mountain Ranch Metropolitan District (CBMR);
2. CBMR enters into a permanent water service agreement with the Town;
3. CBMR and BMR enter into a Dissolution Agreement and BMR is dissolved;
4. Closing between Town and CBMR on the assets which are included in the Water Service



Agreement, said closing to take place after an Order is issued by Douglas County District Court and prior to recording of that Order.

5. The Water eService Agreement shall become effective upon the entry and recordation in the Douglas County real estate records of an Order dissolving BMR;
6. CBMR conveys all assets to the Town. Concurrent with this, BMR pays all financial obligations. Town assumes operation of the water system and bills for services, system development fees, renewable water resource fee and total construction cost for water system improvements each month thereafter as detailed in the Intergovernmental Agreement for Water Service and Improvements (see **Attachment E**); and
7. Town designs and builds water improvements to connect Bell Mountain Ranch to the Town's water system.

### **Staff Recommendation**

Connecting BMR to the Town's water system as retail customers through an extraterritorial agreement is recommended. Under the terms presented above, the Town will be made whole for extending water service to BMR and will benefit through economies of scale, extraterritorial surcharges, and acquisition of additional water supply and treatment assets that will benefit existing customers. CRW recommends executing an extraterritorial water service agreement based on the terms described in this memorandum.

### **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**

|                      |                                                                                          |
|----------------------|------------------------------------------------------------------------------------------|
| <b>Attachment A:</b> | Resolution                                                                               |
| <b>Exhibit 1:</b>    | IGA for Bell Mountain Ranch                                                              |
| <b>Attachment B:</b> | Facilities Plan                                                                          |
| <b>Attachment C:</b> | Independent Review of Retail Service to Bell Mountain Ranch                              |
| <b>Attachment D:</b> | Independent Review of Existing BMR Assets and Expandability                              |
| <b>Attachment E:</b> | Dissolution Agreement and Intergovernmental Agreement for Water Service and Improvements |

## **RESOLUTION NO. 2021-**

### **A RESOLUTION APPROVING THE INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF CASTLE ROCK AND THE CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT FOR WATER SERVICE AND IMPROVEMENTS**

**WHEREAS**, the Town of Castle Rock, acting by and through its Water Enterprise (the “Town”), operates an integrated municipal water supply system, providing potable water service within the Town’s corporate limits, and to certain extraterritorial properties; and

**WHEREAS**, located immediately south of the Town, the Bell Mountain Ranch Subdivisions are provided water service by the BMR Metropolitan District (“BMRMD”); and

**WHEREAS**, due to the passage of time and changed circumstances, and for the purpose of achieving economies of scale, BMRMD intends to dissolve and transfer its assets, service function, and responsibilities to the Consolidated Bell Mountain Ranch Metropolitan District (“CBMRMD”); and

**WHEREAS**, concurrent with BMRMD’s dissolution, the Town will acquire from CBMRMD, among other assets, the Denver Basin water rights, water treatment plant, water storage tanks, and distribution system previously owned by BMRMD in exchange for the Town’s perpetual commitment to provide water service to the Bell Mountain Ranch Subdivisions (the BMR Subdivisions”); and

**WHEREAS**, CBMRMD will pay system development fees to the Town for buy-in to the overall existing Town system as well as renewable water resource fees for development of renewable water supply and for improvements necessary to connect the BMR Subdivisions to the Town’s system, which will be financed by the Town over a 30-year period and at an interest rate of 2.54%; and

**WHEREAS**, the BMR Subdivisions will receive water service from the Town in the same manner and to the same service level standards as properties within the municipal limits of the Town, subject to a ten percent (10%) extraterritorial surcharge on all fees and charges, including the system development fees and renewable water resource fees; and

**WHEREAS**, the Town’s provision of water service to the BMR Subdivisions is premised on the Town’s comprehensive water service and management regulations, as the same now exist and may hereafter be amended from time to time, being applicable to and fully enforceable within the BMR Subdivisions; and

**WHEREAS**, for the purpose of memorializing the terms and conditions of this arrangement, the Town and CBMRMD will enter into an Intergovernmental Agreement for water service and improvements (the “IGA”); and

**WHEREAS**, it is a principal purpose of this IGA to provide the BMR Subdivisions with a long-term renewable water supply; and

**WHEREAS**, for that purpose, the Town has purchased 1,000 acre-feet of additional Water Infrastructure Supply Efficiency (“WISE”) renewable water, part of which was previously reserved for other areas of unincorporated Douglas County, which water will be supplied, subject to availability, to help meet the BMR Subdivisions’ annual water demand of approximately 144 acre-feet; and

**WHEREAS**, Article XIV, Section 18.2(a) of the Colorado Constitution and Section 29-1-203, C.R.S., permit and encourage political subdivisions of the State to make an efficient and effective use of their powers and responsibilities by cooperating and contracting with each other.

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

**Section 1. Approval.** The IGA between the Town and CBMRMD for water service and improvements in the form attached as ***Exhibit 1*** is hereby approved.

**PASSED, APPROVED AND ADOPTED** this 2<sup>nd</sup> day of November, 2021, 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 Castle Rock Water

**INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN  
OF CASTLE ROCK AND THE CONSOLIDATED BELL MOUNTAIN  
RANCH METROPOLITAN DISTRICT FOR WATER SERVICE AND  
IMPROVEMENTS**

**THIS INTERGOVERNMENTAL AGREEMENT** (the “IGA”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2021 to be effective as of the \_\_\_\_ day of \_\_\_\_\_, 2021 (“Effective Date”), by and between the **TOWN OF CASTLE ROCK**, a home rule municipal corporation of the State of Colorado, acting by and through the Town of Castle Rock Water Enterprise (the “Town”) and the **CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (“CBMRMD”) (each individually a “Party” and collectively, the “Parties”).

**WITNESSETH**

**WHEREAS**, the Town operates an integrated municipal water supply system (the “Town’s Water System”), providing potable water service within the Town’s corporate limits, and to certain extraterritorial properties; and

**WHEREAS**, CBMRMD is a quasi-municipal corporation and political subdivision of the State of Colorado, organized and operating pursuant to Article 1 of Title 32 of the Colorado Revised Statutes; and

**WHEREAS**, CBMRMD has the powers, duties and responsibilities, and is subject to the conditions and limitations provided in said Article and in the Constitution and other laws of the State of Colorado; and

**WHEREAS**, CBMRMD has statutory and service plan authority to fund, construct, operate, maintain, repair, and improve a potable water system, both within and without its boundaries that are coterminous with Bell Mountain Ranch Filings 1A and 1B, and Bell Mountain Ranch Filing No. 2, Douglas County, Colorado (collectively the “Bell Mountain Ranch Subdivisions” or “Service Area”); and

**WHEREAS**, currently water service is provided within the Bell Mountain Ranch Subdivisions by the BMR Metropolitan District (“BMRMD”) pursuant to that certain Restated and Amended Regional Facilities Agreement dated January 13, 2009, between CBMRMD and BMRMD; and

**WHEREAS**, due to the passage of time, and changed circumstances, and for the purpose of achieving economies of scale, BMRMD intends to dissolve and transfer its assets, service function and responsibilities to CBMRMD; and



**WHEREAS**, concurrent with BMRMD' s dissolution, the Town will acquire from CBMRMD, among other assets, the water treatment plant, water storage tanks and distribution system previously owned by BMRMD in exchange for the Town's perpetual commitment to provide water service to the Bell Mountain Ranch Subdivisions in accordance with this IGA; and

**WHEREAS**, it is a principal purpose of this IGA to provide the Bell Mountain Ranch Subdivisions with a long-term renewable water supply and, for that purpose, the Town has purchased one thousand (1,000') acre-feet of additional Water Infrastructure Supply Efficiency ("WISE") renewable water, part of which was previously reserved for other areas of unincorporated Douglas County, which water will be supplied, subject to availability, to help meet the Service Area's annual water demand of approximately one hundred forty-four (144') acre-feet; and

**WHEREAS**, pursuant to this IGA, the Town will acquire from CBMRMD sufficient Denver Basin water rights and related property including the Water System, as hereinafter defined, and sufficient additional customer revenue, which combined with the WISE water and the Town's other water resources, will enable the Town to operate the Water System and subsequently construct additional water facilities and related improvements ("Improvements") necessary to connect the Water System to the Town's Water Facilities; and

**WHEREAS**, pursuant to this IGA, the Bell Mountain Ranch Subdivisions will receive Water Service from the Town in the same manner and to the same service level standards as properties within the municipal limits of the Town, subject to a ten percent (10%) extraterritorial surcharge on all fees and charges, except as herein provided; and

**WHEREAS**, the Town's provision of Water Service to the Bell Mountain Ranch Subdivisions is premised on the Town's comprehensive water service and management regulations, as the same now exist and may hereafter be amended from time to time, being applicable to and fully enforceable within the Bell Mountain Ranch Subdivisions; and

**WHEREAS**, CBMRMD will assist, if necessary, the Town in the enforcement of the Town's Water Service Regulations, and further, if necessary, CBMRMD will adopt and enforce the same rules and regulations within the Bell Mountain Ranch Subdivisions; and

**WHEREAS**, CBMRMD is entering into this IGA with the understanding that the residents and customers within the Bell Mountain Ranch Subdivisions will enjoy the same privileges and responsibilities with respect to Water Service as the Town's residents and customers, subject only to such exceptions as are authorized by this IGA; and

**WHEREAS**, the Bell Mountain Ranch Subdivisions abut the Town's municipal boundaries and are in relatively close proximity to existing and planned Town Water Facilities; and

**WHEREAS**, accordingly, the Parties have determined that it is mutually advantageous for the Town to provide Water Service to the Bell Mountain Ranch Subdivisions in accordance with the terms and conditions contained in this IGA upon the transfer of the Water System, Water Rights, and other property described herein to the Town; and

**WHEREAS**, the constitution and laws of the State of Colorado permit and encourage cooperative efforts by local governments to make the most efficient and effective use of their powers, responsibilities and resources and to enter into cooperative agreements on such matters as are addressed in this IGA.

**NOW, THEREFORE**, in reliance on the matters set forth above and in consideration of the mutual promises contained in this IGA, the Parties agree and covenant as follows:

## **ARTICLE I DEFINITIONS**

**1.01 Defined Terms.** The following words when capitalized in the text, shall have the meanings indicated:

- A. Board: the Board of Directors of CBMRMD.
- B. BMRMD: the BMR Metropolitan District
- C. Bell Mountain Ranch Subdivisions: means the Property as defined in subparagraph S below.
- D. CBMRMD: the Consolidated Bell Mountain Ranch Metropolitan District.
- E. CBMRMD Regulations: the Water Regulations adopted by CBMRMD.
- F. Charter: the Home Rule Charter of the Town, as amended.
- G. Code: the Castle Rock Municipal Code, as amended.
- H. Conservation Regulations: those Water Regulations of the Town that address water use and conservation, including limits on the amount, frequency and duration of lawn irrigation and the installation of irrigated turf, and the prescription of water savings measures and devices. Reference to Conservation Regulations shall mean the Conservation Regulations in effect at the time of application of the term under this IGA.
- I. C.R.S.: the Colorado Revised Statutes, as amended.
- J. Council: the Castle Rock Town Council, the governing body of the Town.

- K. Development Plan: the land use development plans and regulations approved for the Property by Douglas County, inclusive of the following recorded documents in the records:
- i. Bell Mountain Ranch Subdivision Filing No. 1A, Douglas County Reception No. DC9601921;
  - ii. Bell Mountain Ranch Subdivision Filing No. 1A, 1<sup>st</sup> Amendment, Reception No. 01032383;
  - iii. Bell Mountain Ranch Subdivision Filing No. 1A, 2<sup>nd</sup> Amendment, Reception No. DC00044248;
  - iv. Bell Mountain Ranch Subdivision Filing No. 1B, 2<sup>nd</sup> Amendment, Reception No. DC9829016;
  - v. Bell Mountain Ranch Subdivision Filing No. 1B, 1<sup>st</sup> Amendment, Reception No. DC00026662; and
  - vi. Bell Mountain Ranch Filing No. 2 (a.k.a. Stevens Ranch), Reception No. 2018022022 in the records of Douglas County, Colorado.
- L. Dissolution Agreement: the Agreement and Plan for Dissolution entered into between CBMRMD and BMRMD dated on or about November 2, 2021.
- M. Facilities: the water production, treatment, storage, transmission and distribution infrastructure required to serve the Property.
- N. Facilities Plan: the plan attached as **Exhibit A** depicting the location of certain existing and future Town Facilities.
- O. Fees: the capital recovery and connection fees and charges imposed under the Town Regulations from time to time as a condition to connection to the Town's Water System, including System Development Fees and Renewable Water Resource Fees.
- P. Final Finance Charge: means the monthly payments as calculated in accordance with Section 9.04 (e) of this IGA.
- Q. Interim Finance Charge: means the monthly payments as calculated in accordance with Section 9.04 (a) of this IGA.
- R. IGA: this Intergovernmental Agreement between the Town of Castle Rock and CBMRMD for Water Service and any amendments and supplements thereto.
- S. Owner: means the record owner(s) of any lot or other parcel of ground located within the Property.
- T. Property: means the Bell Mountain Ranch Filings 1A and 1B and Bell Mountain Ranch Filing No. 2
- U. Records: the public records maintained by the Douglas County Clerk and Recorder.

- V. Renewable Water Resource Fees: the capital recovery fees imposed under the Town Regulations from time to time for development of additional renewable water resources, currently codified in 4.04.150 of the Code.
- W. Service Area: The area within the Bell Mountain Ranch subdivisions previously served by BMRMD and CBMRMD, which area is coterminous with the area in the Development Plan to be served by the Town as specified in this Agreement.
- X. Service Charges: the periodic charges imposed on customers under the Water Regulations for water service, including surcharges for payment delinquencies and violation of Conservation Regulations.
- Y. SFE: an acronym for single-family-equivalent, a standard measure of the water use by a single-family residence established under the Code, generally used to assess the relative water demand attributable to various land uses.
- Z. Streetscape: pedestrian and landscape improvements in the right-of-way generally between the curb and right-of-way line, including sidewalks, street trees, medians and irrigation.
- AA. System Development Fees: the charges imposed under Town Regulations from time to time as a condition to the right to connect to the municipal water system, currently codified in section 13.12.080 of the Code.
- BB. Town: the Town of Castle Rock, a home rule municipal corporation.
- CC. Town Water Facilities: the Water Facilities developed and financed by the Town from the System Development Fees, and which comprise and are part of the Town's Water System, as the same now exists or hereafter be enlarged from time to time, including, but not limited to water production, treatment, storage, transmission and distribution facilities.
- DD. Town Regulations: the Charter, ordinances, resolutions, rules and regulations of the Town, including the Code and the provisions of all public works and building codes, as the same may be amended from time to time. Reference to Town Regulations shall mean the Town Regulations in effect at the time of application of the term under this IGA.
- EE. Water Dedication Requirements: the requirements under the Code prescribing dedication of water rights to the Town as a condition to obtaining the right to connect to the municipal water system.
- FF. Water Improvements: the water line that will connect the Town Water Facilities to the CBMRMD Water System, and which consists of approximately 7,400 linear feet of twelve-inch (12") line and related pump station all as more particularly described in the Water Improvements Description provided as **Exhibit B** and which will be described in more detail in Construction Plans to be prepared by the Town's design engineer and approved by the Town and CBMRMD.



- GG. Water Regulations: the comprehensive regulatory scheme in the Town Regulations governing all aspects of the provision of municipal water service, including Fees, Service Charges, Public Works Regulations inclusive of infrastructure permitting, construction, inspection and acceptance, backflow prevention, water use management practices and Conservation Regulations. Reference to the Water Regulations shall mean the Water Regulations in effect during the term of this IGA.
- HH. Water Rights: those rights to the Denver Basin water generally underlying the Service Area and acquired by the Town through this IGA and more particularly described on **Exhibit C**.
- II. Water Service: the provision of potable water service for domestic use, inclusive of fire flows and irrigation.
- JJ. Water System: the BMRMD water system acquired by CBMRMD, including all pipes, pumps, tanks, treatment plants, valves, hydrants, meters, wells, other infrastructure, land, personal property and any other components comprising the complete water system used to provide water service to customers within the Service Area.

Certain other terms are defined in the text of this IGA and shall have the meaning indicated therein.

**1.02 Cross-Reference.** Any reference in the text to a section or article number, with or without further description shall mean such section or article in this IGA.

## **ARTICLE II GENERAL PROVISIONS**

**2.01 Interpretation and Construction.** This IGA shall be applied and interpreted to further the following fundamental concepts, unless expressly provided to the contrary in the text:

(a) the Bell Mountain Ranch Subdivisions, hereinafter referred to as the “Service Area”, shall receive Water Service to the same level and standards and subject to the same requirements as properties and customers within the Town except for a ten-percent (10%) extraterritorial surcharge on all fees and charges and any other exceptions specifically set forth in this IGA:

(b) the provision of Water Service will be governed by the Water Regulations as they evolve during the term of this IGA; provided, however, that the Water Regulations shall at all times be applied to the Service Area and properties within the municipal limits of the Town on a uniform and in a non-discriminatory manner; and

(c) to the extent necessary, CBMRMD will promptly adopt and enforce the Water

Regulations within its territorial boundaries which includes the Service Area, as a separate regulatory scheme of CBMRMD.

**2.02 Service Commitment.** This IGA is entered into for the express and intended purpose of committing the Town to furnish permanent Water Service and all of the Water Improvements, as hereinafter defined, necessary to serve existing development within the Service Area, which currently consists of 321 single-family residential connections, two irrigation connections, and up to a one-inch (1”) connection reserved for a future community center. In reliance upon and to enable the Town to perform the Town’s service commitment to CBMRMD within the Service Area (“Service Commitment”), CBMRMD will, at Closing convey and transfer to the Town, the Water System and all of CBMRMD’s other property described in Article III that is necessary for the operation and maintenance of the Water System.

The Town shall provide Water Rights and Water Service sufficient to serve the existing lots within the Service Area, and any future development thereof, as currently configured, and in addition thereto shall make available, if necessary, in the future, up to five (5) one-inch single family equivalent water taps, subject to payment of all applicable Town System Development, Renewable Water Resource, and other applicable fees including a ten-percent (10%) extraterritorial surcharge based on the current fees at the time Water Service is requested. By way of explanation and not limitation, the preceding sentence means that except for the water taps hereby reserved for the Service Area, no additional connections will be provided to serve existing lots within the Service Area that are subdivided in the future, without the prior express written consent of the Town, which may be withheld in the sole discretion of the Town.

**2.03 Reservation of Powers.** Except as provided in this IGA or as necessary to give effect to the intent and purpose of this IGA, Town and CBMRMD reserve all of their respective powers and authority as independent governmental entities; provided, however, that nothing in this IGA shall preclude, impair, or subordinate the Town’s right of enforcement of the Water Regulations or collection of the Fees and Service Charges.

**2.04 Limited Purpose.** The Town’s Water Service obligation hereunder is subject to, and shall be performed in accordance with the Water Regulations component of the Town Regulations and is limited to the Service Commitment and Service Area as defined herein. Except for those fire and emergency medical services provided by the Town on behalf of the Castle Rock Fire Protection District to a portion of the Service Area, the Town will not provide other municipal services to the Service Area, nor is CBMRMD or any Owner subject to other Town Regulations or the payment of other fees, charges and exactions the Town imposes on development within its municipal limits.

**2.05 Water Dedication Requirement.** The Town's Water Dedication Requirement for the Service Area will be satisfied by the conveyance of the Water Rights to the Town as set forth in Article III below.

**2.06 Effective Date.** The Town's Service Commitment shall become effective as of the date of Closing; provided, however, that either Party shall have the option prior to Closing to terminate and cancel this IGA if the estimated cost of constructing the Water Improvements exceeds \$2,500,000.00, or if as of May 1, 2022 the Douglas County District Court has not issued the BMRMD Dissolution Order as hereinafter defined.

### **ARTICLE III TRANSFER OF WATER SYSTEM AND CBMRMD PROPERTY**

**3.01 CBMRMD Property Defined.** As used in this IGA, CBMRMD Property means collectively the parcels of real property identified below as the CBMRMD Tracts, the easements identified below as the CBMRMD Easements, the water rights identified below as the CBMRMD Water Rights, the buildings, structures, equipment including pipes, valves and related appurtenances identified below as the CBMRMD Infrastructure, and the tangible and intangible assets identified below as the CBMRMD Miscellaneous Property.

**A. CBMRMD Tracts.** CBMRMD Tracts means the real property Tracts, both existing and future as legally described on **Exhibit D** attached hereto and incorporated herein by this reference, together with CBMRMD's interest in all reversions, remainders, easements, rights-of-way, hereditaments, appertaining to or otherwise benefitting or used in connection with said Tracts.

**B. CBMRMD Easements.** CBMRMD Easements means the permanent easements, both existing and future as described on **Exhibit E** attached hereto and incorporated herein by this reference.

**C. CBMRMD Water Rights.** CBMRMD Water Rights means all of the water and water rights in and to the ground water underlying the Bell Mountain Ranch Subdivisions owned by CBMRMD described on **Exhibit C** as attached hereto and incorporated herein by this reference.

**D. CBMRMD Infrastructure.** CBMRMD Infrastructure means, to the extent not described above, all buildings, structures, improvements, pipes, valves, and related appurtenances located on or within any CBMRMD Tracts or on or within any of the CBMRMD Easements now owned by CBMRMD and previously owned and used by BMRMD for the purpose of providing Water Service to the Service Area as more particularly described on **Exhibit F** as attached hereto and incorporated herein by this reference.

**E. CBMRMD Miscellaneous Property.** CBMRMD Miscellaneous Property means to the extent not described above, and excluding any bank accounts, cash or cash equivalents, all CBMRMD personal property, tangible or intangible, including to the extent assignable, all contracts, including all rights and obligations thereunder, used in connection with the operation and maintenance of the Water System, water treatment plant discharge permit rights and obligations, licenses, well permits, well permit approvals, water court decrees and any other permit, approval, or authorizations whether granted by the state or any other governmental agency used in connection with the operation and maintenance of the Water System, as more particularly described on **Exhibit G**, as attached hereto and incorporated herein by this reference.

Whether or not specifically identified in this Section 3.01, it is the intention of the Parties that the Town shall succeed to any and all rights and shall assume any and all obligations of CBMRMD and its predecessor BMRMD related to or in any way arising out of the provision of Water Service within the Service Area whether heretofore, now or hereafter arising, and if necessary, both Parties agree to execute any and all further documents necessary to effectuate their intention as stated herein.

**3.02 Transfer and Conveyance of CBMRMD Property.** The transfer and conveyance of CBMRMD Property shall occur on a date and at a time that is mutually agreed upon by the Town and CBMRMD (“Closing”), but in no event earlier than the date an Order is entered by the Douglas County District Court dissolving BMRMD (“BMRMD Dissolution Order”), but not later than the date the BMRMD Dissolution Order is recorded upon the real estate records of Douglas County, Colorado. The Closing will be held at the offices of the Title Company as hereinafter defined, or at such other location as mutually agreed upon by the Town and CBMRMD or if the Parties so agree, by means of an escrow-type Closing with the Title Company acting as the closing agent.

**3.03 Actions At and Before Closing.** At least five (5) days before Closing, an execution copy of the closing instructions (“Closing Instructions”) and other documents listed below shall be exchanged by the Parties for final review and approval. The following actions will occur at Closing in a sequence described in the Closing Instructions that will be mutually agreed upon by the Town and CBMRMD at least three (3) days before the Closing:

(a) CBMRMD shall execute and deliver to the Town one or more special warranty deed(s), in the form attached hereto as **Exhibit H** conveying the CBMRMD Tracts to the Town, free and clear of all liens and encumbrances, except for Permitted Exceptions.

(b) CBMRMD shall execute and deliver to the Town one or more Assignment of Easements in the form attached hereto as **Exhibit I**, conveying the CBMRMD Easements to the Town, free and clear of all liens and encumbrances, except for Permitted Exceptions.



(c) CBMRMD shall execute and deliver to the Town a special warranty deed, in the form attached hereto as **Exhibit J**, conveying the CBMRMD Water Rights to the Town, free and clear of all liens and encumbrances, except for Permitted Exceptions and except for the Water Rights that CBMRMD acquired by Quitclaim Deed referred to in paragraph 3 of **Exhibit C**, which Water Rights underlie the real property now known as Bell Mountain Ranch Filing No. 2 and which will be conveyed to the Town by Quitclaim Deed in the form attached hereto as **Exhibit J-1**.

(d) CBMRMD and the Town shall execute a Bill of Sale, Assignment and Assumption Agreement in the form attached hereto as **Exhibit K** transferring and conveying the CBMRMD Infrastructure and the CBMRMD Miscellaneous Property to the Town, and all rights and obligations thereunder, to the extent assignable, free and clear of all liens and encumbrances, except for Permitted Exceptions.

(e) CBMRMD shall deliver a fully-executed No Statements of Opposition Agreement in the form attached hereto as **Exhibit L**.

(f) The Parties shall have received documentation acceptable to each Party which verifies that any and all claims that may arise against either the Board of Directors of CBMRMD or BMRMD will be covered by a public official's liability insurance policy in existence as of the Closing Date covering any and all claims up to and including the Closing Date. The cost of any such insurance shall be paid by CBMRMD and/or BMRMD as such districts shall decide.

(g) CBMRMD and the Town will each execute and deliver to the Title Company an appropriate Settlement Statement.

(h) Each Party will deliver to the other Party and the Title Company such agreements, assignments, conveyances, consents, licenses, instruments, affidavits, certificates and other documents as may be reasonably required by either Party or the Title Company to consummate the transfer and conveyance of the CBMRMD Property in accordance with the terms of this IGA and the Title Commitments.

**3.04 Title Insurance.** Prior to the execution of this IGA, CBMRMD furnished to the Town a commitment for title insurance issued by Fidelity National Title Insurance Company ("Title Company") File No. 100-N0033568-010-TO2 attached hereto as **Exhibit M** (the commitment and the amount thereof is acceptable to the Town), committing to insure the Town's title to the CBMRMD Tracts ("Title Commitment"). The CBMRMD Tracts insured under the Title Commitment are hereinafter collectively referred to as the "Insured Property". CBMRMD will cause the Title Company to deliver to the Town promptly after the Closing an owner's title insurance policy issued by the Title Company insuring the Town's title to the Insured Property in accordance with the Title Commitment ("Title

Policy”). CBMRMD will pay the premium for the Title Policy at Closing. The Title Commitment will not contain owner’s extended coverage. The Town, at its discretion, and its sole expense, may obtain owner’s extended coverage and any additional endorsements to the Title Commitment and establish a greater amount of insurance for the Insured Property, the additional cost of which shall be paid entirely by the Town at Closing.

(a) **Water Rights Opinion.** In addition to the Title Commitments, CBMRMD shall obtain at its expense a Water Rights opinion from a water rights attorney acceptable to the Town and CBMRMD, stating that CBMRMD has marketable title to the Water Rights that CBMRMD will convey to the Town in accordance with the terms and provisions of this IGA.

**3.05 Changes to Title.** The Town will have ten (10) business days after the Town’s receipt of any amendment to the Title Commitment or the Title Opinion to notify CBMRMD of any objections to any items identified in the amended Title Commitment or amended Title Opinion (“Title Objection Notice”). Any exceptions noted in the amended Title Commitment or any items impacting marketable title to CBMRMD’s Water Rights that are not objected to within such ten (10) business day period will be deemed approved by the Town and will become Permitted Exceptions. CBMRMD will have until thirty (30) business days after receipt of the Town’s Title Objection Notice (“CBMRMD’s Cure Period”) to elect, at its sole option and discretion to: (a) cure any or all items to which the Town has objected; (b) cause such items to be modified in a manner satisfactory to the Town; or (c) elect not to cure any or all such items. If, during CBMRMD’s Cure Period, CBMRMD fails to cure to the satisfaction of the Town any title objection in the Title Objection Notice, or elects not to cure, then the Town may elect, as its exclusive remedy with respect to the objections in the Title Objection Notice, either to (a) waive the objections by written notice to CBMRMD and proceed to Closing, or (b) terminate this IGA by giving written notice to CBMRMD within three (3) business days after CBMRMD’s Cure Period, in which case the Parties will have no further rights and will be released from all obligations hereunder other than those rights and obligations that expressly survive termination of this IGA. If the Town fails to give timely notice of termination or if the Town proceeds to Closing, the Town will be deemed to have elected to waive all objections and accepted all of the Exceptions to Title including the Permitted Exceptions. The Closing Date established in Section 3.02 shall be extended as reasonably necessary and mutually agreed upon by the Parties to accommodate the notice and cure time periods outlined in this Section 3.05.

**3.06 Inspection of Insured Property.** The Town acknowledges that the Town and the Town’s agents, contractors, employees and permittees (collectively, “Town Permittees”) were granted access to all of the CBMRMD Property, including but not limited to the Insured Property prior to the Effective Date, and at any time after the Effective Date continue to have access to the CBMRMD Property including having the right to enter upon the Insured Property for the purpose of inspecting the Insured Property, including making surveys, reports and investigations, conducting soils, water availability and other tests, conducting

environmental audits, and undertaking such other investigations of the CBMRMD Property including the Insured Property as the Town shall deem necessary for its intended use of the CBMRMD Property. The Town has not made and will not make any permanent modifications to any CBMRMD Property and will leave the CBMRMD Property in substantially the same condition as existed at the time of entry upon the Insured Property, and/or accessing any of the other CBMRMD Property by the Town or the Town Permittees. The Town's access to the CBMRMD Property including entry on the Insured Property shall be at the sole risk, cost and expense of the Town. The Town shall pay when due all costs and expenses incurred in the performance of any such inspection or conducting such tests and investigations and shall reimburse and hold harmless CBMRMD from any loss from mechanic's liens, claims for nonpayment of such charges or for damages or injuries arising out of the negligent acts, willful misconduct or omissions hereunder by the Town or the Town Permittees relating to the Insured Property and any and all inspections, investigations and testing conducted thereon. Notwithstanding any other provision of this IGA, the obligations of the Town under this Section 3.06 will survive the Closing or the termination of this IGA by the Town or CBMRMD for any reason.

**3.07 CBMRMD Documents.** The Town acknowledges that prior to and following the Effective Date, the Town has had complete access to, and CBMRMD has made available to the Town and its consultants and representatives, copies of its files and records related to CBMRMD Property including the following documents in the possession or control of CBMRMD: all documents relating to the Water Rights including, but not limited to, all documents conveying an interest in the Water Rights and/or related facilities, all water decrees, well permits, water rights engineering reports, water treatment plant discharge permit, general correspondence, diversion records, and any correspondence with local or state agencies concerning water rights or water supply issues, soils reports, mineral studies, oil, gas and mineral leases, environmental reports and studies, environmental notices received by CBMRMD, plats, permits, development agreements, topographical and other maps, engineering plans and reports, easement agreements, and all other information and documentation pertaining to the CBMRMD Property in the possession of or known to CBMRMD (collectively, the "Property Documents"). The Town acknowledges and agrees that all Property Documents delivered or made available by CBMRMD to the Town are for the Town's information and use only, and CBMRMD makes no representation or warranty as to the accuracy or completeness of any such Property Documents or the Town's ability to use any of such Property Documents. The Town acknowledges that it shall be solely responsible for verifying all information contained in the Property Documents, including the completeness, accuracy and applicability of the Property Documents.

**3.08 Credit Against Final Finance Charge.** In exchange for the CBMRMD Property that CBMRMD will transfer to the Town pursuant to Section 3 or elsewhere in this IGA, CBMRMD will be given a credit against the Final Finance Charge described in Section 9.04 (e), equal to the value of CBMRMD Property transferred to the Town which as to the CBMRMD Tracts and CBMRMD Easements will be based upon an appraisal, and which as

to the Water System shall be based upon the depreciated value of the Water System fixed assets as published in CBMRMD's Financial Statements for calendar year 2021, plus the cost of any Water System Improvements that occurred subsequent to 2020, plus the value of Denver Basin groundwater rights in excess of 364 acre-feet (AF) at \$2,500/AF as shown in **Exhibit N** ("Financial Summary"). The credit will be used to offset the cost of System Development Fees, Renewable Water Resource Fees and Total Construction Costs for the Water Improvements and other construction costs to be paid to the Town by CBMRMD as described in Section 9. The Total Construction Costs for the Water Improvements will be determined by the Parties as set forth in Section 9, a preliminary estimate of which is set forth in **Exhibit O** as attached hereto. If CBMRMD initially transfers an easement to the Town for certain Facilities, but later conveys fee title to the Easement Area, the value of the credit will be updated to include the value of the fee title of the land that is transferred to the Town, as determined by an appraisal agreed to by Town and CBMRMD, and said amount shall be applied to and reduce the total amount owed to the Town under this IGA by the residents and property owners of CBMRMD.

**3.09 Conveyance of Future Property.** In addition to the CBMRMD Property transferred at Closing and after compliance with applicable Douglas County Subdivision Regulations, CBMRMD shall cause to be conveyed to the Town, for no additional consideration, the following: (i) fee title to an expanded water tank site and expanded water treatment plant site as more particularly described in **Exhibit D**; (ii) a pipeline easement from Town's existing well for a water pipeline that will extend from the well to the Water Treatment Plant as more particularly described in paragraph 2 of **Exhibit E**; and (iii) an easement for the pipeline in any locations where it crosses CBMRMD property associated with the connection to be built between the Town and Bell Mountain Ranch. In addition to the above described property and easements, CBMRMD shall cause to be conveyed to the Town in consideration for a credit equivalent to the fair market value of the property being conveyed if requested by the Town in the future, either fee title to or an easement for the alternate well sites for the extraction of groundwater as decreed in Water Court Case No. 80CW158 and 84CW385 and being more particularly identified as Alternate Well Sites AW-3, AW-8 and AW-9 in that certain Bell Mountain Ranch settlement agreement ("Settlement Agreement") by and between numerous parties including CBMRMD, BMRMD and the Town's predecessor in interest to the groundwater decreed in Case No. 80CW158 and Case No. 84CW385, which Settlement Agreement was dated February 27, 2009 and recorded in the Douglas County real estate records on March 10, 2010 at Reception No. 2010015114.

In connection with the drilling and location of any and all additional wells within the Bell Mountain Ranch Subdivisions, the Town agrees that it shall comply with all terms and provisions of the Settlement Agreement and the Third Amended Declaration Creating Covenants, Conditions, Restrictions and Easements for the Bell Mountain Ranch Subdivisions attached as Exhibit L to the Settlement Agreement and separately recorded in the Douglas County records on March 10, 2010 at Reception No. 2010015229. The Town further agrees that all future water wells drilled within the Bell Mountain Subdivisions shall



be at locations identified as Alternate Well Sites in the Settlement Agreement. The Town shall be entitled to drill up to four (4) wells on each Alternate Well Site.

Using legal descriptions and drawings prepared by the Town, at the Town's expense, such alternate well sites, if owned by CBMRMD shall be conveyed by CBMRMD to the Town for above or below ground facilities. Easements shall be conveyed to the Town by CBMRMD for any surface or subsurface infrastructure that will be installed as part of the Town Facilities on real property owned by CBMRMD. The standards and the nature and extent of the property that will be conveyed to the Town in the future are stated in the Facilities Plan, and generally shall be of the size and configuration reflecting parameters for similar public works constructed in the Town. Any easements and any alternate well sites conveyed in fee, that shall be conveyed in the future, the value of which is not included as a credit against the final Finance Charge as described in paragraph 9.04 (e), shall be applied against the Finance Charge at the time of conveyance to reduce the amount of the Finance Charge then outstanding.

Such property and any easements shall be conveyed to the Town by CBMRMD when reasonably requested by the Town in order to enable the Town to construct infrastructure on or within said property/easements. All property whether it is a fee title or easement interest that is conveyed shall be conveyed with marketable title, free of liens, encumbrances, and taxes, except for Permitted Exceptions. The Town shall be provided title insurance at CBMRMD's expense in amounts reflecting the fair market value of the property and easements being conveyed. The Town shall pay any and all costs incurred by CBMRMD in complying with Douglas County Subdivision Regulations, as necessary, for purposes of conveying any property or easements as described in this Section 3.09 to the Town.

## **ARTICLE IV FEES AND SERVICE CHARGES**

**4.01 Applicability and Extraterritorial Surcharge.** For the water and Water Service provided by the Town hereunder, the users within the Service Area shall pay the Fees and Service Charges imposed by the Town within the Town limits under the Water Regulations, including the System Development Charges and Water Resource Fees, plus a ten percent (10%) surcharge ("Water Service Surcharge"). All references in this IGA to Fees and Service Charges applicable to the Service Area shall include the Water Service Surcharge without further reference to the Surcharge except that the Total Construction Cost for the Water Improvements referred to in Section 4.03 below shall not be subject to or include any ten-percent (10%) or other surcharge. The Town may modify the Fees and Charges imposed by the Water Regulations for the delivery of water to the Service Area (but not the Water Service Surcharge) provided the Town shall notify CBMRMD of any proposed increase in any Fees and Service Charges at least thirty (30) days prior to any Town action on such increase and provided further any increased Fees and Service Charges shall not become

effective sooner than thirty (30) days after they have been adopted and shall only apply to water delivered by the Town from and after the date the Fees and Charges are effective.

**4.02 System Development/Renewable Water Resource Fees.** Each user of the water delivered by the Town within the Service Area shall pay to the Town a System Development Fee and a Renewable Water Resource Fee for each single-family equivalent tap which provides service to the user served in the Service Area as calculated in this Section 4.02. The System Development Fees and Renewable Water Resource Fees shall be fixed and assessed at the rate in effect on December 31, 2020. With respect to CBMRMD's 321 residential customers and the proposed community center, the System Development Fee and Renewable Water Resource Fee shall be calculated as if each connection has a ¾" meter (regardless of the size of the actual meter), and is equivalent to one single family equivalent water tap ("SFE") and shall be calculated as follows:

$$(322 \times \$21,287 = \$6,854,414)$$

With respect to CBMRMD's two (2) existing irrigation accounts, the System Development Fee and the Renewable Water Resource Fee shall be based on a 1.5" meter and a 3.33 SFE and shall be calculated as follows:

$$(2 \times \$70,899 = \$141,798)$$

The Water Service Surcharge of ten percent (10%) shall be assessed on the total amount of the System Development Fees and Renewable Water Resource Fees due and payable by CBMRMD as follows:

$$(\$6,996,312 + \$699,621.20 = \$7,696,833.20)$$

The System Development Fee and Renewable Water Resource Fee shall be payable through the Finance Charge over a 30-year period as more particularly described in Section 9.04 below.

**4.03 Rate Methodology.** The Town's rates for the water delivered within the Service Area shall be established and assessed in a manner that is in accordance with accepted standards and methods utilized in the industry, and that reasonably recover the cost to the Town of providing water service within the Service Area, plus the Water Service Surcharge referred to in Section 4.01 above. Costs recovered through the Interim and Final Finance Charge will not be included in the calculation of the revenue requirements for the Town for water service rates. The Total Construction Cost for the Water Improvements is specific to the Service Area and will not be considered in the establishment of Water Service Rates.

**4.04 Payment of Rates.** CBMRMD shall require the users within the Service Area to pay the Town's System Development Fee, Renewable Water Resource Fee, and Total Construction Cost for the Water Improvements as captured in the Interim and Final Finance

Charges and Water Service Rates as set forth in the Town's Water Regulations. Unless otherwise provided in this IGA, the Town shall have the power to enforce and collect within the Service Area all such rates and charges in the same manner as it employs inside the Town.

## **ARTICLE V OTHER AGREEMENTS AND COVENANTS**

**5.01 No Statements of Opposition.** CBMRMD hereby agrees that it shall execute an agreement with the Town at Closing that it will not file a statement of opposition or otherwise participate as a party in existing or future water court applications filed by the Town. The terms of such agreement shall be as set forth in the form of agreement attached hereto as **Exhibit L** (the "No Statements of Opposition Agreement"). At Closing, CBMRMD will deliver the No Statements of Opposition Agreement to the Town.

**5.02. Post-Closing Assistance.** Following the Closing, CBMRMD will provide the Town with such assistance as the Town may reasonably request in the transition of administration and operation of the CBMRMD Property, as more particularly described in Section 8.02 below.

## **ARTICLE VI WATER CONSERVATION**

**6.01 Generally.** Except as provided in 6.03 below, all Town Water Conservation Regulations ("Conservation Regulations") shall apply within the Service Area. The Town shall provide the Service Area with monitoring and enforcement of the Conservation Regulations at no additional cost to CBMRMD in the normal course of providing Water Service, in order to assure uniform application of the Conservation Regulations within the Service Area and properties within the Town. Streetscapes shall comply with applicable Conservation Regulations even though the approval for same is granted through Douglas County.

**6.02. Conservation Programs and Rebates.** The Town shall make available to all users within the Service Area all Town conservation programs and rebates subject to the same standards and requirements as properties and customers within the Town.

**6.03 Residential Turf Limitations.** Irrespective of any contrary provisions in the Water Regulations in effect during the term of this IGA, the Town acknowledges that the residential lots within the boundaries of the Service Area have been developed in accordance with applicable Douglas County rules, regulations, and policies. CBMRMD agrees, however, not to permit the installation of any additional turf on existing residential lots beyond that which is presently in place or permitted under the Town's Rules and Regulations. CBMRMD acknowledges that for purposes of rates and especially setting of the water budget for each customer within CBMRMD, the Town will use the same method used for its customers within

the Town. This is to say that no additional water budget or special consideration will be provided for additional turf existing within CBMRMD as of the date of this IGA.

In acknowledgement of the fact that the limitations on irrigated turf applicable within Town limits are more restrictive than the limitations currently imposed by CBMRMD with the Service Area, CBMRMD shall encourage residential owners within the Service Area to incorporate Real Time Evapo-transpiration based irrigation controllers on their automated irrigation systems and to utilize sub-surface irrigation for turf areas.

## **ARTICLE VII BREACH AND REMEDIES**

**7.01 Default Notice and Cure Rights.** In the event CBMRMD commits a material breach of this IGA and the Town gives CBMRMD written notice specifying the particular material breach, CBMRMD shall have such time as provided in the Notice, which time shall be reasonably sufficient to permit CBMRMD to cure the material breach, but in no event less than ninety (90) days. In the event CBMRMD fails to correct such breach within the time provided in the Notice, the Town, without obligation to CBMRMD, or any person or entity claiming by, through or under CBMRMD, may at the sole cost and expense of CBMRMD take such actions as are reasonably necessary to cure the breach. CBMRMD agrees to reimburse the Town for all expenses incurred by the Town in correcting or curing any such material breach. The Notice provision of this paragraph shall not apply if the Town determines that the material breach may result in an immediate health hazard or harm to persons or property, in which case the Town may immediately cure the breach, upon hand delivery of written notice of material breach and description of the harm likely to result. The term “Material Breach” shall include unauthorized extensions of Water Service; and any other actions or inactions which could cause a health hazard or harm to persons or property.

**7.02 Specific Performance.** It is agreed that this IGA may be specifically enforced by either Party.

## **ARTICLE VIII OPERATIONS**

**8.01 Water Service – Equivalent Standard.** From and after the date of Closing, the Town shall own, operate, maintain, repair and replace the Water System and all related Facilities and appurtenances located within the Service Area to the same service level standards as the Town maintains with respect to the Town’s water system located within the Town’s municipal boundaries.

**8.02 Transition Period.** From and after the date of Closing, the Town shall take full ownership of and responsibility for the operation, maintenance, repair and replacement of the Water System even though it has not yet been physically connected to the Town Water Facilities. A Transition Plan is provided in **Exhibit P** which specifies the steps that



CBMRMD and the Town will take in connection with transferring responsibility for the Water System to the Town.

**8.03 Operation of Water Treatment Plant.** From and after September 1, 2021, or soon thereafter as is reasonably practical, and for the purpose of not violating any of the Radium 226 and 228 limitations, as well as the Whole Effluent Toxicity test limitation in Discharge Permit No. C00048995 for the Water Treatment Plant, all water discharge effluent from the Water Treatment Plant has been and will continue to be captured onsite and hauled by truck to a location where the effluent is discharged into the Town's Sanitary Sewer Collection System through a designated manhole. From and after the Closing Date, the Town will continue to operate the Water Treatment Plant in the same manner until the Town constructs the twelve-inch (12") pipeline described in Section 9.02 and thereby connects the Town Water Facilities to the CBMRMD Water System as contemplated in Article IX. It is the intention of the Parties hereto that the twelve-inch (12") pipeline and the connection to the Town Water Facilities to the CBMRMD Water System will occur no later than October 30, 2023.

At such time as the CBMRMD Water System is connected to the Town Water Facilities the Town at its option, but without any obligation to do so, may terminate Discharge Permit No. C00048995 for the Water Treatment Plant. Until the Town Water Facilities are connected to the CBMRMD Water System, the Town may assess the cost of collecting and hauling the effluent from the Water Treatment Plant to CBMRMD customers on a per single family equivalent water tap basis. From and after the date the Town Water Facilities are connected to the Water System, the Town shall assess the cost of collecting and hauling any effluent from the Water Treatment Plant to an offsite discharge point among all users of the Town Water Facilities and shall not separately allocate those costs to customers of CBMRMD.

## **ARTICLE IX IMPROVEMENTS**

**9.01 Integrated System.** Once the Water System is conveyed to the Town, the Water System will become a part of the Town's Water System. The Town will be responsible for all Colorado Department of Public Health and Environment Regulations applicable to the Water System, and shall assume all obligations relating to the Water Treatment Plant Discharge Permit No. C00048995 including but not limited to: (i) the Town's public water system identification number for all purposes, including backflow and cross connection control, test monitoring, and reporting purposes; (ii) for compliance with and all testing and applicable reporting requirements under the Colorado Department of Public Health and Environment Discharge Permit for the water treatment plant previously owned and operated by BMRMD. CBMRMD shall have no responsibility for the quality of water delivered by or through the Water System or for testing or reporting of any kind, including, but not limited to, compliance with or reporting under the Colorado Department of Public Health and

Environment Discharge Permit for the water treatment plant previously owned and operated by BMRMD.

**9.02 Water Improvements.** The Town and CBMRMD agree that the Water Improvements as more particularly described and depicted on **Exhibit B**, including, but not limited to a twelve-inch (12”) water pipeline and related pump station, are necessary to connect the Water System to the Town’s Water System (“Water Improvements”) and that the total cost of designing and constructing the Water Improvements, less any costs allocated to the Ridge Estates Subdivision shall be paid by the water users (“Customers”) within the Service Area together with the System Development Fees and Renewable Water Resource Fees described in Section 4.02. The Town and CBMRMD agree that the costs of the water line connecting the water distribution system in Ridge Estates to the water tank that will be built in the Service Area by the Town shall be allocated thirty-percent (30%) to the Ridge Estates Subdivision and seventy-percent (70%) to the customers within the Service Area as reflected on **Exhibit O**. The Town and CBMRMD further agree that the costs listed in **Exhibit N** combined with the System Development Fees and Renewable Water Resource Fees in Section 4.02 provide a fair basis for establishing the Interim Finance Charge to be paid by customers within the Service Area during construction of the Water Improvements and before final total construction costs can be determined. The actual monthly Interim Finance Charge is shown in the amortization schedule in **Exhibit Q**.

### **9.03 Construction of Water Improvements.**

(a) **Design.** The Town will retain a professional engineer licensed in the State of Colorado to design the Water Improvements and prepare construction plans, finalize cost estimates with contingencies, and prepare a set of general qualifications required of a construction contractor to perform the work of constructing the Water Improvements listed in **Exhibit B**. The Water Improvements will include any easement acquisition needed to construct the Water Improvements all as determined by the Town in the reasonable exercise of its discretion. CBMRMD shall have the right to review and approve the final design, construction plans, and any easements deemed necessary for the construction of the Water Improvements, which approval shall not be unreasonably withheld, conditioned or delayed.

(b) **Selection of Contractor.** The Town will select a pre-qualified contractor through a competitive bid selection process to construct the Water Improvements. CBMRMD and the Town shall have the right to review and approve the selected contractor.

(c) **Construction.** Once CBMRMD and the Town have approved the contractor, the Town will execute a contract with the selected contractor, issue a notice to proceed, and be responsible for construction of the Water Improvements to be constructed by the construction contractor.

**9.04 Final Finance Charge.** CBMRMD and the Town agree that the total actual costs incurred by the Town to construct the Water Improvements together with the System

Development Fees and the Renewable Water Resource Fees as outlined in Section 4.02, less the credit provided in Section 3.08 provide a fair and reasonable basis for establishing the Final Finance Charge to be paid by customers within the Service Area over a thirty (30)-year repayment period. The total actual costs incurred by the Town to construct the Water Improvements together with the System Development Fees and Renewable Water Resource Fees as outlined in Section 4.02 shall include the costs of interest for financing provided by the Town to CBMRMD customers. The cost of interest shall be no greater than 2.54% charged on the aggregate unpaid principal balance owed by the Service Area water users for the total actual construction cost combined with Renewable Water Resource Fees and the System Development Fees as outlined in Section 4.02. If it becomes apparent during the public bidding process that the total actual construction cost shall exceed \$2,500,000.00, either party shall have the right to terminate this IGA under Section 2.06; provided, however, CBMRMD shall be responsible for paying any design and engineering costs for the Water Improvements incurred by the Town to that point up to a maximum of \$182,505. Once construction of the Water Improvements has been approved by both parties and construction has started, no further rights of termination are applicable.

(a) **Interim Finance Charge.** After execution of this IGA and until construction has been completed and total actual costs can be calculated, water users within the Service Area shall pay \$76.79 per account on a monthly basis (“Interim Finance Charge”) as shown on **Exhibit N**.

(b) **Actual Costs of Construction.** The total actual costs of construction of the Water Improvements will be the construction costs, including any easement acquisition costs and design costs.

(c) **Total Construction Costs.** Total construction costs shall mean all direct costs paid by the Town for designing, permitting, and constructing the Water Improvements, and acquiring any necessary easements for the Water Improvements. By way of explanation, construction costs shall include the direct purchase costs of contracted materials, labor, construction contract payments, and land acquisition costs.

(d) **Credit for Surplus Funds.** CBMRMD may pay to the Town at any time prior to calculation of the Final Finance Charge under paragraph (e) below, all or any portion of any surplus funds it may have available (“Reduction Payment”). The Town will apply any Reduction Payment to reduce the aggregate unpaid principal balance owed by CBMRMD customers within the Service Area for the total actual cost of construction.

(e) **Calculation of Final Finance Charge.** To determine the Final Finance Charge, the total actual cost of construction, calculated under Section 9.04 (c) above, shall be reduced by any Reduction Payment made under Section 9.04 (d) above, and by the total of all Interim Finance Charges paid under Section 9.04 (a) above and the Credit calculated in accordance with Section 3.08 (Credit Against Final Finance Charge). Reduction Payments

in the total amount of all principal portions of the Interim Finance Charges and the credit shall be applied to the aggregate unpaid principal balance owed by CBMRMD customers within the Service Area for purposes of calculating the Final Finance Charge. After applying any Reduction Payments and other credits, the Town will divide the resulting amount by the number of licensed premises within the Service Area in order to create a uniform monthly payment (Final Finance Charge) by creating a final amortization schedule for the remainder of the repayment period which will be equal to thirty (30) years minus the time period under which the Interim Finance Charge was in place.

**9.05 Prepayment Without Penalty by CBMRMD.** Once the Final Finance Charge has been calculated under Section 9.04 (e) above, CBMRMD may prepay at any time all or any portion of the aggregate unpaid principal balance then owed by CBMRMD customers. Such prepayment shall not be subject to any penalties

**9.06 Prepayment Without Penalty by Customers.** Once the Final Finance Charge has been calculated under paragraph 9.04 (e) above, individual customers within the Service Area may elect to prepay at any time the entire unpaid principal balance applicable to their particular premises. Such prepayment shall not be subject to any penalties. Individual licensed premises that make a prepayment for the principal amount shall not be assessed any further finance charges for the Water Improvements.

**9.07 Collection of Interim and Final Finance Charges.** The Town will bill water users within CBMRMD's Service Area for the Interim and Final Finance Charges as part of the regular billing process for water delivered to each customer. The Town will be entitled to collect the Interim and Final Finance Charges in the same manner as it collects other water rates under Section 4.04. The Interim and Final Finance Charges shall be subject to the same delinquency charge as other water rates.

**9.08 Future Town Facilities.** At its sole expense, the Town shall construct Town Facilities as needed to ensure that water service to the Service Area may proceed unimpeded. The location, phasing and timing of the Town Facilities shall be in the absolute discretion of the Town; provided, however, that CBMRMD reserves the right to (i) approve site plans for any such facilities; (ii) require fencing to shield equipment from sight; and (iii) require compliance with CBMRMD architectural design standards and any well and water development standards as previously adopted by or agreed to by CBMRMD some of which are recorded covenants. The facilities plan depicting the points at which the Town's water system will connect to the facilities required by the Town pursuant to this IGA and the location of future improvements to the Town's Water System is conceptual and as such is subject to modification based upon later refinements to the engineering and phasing of such improvements to the Water System.

The Town is not obligated to construct any transmission or distribution mains internal to the Service Area unless such Facilities are constructed by the Town for purposes unrelated



to the Town's commitment to provide water service. At its expense, the Town may develop wells and related infrastructure within the Service Area designated on the Facilities Plan, as it may later be refined for Town purposes unrelated to the Town's commitment to provide Water Service and principal well facilities. The well facilities shall be located at points that are approved by CBMRMD, which approval shall not be unreasonably withheld.

## **ARTICLE X MISCELLANEOUS**

**10.01 Notice.** All notices or other communications shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, postage prepaid, addressed as follows:

If to Town:                   Town of Castle Rock  
                                      Attn: Director of Castle Rock Water  
                                      175 Kellogg Court  
                                      Castle Rock, CO 80109

with copy to:               Town of Castle Rock  
                                      Attn: Town Attorney  
                                      100 N. Wilcox Street  
                                      Castle Rock, CO 80104

If to CBMRMD:           Consolidated Bell Mountain Ranch Metropolitan District  
                                      c/o CliftonLarsonAllen LLP,  
                                      8390 E. Crescent Parkway, Suite 300  
                                      Greenwood Village, CO 80111

**10.02 Notice of Meetings.** CBMRMD shall submit a copy of a written notice of every regular or special meeting of CBMRMD to the Town Clerk at least three (3) days prior to such meeting.

**10.03 Assignment.** No transfer or assignment of this IGA or of any rights hereunder shall be made by either party, other than Town may assign this IGA to another governmental entity as part of the transfer of all of the Town's Water System to such entity. In the event of such transfer, the entity assuming responsibility for Water Service to the Property shall expressly assume the Town's responsibilities under this IGA

**10.04 Amendments.** This IGA may be amended only in writing upon consent of the parties. Amendments shall be approved by resolution of the Council and the resolution of the Board.

**10.05 No Waiver.** The waiver or delay of enforcement of one or more terms of this IGA shall not constitute a waiver of the remaining terms. The waiver or delay in enforcement

regarding any breach of this IGA shall not constitute a waiver of any terms of this IGA.

**10.06 TABOR Compliance.** This IGA does not create indebtedness of any party within the meaning of any constitutional, home rule charter or statutory limitation or provision. The obligations of the parties under this IGA do not create a multiple fiscal year obligation under Article X, Section 20 of the Colorado Constitution.

**10.07 Entire Agreement.** This IGA contains the entire agreement of the Parties concerning the subject matter and supersedes all prior conversations, proposals, negotiations, understandings, and agreements, whether written or oral.

**CONSOLIDATED BELL MOUNTAIN  
RANCH METROPOLITAN DISTRICT**, a  
quasi-municipal corporation, and political  
subdivision of the State of Colorado

By: \_\_\_\_\_  
Name: Russell J. Grant, President

**Attest:**

By: \_\_\_\_\_  
Name: Frank Strand, Secretary

**TOWN OF CASTLE ROCK**, acting by and  
through the Town of Castle Rock Water  
Enterprise

By: \_\_\_\_\_  
Name: Jason Gray, Town Mayor

Attest:

By: \_\_\_\_\_  
Name: Lisa Anderson, Town Clerk

Approved as to Form:

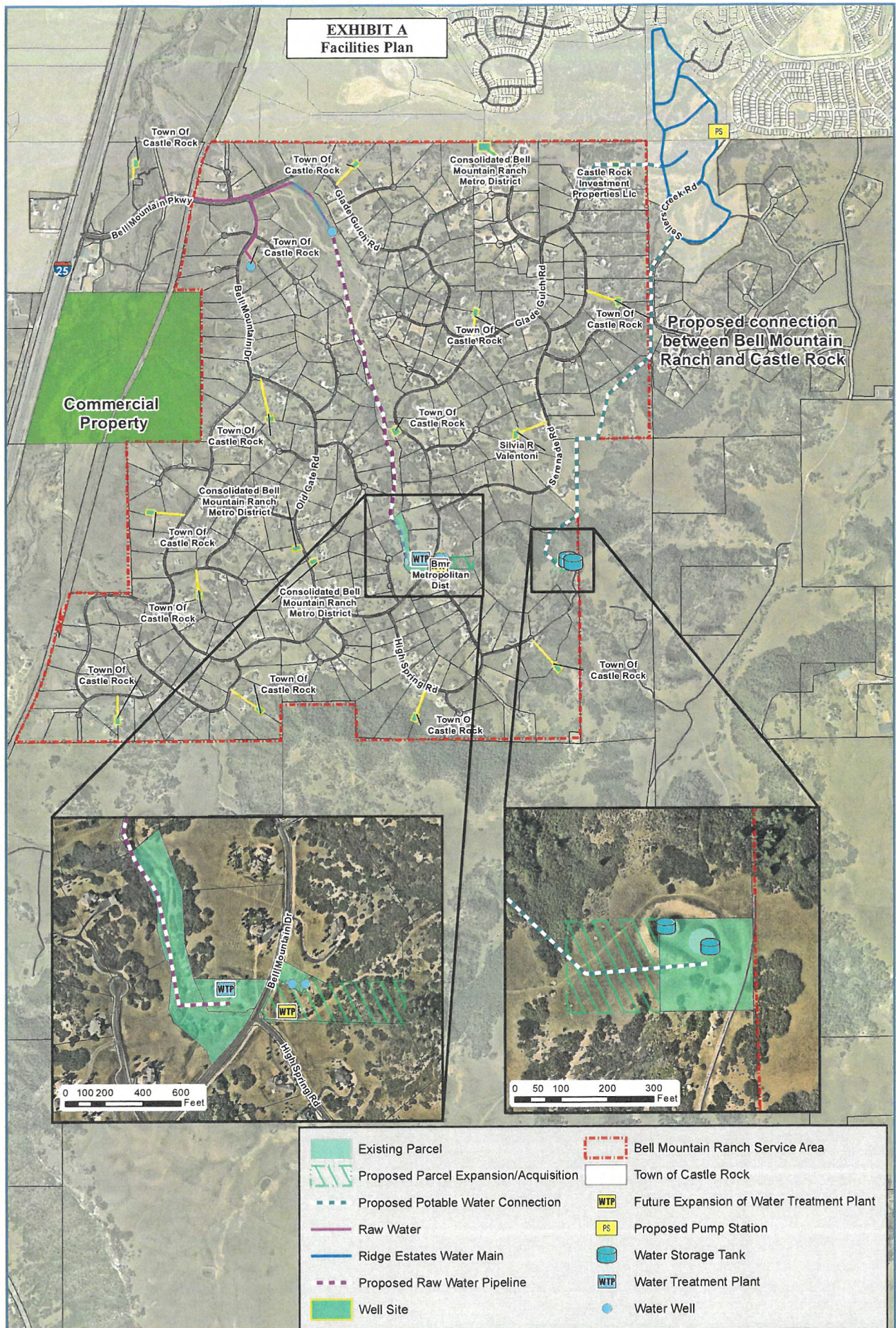
By: \_\_\_\_\_  
Name: Michael J. Hyman, Town Attorney

Approved as to Content:

By: \_\_\_\_\_  
Name: Mark Marlowe, Director, Castle Rock Water



# EXHIBIT A Facilities Plan



Date: 10/14/2021 1 inch = 1,500 feet



Disclaimer: The data presented has been compiled from various sources, each of which indicates varying degrees of accuracy or inconsistency. Such discrepancies in data are inherent and in supplying the 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 2021, Town of Castle Rock Utilities Mapping.

## Exhibit A Bell Mountain Ranch Facilities Plan



**EXHIBIT B**  
**WATER IMPROVEMENTS DESCRIPTION (TOWN)**

The water improvements to be completed by the Town and funded at 70% of the total cost by Bell Mountain Ranch (BMR) include the following:

1. **Pipeline Connection:** this will include approximately 7,400 feet of 12-inch diameter piping, and all associated valves, fittings and appurtenances, to connect from the Town's water system, extended through The Ridge development, and further extended to BMRMD's existing water storage tank site by 7,400 feet of 12-inch pipe. The new pipe will be connected to existing piping at the water tank site and also will connect to a new water storage tank to be built by the developer of The Ridge. Piping within The Ridge development will be funded and installed by the developer of The Ridge.

2. **Pump Station:** a water pump station will be constructed within The Ridge development that will serve the needs of both Bell Mountain Ranch and The Ridge. Pumping capacity shall be sufficient to meet the combined maximum daily demand of BMR and The Ridge. The pump station will be a prefabricated booster station manufactured by USEMCO or equal. The booster station will be supported on a frost footing foundation, installed on a welded steel base and enclosed in a modular steel insulated building. Two or three high service booster pumps with high efficiency motors will be included with the booster station. The pumps will be driven by variable frequency drives (VFDs). The internal piping and valves will include a station inlet, pump inlet isolation butterfly valves, pump discharge isolation butterfly valves and silent check valves, a magnetic flow meter, and all required suction and discharge site piping to connect to the booster station. The booster station will include a programmable logic controller (PLC) to operate the pumps based on the water elevations in the storage tanks in Bell Mountain Ranch via the Town's SCADA system. Internal booster station accessories will include lighting, a ventilation blower, dehumidifier and heater/air conditioner, all internal wiring, separate electrical control and pump rooms, and a one-ton bridge crane system to lift and replace pumps and other heavy equipment when needed. This facility also will include an emergency natural gas generator with an automatic transfer switch to operate the booster station, electrical service and power drop, and an RTU cabinet for controls and communication with the Town's SCADA system.



## EXHIBIT C

### CBMRMD WATER RIGHTS

1. Consolidated Bell Mountain Ranch Metropolitan District ("CBMRMD") owns 500 acre-feet per year of non-tributary water ("NT"), 260 acre-feet in the Denver aquifer and 240 acre-feet in the Arapahoe aquifer, said water being decreed in Case Nos. W7806-74 and 80CW158.

The NT water was conveyed to the Consolidated District's predecessor in interest, Bell Mountain Ranch Phase II Metropolitan District, as follows:

a. Pursuant to that certain Water Rights Special Warranty Deed dated August 7, 1997, recorded in the Douglas County, Colorado real property records ("Official Records") on September 29, 1997, in Book 1468 at Page 1747, Reception No. 9754190200, 440 acre-feet, as follows:

- i. 200 acre-feet in the NT Denver aquifer; and
- ii. 240 acre-feet in the NT Arapahoe aquifer.

2. Pursuant to that certain Water Rights Special Warranty Deed dated August 27, 1998, recorded in the Official Records on December 8, 1998 in Book 1637 at Page 1937, Reception No. 98100710:

- i. 60 acre- feet in the NT Denver aquifer.

a. Permit No. 19038-F, originally decreed in Case No. W7806-74 and perfected as a well permit in 1975, is authorized for the withdrawal of up to 600-acre feet per year from both Denver and Arapahoe formations.

i. This permit was issued well prior to the above-referenced 1997 and 1998 conveyances of water to the Consolidated District's predecessor, which conveyances, as described above, conveyed 500 acre-feet of the 600 acre-feet authorized under this permit (*i.e.*, a third party owns the other 100 acre-feet of water associated with Permit No. 19038-F).

ii. No longer may a single well withdraw from more than one aquifer; accordingly, two new permits were issued to the Consolidated District, as alternate points of diversion (*i.e.*, not in replacement of this Permit No. 19038-F), one for the district's interest in the Denver aquifer water associated with Permit No. 19038-F and one for the District's interest in the Arapahoe aquifer water associated with this permit. See below.

b. Permit No. 51785 issued on May 14, 1999, pursuant to the decree

issued in Case No. 80CW158 modifying the decree in Case No. W7806-74, provides (i) an alternative point of diversion for the Consolidated District's 240 acre-feet per year from the Arapahoe aquifer under Permit No. 19038-F; and no more than a total of 240 acre-feet per year, in combination with Permit No. 19038-F, from the Arapahoe aquifer (i.e., there are no third-party interests in the Arapahoe aquifer portion of the original Permit No. 19038-F).

c. Permit No. 75848, issued on February 2, 2012, provides an alternate point of diversion for the Consolidated District's 260 acre-feet per year from the Denver aquifer under Permit No. 19038-F; and no more than a total 360 acre-feet per year from the Denver aquifer in combination with Permit No. 19038-F (i.e., accounting for the 100 acre-feet associated with Permit No. 19038-F which is not owned by the Consolidated District but is owned by a third party).

3. In addition to the foregoing, the District owns certain water rights that it acquired by Quitclaim Deed dated December 12, 2019 and recorded upon the public records of Douglas County, Colorado on December 13, 2019 at Reception No. 2019085307 conveying all water rights appurtenant to the Stevens Ranch Parcel, now known as Bell Mountain Ranch Filing No. 2, including all Denver Basin ground water rights underlying Bell Mountain Ranch Filing No. 2, which were originally adjudicated and decreed by the Water Court, Water Division No. 1 in case number 84CW385.

## **EXHIBIT D**

### **CBMRMD TRACTS**

1. Existing Water Treatment Plant Site, legally described as Tract H, Bell Mountain Ranch Filing 1B, Douglas County, Colorado (1.24 acres more or less).
2. Existing Water Tanks Site, legally described as Tract K, Bell Mountain Ranch Filing 1B, Douglas County, Colorado (.92 acres more or less)
3. Existing Water Wells Site, legally described as Tract I, Bell Mountain Ranch Filing 1B, Douglas County, Colorado (.36 acres more or less).
4. Initially an easement for an Expanded Water Treatment Plant Site located adjacent to the Existing Water Treatment Plant Site (Tract H as described above) which Expanded Water Treatment Plant Site is more particularly described and depicted on Exhibit 1 (consisting of 3.35 acres more or less); provided, however, if Douglas County Subdivision Requirements can be satisfied by the date of Closing, then Fee Title to the Expanded Water Treatment Plant Site shall be conveyed at Closing. If said Subdivision Requirements have not been satisfied by the date of Closing, then an easement interest will be conveyed using a form of easement agreement acceptable to the Town to be followed by Fee Title once Douglas County Subdivision Requirements are satisfied.
5. Initially an easement for an Expanded Water Tank Site located adjacent to the Existing Water Tank Site (Tract K as described above) which Expanded Water Tank Site is more particularly described and depicted on Exhibit 2; provided, however, if Douglas County Subdivision Requirements can be satisfied by the date of Closing, then Fee Title to the Expanded Water Tank Site shall be conveyed at Closing. If Douglas County Subdivision Requirements have not been satisfied by the date of Closing, then an easement acceptable to the Town shall be conveyed at Closing with Fee Title to be conveyed as soon as practical after Douglas County's Subdivision Requirements have been complied with.

# EXHIBIT 1

LOCATED IN THE NORTH HALF OF SECTION 2,  
TOWNSHIP 9 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN,  
COUNTY OF DOUGLAS, STATE OF COLORADO

SHEET 1 OF 2

A PARCEL OF LAND LOCATED IN THE NORTH HALF OF SECTION 2, TOWNSHIP 9 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

CONSIDERING A SOUTHERLY LINE OF TRACT J, BELL MOUNTAIN RANCH SUBDIVISION FILING NO. 1-B, AS DESCRIBED IN THE RECORDS OF DOUGLAS COUNTY, RECORDED ON APRIL 23, 1998 AT RECEPTION NO. DC9829016 TO BEAR NORTH 87°48'46" WEST, A DISTANCE OF 738.14 FEET BETWEEN A SOUTHEASTERLY CORNER OF SAID TRACT J AND A SOUTHWESTERLY CORNER OF SAID TRACT J, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO.

BEGINNING AT SAID SOUTHEASTERLY CORNER OF SAID TRACT J, THENCE ALONG SAID SOUTHERLY LINE, NORTH 87°48'46" WEST, A DISTANCE OF 738.14 FEET TO A POINT OF CURVATURE; THENCE 11.79 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 480.00 FEET, AN INCLUDED ANGLE OF 01°24'26" AND SUBTENDED BY A CHORD BEARING NORTH 55°28'03" WEST, A DISTANCE OF 11.79 FEET; THENCE NORTH 13°17'54" WEST, A DISTANCE OF 20.41 FEET TO A WESTERLY LINE OF SAID TRACT J; THENCE ALONG SAID WESTERLY LINE, 204.26 FEET ALONG THE ARC OF A CURVE TO THE LEFT HAVING A RADIUS OF 1320.00 FEET, AN INCLUDED ANGLE OF 08°51'58" AND SUBTENDED BY A CHORD BEARING NORTH 25°08'28" EAST, A DISTANCE OF 204.06 FEET TO A POINT; THENCE DEPARTING SAID WESTERLY LINE AND ALONG A NORTHERLY LINE OF SAID TRACT J, SOUTH 60°52'25" EAST, A DISTANCE OF 150.00 FEET; THENCE ALONG A WESTERLY LINE OF SAID TRACT J, NORTH 29°07'35" EAST, A DISTANCE OF 100.00 FEET TO A NORTHERLY LINE OF SAID TRACT J; THENCE ALONG SAID NORTHERLY LINE, SOUTH 60°52'25" EAST, A DISTANCE OF 80.84 FEET; THENCE NORTH 87°43'13" EAST, A DISTANCE OF 406.56 FEET; THENCE DEPARTING SAID NORTHERLY LINE, SOUTH 02°10'30" EAST, A DISTANCE OF 230.77 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINING 146,058 SQ.FT. OR 3.35 ACRES, MORE OR LESS.

I, EDGAR T. BRISTOW, A LAND SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY STATE FOR AND ON BEHALF OF FLATIRONS, INC., THAT THIS PARCEL DESCRIPTION AND ATTACHED EXHIBIT, BEING MADE A PART THEREOF, WERE PREPARED BY ME OR UNDER MY RESPONSIBLE CHARGE, ARE ACCURATE TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, ARE IN ACCORDANCE WITH APPLICABLE STANDARDS OF PRACTICE AND ARE NOT A GUARANTY OR WARRANTY, EITHER EXPRESSED OR IMPLIED. SAID PARCEL DESCRIPTION AND EXHIBIT WERE PREPARED AT THE REQUEST OF THE CLIENT AND ARE NOT INTENDED TO REPRESENT A MONUMENTED LAND SURVEY OR SUBDIVIDE LAND IN VIOLATION OF STATE STATUTE.

EDGAR T. BRISTOW  
COLORADO P.L.S. #19588  
PRESIDENT, FLATIRONS, INC.

JOB NUMBER: 21-76034  
DRAWN BY: S. SILVA  
DATE: JULY 28, 2021



3825 IRIS AVE, STE 395  
BOULDER, CO 80301  
PH: (303) 443-7001  
FAX: (303) 443-9830

THIS IS NOT A "LAND SURVEY PLAT" OR "IMPROVEMENT SURVEY PLAT". RECORD INFORMATION SHOWN HEREON IS BASED ON INFORMATION PROVIDED BY CLIENT.

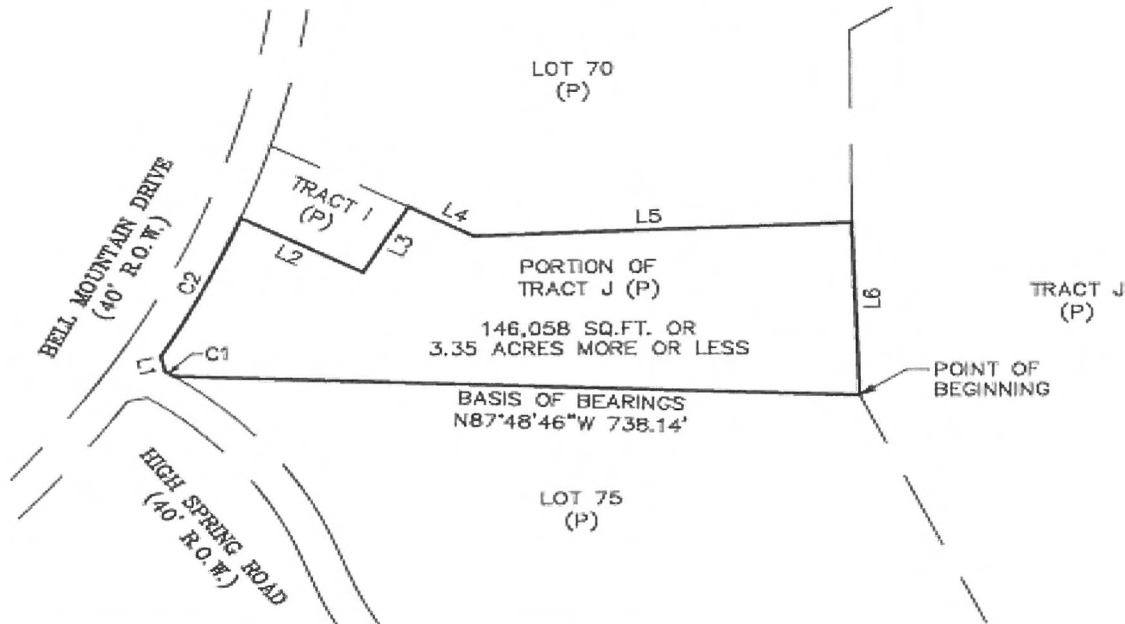
BY:SSILVA FILE:76034-DESC-C21 (TRACT J).DWG DATE:7/28/2021 10:58 AM



# EXHIBIT 1 - Page 2

LOCATED IN THE NORTH HALF OF SECTION 2,  
TOWNSHIP 9 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN,  
COUNTY OF DOUGLAS, STATE OF COLORADO

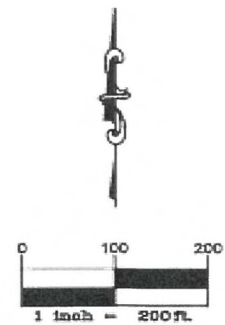
SHEET 2 OF 2



| LINE TABLE |        |              |
|------------|--------|--------------|
| LINE #     | LENGTH | DIRECTION    |
| L1         | 20.41  | N13°17'54\"W |
| L2         | 150.00 | S60°52'25\"E |
| L3         | 100.00 | N29°07'35\"E |

| LINE TABLE |        |              |
|------------|--------|--------------|
| LINE #     | LENGTH | DIRECTION    |
| L4         | 80.84  | S60°52'25\"E |
| L5         | 406.56 | N87°43'13\"E |
| L6         | 230.77 | S02°10'30\"E |

| CURVE TABLE |        |         |           |                 |              |
|-------------|--------|---------|-----------|-----------------|--------------|
| CURVE #     | LENGTH | RADIUS  | DELTA     | CHORD DIRECTION | CHORD LENGTH |
| C1          | 11.79  | 480.00  | 1°24'26\" | N55°28'03\"W    | 11.79        |
| C2          | 204.26 | 1320.00 | 8°51'58\" | N25°08'28\"E    | 204.06       |



## Legend

AS PER THE PLAT OF BELL MOUNTAIN RANCH  
(P) SUBDIVISION FILING NO. NO. 1-B,  
REC. NO. DC9829016, 04/23/1998

*Eha*



JOB NUMBER: 21-76034  
DRAWN BY: S. SILVA  
DATE: JULY 28, 2021

THIS IS NOT A "LAND SURVEY PLAT" OR "IMPROVEMENT SURVEY PLAT". RECORD  
INFORMATION SHOWN HEREON IS BASED ON INFORMATION PROVIDED BY CLIENT.



3825 IRIS AVE, STE 395  
BOULDER, CO 80301  
PH: (303) 443-7001  
FAX: (303) 443-9830

BY:SSILVA FILE:76034-DESC-C21 (TRACT J).DWG DATE:7/28/2021 10:58 AM

# EXHIBIT 2

LOCATED IN THE NORTH HALF OF SECTION 2,  
TOWNSHIP 9 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN,  
COUNTY OF DOUGLAS, STATE OF COLORADO

SHEET 1 OF 2

A PARCEL OF LAND LOCATED IN THE NORTH HALF OF SECTION 2, TOWNSHIP 9 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN, COUNTY OF DOUGLAS, STATE OF COLORADO, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

CONSIDERING THE EAST LINE OF TRACT J, BELL MOUNTAIN RANCH SUBDIVISION FILING NO. 1-B, AS DESCRIBED IN THE RECORDS OF DOUGLAS COUNTY, RECORDED ON APRIL 23, 1998 AT RECEPTION NO. DC9829016 TO BEAR SOUTH 00°23'47" EAST, A DISTANCE OF 4029.59 FEET BETWEEN A NORTHEASTERLY CORNER OF SAID TRACT J AND A SOUTHEASTERLY CORNER OF SAID TRACT V, WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO.

COMMENCING AT SAID NORTHEASTERLY CORNER OF SAID TRACT J, THENCE ALONG SAID EAST LINE, SOUTH 00°23'47" EAST, A DISTANCE OF 958.60 FEET TO THE SOUTHEAST CORNER OF TRACT K OF SAID SUBDIVISION; THENCE ALONG THE SOUTH LINE OF SAID TRACT K, SOUTH 89°36'13" WEST, A DISTANCE OF 200.00 FEET TO THE SOUTHWEST CORNER OF SAID TRACT K AND THE POINT OF BEGINNING.

THENCE SOUTH 89°36'13" WEST, A DISTANCE OF 200.00 FEET; THENCE NORTH 00°23'47" WEST, A DISTANCE OF 200.00 FEET; THENCE NORTH 89°36'13" EAST, A DISTANCE OF 200.00 FEET TO THE NORTHWEST CORNER OF SAID TRACT K; THENCE ALONG THE WEST LINE OF SAID TRACT K, SOUTH 00°23'47" EAST, A DISTANCE OF 200.00 FEET TO THE POINT OF BEGINNING.

SAID PARCEL CONTAINING 40,000 SQ.FT. OR 0.92 ACRES, MORE OR LESS.

I, EDGAR T. BRISTOW, A LAND SURVEYOR LICENSED IN THE STATE OF COLORADO, DO HEREBY STATE FOR AND ON BEHALF OF FLATIRONS, INC., THAT THIS PARCEL DESCRIPTION AND ATTACHED EXHIBIT, BEING MADE A PART THEREOF, WERE PREPARED BY ME OR UNDER MY RESPONSIBLE CHARGE, ARE ACCURATE TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, ARE IN ACCORDANCE WITH APPLICABLE STANDARDS OF PRACTICE AND ARE NOT A GUARANTY OR WARRANTY, EITHER EXPRESSED OR IMPLIED. SAID PARCEL DESCRIPTION AND EXHIBIT WERE PREPARED AT THE REQUEST OF THE CLIENT AND ARE NOT INTENDED TO REPRESENT A MONUMENTED LAND SURVEY OR SUBDIVIDE LAND IN VIOLATION OF STATE STATUTE.

EDGAR T. BRISTOW  
COLORADO P.L.S. #19588  
PRESIDENT, FLATIRONS, INC.

JOB NUMBER: 21-76034  
DRAWN BY: S. SILVA  
DATE: JULY 28, 2021

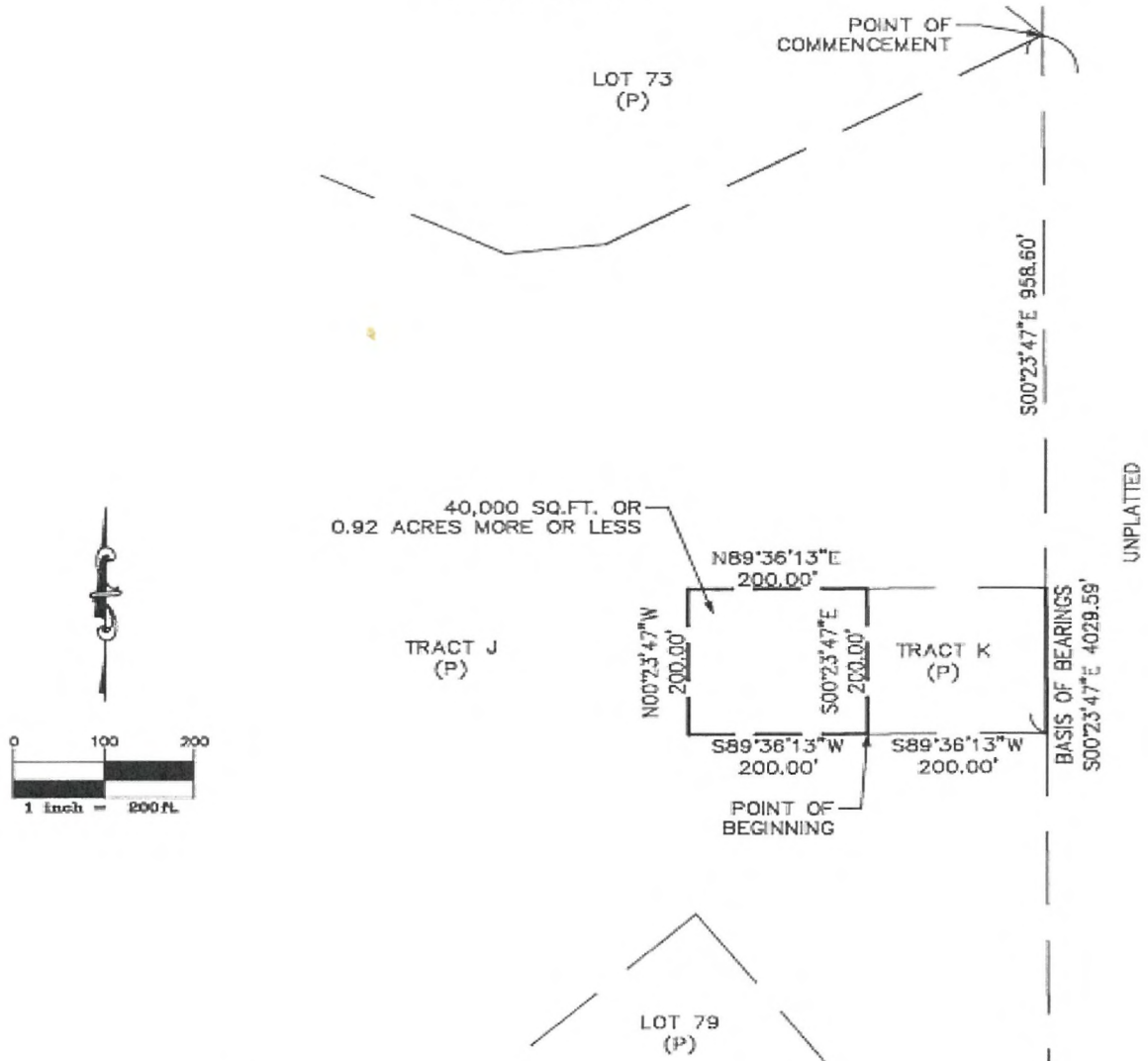
THIS IS NOT A "LAND SURVEY PLAT" OR "IMPROVEMENT SURVEY PLAT". RECORD INFORMATION SHOWN HEREON IS BASED ON INFORMATION PROVIDED BY CLIENT.



3825 IRIS AVE, STE 395  
BOULDER, CO 80301  
PH: (303) 443-7001  
FAX: (303) 443-9830

BY:SSILVA FILE:76034-DESC-C21 (TRACT K).DWG DATE:7/28/2021 10:47 AM

SHEET 2 OF 2



### Legend

AS PER THE PLAT OF BELL MOUNTAIN RANCH  
(P) SUBDIVISION FILING NO. NO. 1-B,  
REC. NO. DC9829016, 04/23/1998

*[Signature]*



JOB NUMBER: 21-76034  
DRAWN BY: S. SILVA  
DATE: JULY 28, 2021

THIS IS NOT A "LAND SURVEY PLAT" OR "IMPROVEMENT SURVEY PLAT". RECORD INFORMATION SHOWN HEREON IS BASED ON INFORMATION PROVIDED BY CLIENT.



3825 IRIS AVE, STE 395  
BOULDER, CO 80301  
PH: (303) 443-7001  
FAX: (303) 443-9830



## **EXHIBIT E**

### **CBMRMD PERMANENT EASEMENTS**

1. That certain Well Site and Pipeline Easement as more particularly described in that Well Site and Pipeline Easement Agreement dated September 24, 2015, and recorded upon the real estate records of Douglas County, Colorado on October 9, 2015 at Reception No. 2015073585.

2. All easement rights of CBMRMD under the subdivision plats and related documents for Bell Mountain Ranch Filing 1A, Bell Mountain Ranch Filing 1B and Bell Mountain Ranch Filing No. 2, Douglas County, Colorado (collectively the “Plats”) with respect to the operation, maintenance, repair, replacement and expansion of water distribution pipelines and related appurtenances, including but not limited to, valves, valve boxes, vaults, fire hydrants, meters, meter pits, etc., whether or not located within utility easements identified on said Plats.

3. A future pipeline easement being thirty (30’) in width that will be granted by CBMRMD to the Town over and across property owned by CBMRMD for the existing water pipeline that extends to the Water Storage Tanks located on Tract K, Bell Mountain Ranch Filing 1B from Lots 79 and 80, Bell Mountain Ranch Filing 1B, together with a future road and access easement to Tract K over and across the route historically used by BMRMD and CBMRMD to access the Water Storage Tanks located on Tract K, as generally depicted on **Exhibit 1**. The Town shall cause a surveyed legal description to be prepared for the water pipeline easement and access easement, that together shall be no wider than thirty-feet (30’) and that will be incorporated into an access and water pipeline easement agreement that CBMRMD will grant to the Town at Closing using a form of easement agreement acceptable to the Town.

4. A future pipeline easement that CBMRMD will grant to the Town for a future water pipeline that will extend over and across property owned by CBMRMD from Sellers Creek Road to the CBMRMD Water Storage Tanks located on Tract K, Bell Mountain Ranch Subdivision Filing 1B, that is approximately thirty-feet (30’) in width and shall generally follow the alignment as set forth on **Exhibit 2**. Once the water pipeline is constructed and installed, the Town shall cause a surveyed legal description to be prepared that will be no wider than thirty-feet (30’) and that will be incorporated into a water pipeline easement that CBMRMD will grant to the Town post-Closing.

5. A future pipeline easement that CBMRMD will grant to the Town for a future water pipeline that will extend over and across property owned by CBMRMD from a well located off of Bell Mountain Parkway to the existing Water Treatment Plant located on Tract H, Bell Mountain Ranch Subdivision Filing 1A, that is approximately thirty-feet (30’) in width and shall generally follow the alignment as set forth on the Facilities Plan (Exhibit A). Once the water pipeline is constructed and installed, the Town shall cause a



surveyed legal description to be prepared that will be no wider than thirty-feet (30') and that will be incorporated into a water pipeline easement that CBMRMD will grant to the Town post-Closing.

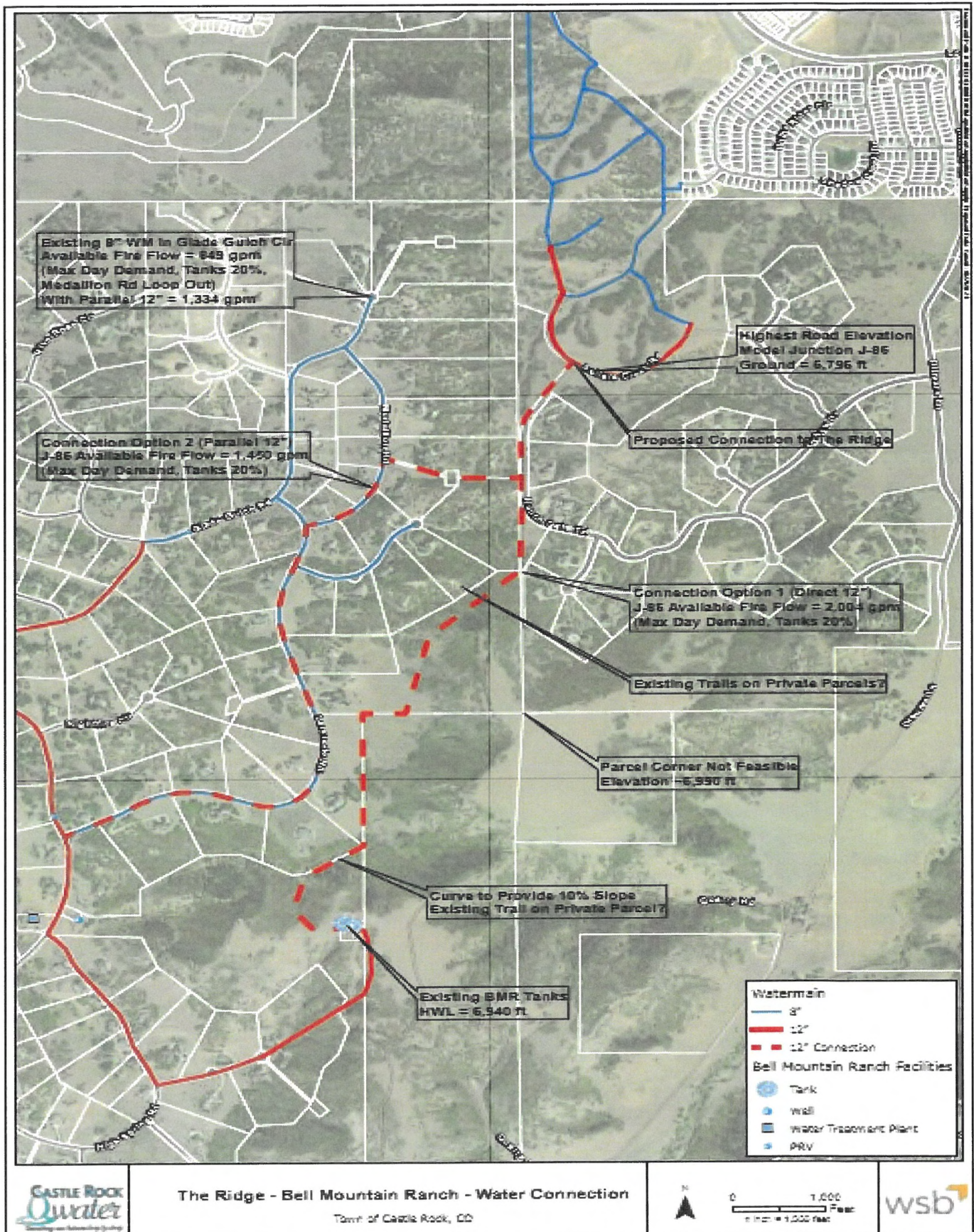
## EXHIBIT 1



{00828253.DOCX / 16 }



## EXHIBIT 2



## **EXHIBIT F**

### **CBMRMD INFRASTRUCTURE**

All buildings, structures, improvements, pipes, valves and related appurtenances located on or within any CBMRMD Property or CBMRMD Easements and being more particularly itemized as follows:

- i. CBMRMD wells, pumps, pipes, and related equipment located on Tract I, Bell Mountain Filing 1B.
- ii. CBMRMD water storage tanks, pipes, valves, and related equipment located on Tract K, Bell Mountain Ranch Filing 1B.
- iii. CBMRMD water treatment plant and related pipes, valves and other equipment located on Tract H, Bell Mountain Ranch Filing 1B.
- iv. CBMRMD water distribution facilities being more particularly described as follows:

#### **Distribution System Components<sup>1</sup>**

| Description                    | Quantity | Units |
|--------------------------------|----------|-------|
| 1" Badger RCLD-55 water meters | 321      | EA    |
| 1.5" Badger water meters       | 2        | EA    |
| 6" Valve                       | 110      | EA    |
| 6" PVC pipe                    | 2,365    | FT    |
| 8" Valve                       | 89       | EA    |
| 8" PVC pipe                    | 63,596   | FT    |
| 12" Valve                      | 30       | EA    |
| 12" PVC pipe                   | 12,668   | FT    |
| PRV                            | 7        | EA    |
| Storage Tank 1                 | 210,000  | GAL   |
| Storage Tank 2                 | 90,000   | GAL   |
| Clear Well tank                | 30,000   | GAL   |
| Piping all inclusive           |          |       |
| 6"                             | 2,365    | FT    |
| 8"                             | 63,596   | FT    |
| 12"                            | 12,668   | FT    |

---

<sup>1</sup> Distribution system inventory taken from Consolidated Bell Mountain Ranch Water System Evaluation, RTW, May 2008.



## **EXHIBIT G**

### **CBMRMD MISCELLANEOUS PROPERTY**

1. To the extent not described in Exhibit F, all water well, water treatment, water storage and Water System water pipes, valves, fittings, fire hydrants, and related facilities, inventory, spare parts, supplies and other tangible personal property acquired by CBMRMD in connection with the dissolution of BMRMD.
2. All books, records, construction drawings, technical documents, manuals, blueprints and maps related to the Water System.
3. All payments if any, received by CBMRMD after the dissolution of BMRMD, for water service provided by the Town from and after the date of dissolution.
4. All well permits acquired by CBMRMD from BMRMD, including but not limited to Well Permit No. 51785-F for the Arapahoe Well and Well Permit No. 78848-F for the Denver Well.
5. Any and all other tangible personal property owned by CBMRMD and used in connection with, or that is a part of the Water System and/or used in connection with water service operations.

## **EXHIBIT H**

### **SPECIAL WARRANTY DEED**

**THIS SPECIAL WARRANTY DEED**, made this \_\_\_\_ day of \_\_\_\_\_, 2021, between **CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT** (“CBMRMD”), a quasi-municipal corporation and political subdivision of the State of Colorado, located in Douglas County, Colorado, hereinafter referred to as “Grantor” and **THE TOWN OF CASTLE ROCK**, a home rule municipal corporation of the State of Colorado, acting by and through the Town of Castle Rock Water Enterprise (the “Town”) whose address is 100 North Wilcox Street, Castle Rock, Colorado 80104, hereinafter referred to as “Grantee”;

**WITNESSETH**, that Grantor, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, have granted, bargained, sold, and conveyed, by these presents does grant, bargain, sell, convey, and confirm unto the Grantee, and Grantee’s heirs, successors, and assigns forever, all the real property, together with all improvements, if any, situate, lying and being in the County of Douglas, State of Colorado, described as follows:

[Insert Legal Description]

**TOGETHER WITH** all and singular the hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof; and all of the estate, right, title, interest, claim, and demand whatsoever, of Grantor, either in law or equity, of, in, and to the above bargained premises, with the hereditaments and appurtenances;

**TO HAVE AND TO HOLD** the said premises above bargained and described with the appurtenances, unto Grantee, and Grantee’s heirs, successors, and assigns forever. Grantor, for Grantor and Grantor’s heirs, successors, and assigns, does covenant and agree that Grantor shall and will **WARRANT AND FOREVER DEFEND** the above bargained premises in the quiet and peaceable possession of Grantee, and Grantee’s heirs, successors, and assigns, against all and every person or persons claiming the whole or any part thereof, by, through or under Grantor, subject to Statutory exceptions.

**IN WITNESS WHEREOF**, Grantor has executed this Deed on the date set forth above.



## **EXHIBIT I**

### **ASSIGNMENT OF EASEMENTS**

**THIS ASSIGNMENT OF EASEMENTS** (“Assignment”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2021, to be effective on the \_\_\_\_ day of \_\_\_\_\_, 2021 (“Effective Date”), by and between the **CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT** (“CBMRMD”), a quasi-municipal corporation and political subdivision of the State of Colorado, as Assignor, and **THE TOWN OF CASTLE ROCK**, a home rule municipal corporation of the State of Colorado, acting by and through the Town of Castle Rock Water Enterprise (the “Town”), as Assignee.

### **RECITALS**

**WHEREAS**, CBMRMD and Town have entered into an Intergovernmental Agreement dated \_\_\_\_\_ for water service and improvements (“Water Service Agreement”) providing, among other things, for the assignment and transfer by CBMRMD to Town of certain water line and well site easements, and related appurtenances owned by CBMRMD and located in Douglas County, Colorado, being more particularly described on **Exhibit E** to the Water Service Agreement (“Easements”); and

**WHEREAS**, CBMRMD desires to assign and convey the Easements to Town and Town desires to accept the same on and subject to the terms and provisions of this Assignment.

**NOW THEREFORE**, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legally bound hereby, Assignor and Assignee agree as follows:

1. **Assignment.** CBMRMD, as Assignor, hereby assigns, conveys, transfers and delivers unto the Town, as Assignee, the Easements free and clear of all liens, except as disclosed to the Town in the Water Service Agreement and delegates all of its obligations, responsibilities, and duties under the Easements to Town, effective as of the Effective Date.

2. **Acceptance of Assignment.** The Town hereby accepts the assignment of all the Easements as identified on **Exhibit E**, and assumes and agrees to perform all of CBMRMD’s obligations, responsibilities and duties under the Easements, effective as of the Effective Date.

3. **No Liens / As-Is.** The Easements are being transferred and conveyed by CBMRMD, free and clear of all liens and encumbrances, except as previously disclosed to Town. Further, except for the foregoing, the Easements are being transferred on an AS-IS



WHERE-IS Basis with all faults, subject to restrictions, easements, rights-of-way and reservations of record, if any, without recourse against CBMRMD and without any representations or warranties either express, implied or statutory of any kind whatsoever by CBMRMD.

4. **Further Assurances.** CBMRMD and Town agree to perform such acts and to execute, acknowledge and/or deliver subsequent to the date hereof, such other instruments, documents, and materials as the other party may reasonably request from time to time in order to effectuate the conveyance, assignment, and acceptance of the easements as contemplated under the Water Service Agreement.

5. **Binding Effect.** All the covenants, terms and conditions set forth herein shall be binding upon and entered to the benefit of the parties hereto and their respective heirs, successors and assigns.

6. **Capitalized Terms.** Capitalized terms used in this Assignment, and not defined herein, shall have the meaning set forth in the Water Service Agreement.

7. **Governing Law.** This Assignment shall be governed by and enforced in accordance with the laws of the State of Colorado, accepting conflict of laws and without regard to which party drafted this document.

8. **Counterparts.** This Assignment may be executed in several counterparts, each of which shall be deemed an original, and all of which together shall constitute a single assignment.

Executed this \_\_\_\_ day of \_\_\_\_\_, 2021.

**ASSIGNOR:**

**CONSOLIDATED BELL MOUNTAIN  
RANCH METROPOLITAN DISTRICT**, a  
quasi-municipal corporation, and political  
subdivision of the State of Colorado

By: \_\_\_\_\_  
Name: Russell J. Grant, President

**Attest:**

By: \_\_\_\_\_  
Name: Frank Strand, Secretary

**ASSIGNEE:**

**TOWN OF CASTLE ROCK**, acting by and  
through the Town of Castle Rock Water  
Enterprise

By: \_\_\_\_\_  
Name: Jason Gray, Town Mayor

Attest:

By: \_\_\_\_\_  
Name: Lisa Anderson, Town Clerk

Approved as to Form:

By: \_\_\_\_\_  
Name: Michael J. Hyman, Town Attorney

Approved as to Content:

By: \_\_\_\_\_  
Name: Mark Marlowe, Director, Castle Rock Water

**EXHIBIT J**

**SPECIAL WARRANTY DEED**

**(Water Rights)**

**THIS SPECIAL WARRANTY DEED**, made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between **CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado, located in Douglas County, Colorado, hereinafter referred to as “Grantor” and the **TOWN OF CASTLE ROCK** (“Town”), a home rule municipality of the County of Douglas, State of Colorado, whose address is 100 North Wilcox Street, Castle Rock, Colorado 80104, hereinafter referred to as “Grantee”;

**WITNESSETH**, that Grantor, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has granted, bargained, sold, and conveyed, and by these presents does grant, bargain, sell, convey, and confirm unto the Grantee, and Grantee’s heirs, successors, and assigns forever, all water and water rights, situate, lying and being in the County of Douglas, State of Colorado, described as follows:

See **Exhibit 1**, attached hereto and incorporated herein by this reference.

**TOGETHER WITH** all and singular the hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof; and all of the estate, right, title, interest, claim, and demand whatsoever, of Grantor, either in law or equity, of, in, and to the above bargained premises, with the hereditaments and appurtenances;

**TO HAVE AND TO HOLD** the said premises above bargained and described with the appurtenances, unto Grantee, and Grantee’s heirs, successors, and assigns forever. Grantor, for Grantor and Grantor’s heirs, successors, and assigns, does covenant and agree that Grantor shall and will **WARRANT AND FOREVER DEFEND** the above bargained premises in the quiet and peaceable possession of Grantee, and Grantee’s heirs, successors, and assigns, against all and every person or persons claiming the whole or any part thereof, by, through or under Grantor, subject to Statutory Exceptions.

**IN WITNESS WHEREOF**, Grantor has executed this Deed on the date set forth above.

**GRANTOR:**

**CONSOLIDATED BELL MOUNTAIN  
RANCH METROPOLITAN DISTRICT**

By: \_\_\_\_\_  
Russel J. Grant, President

Attest:

Frank Strand, Secretary

STATE OF COLORADO )  
 ) ss.  
COUNTY OF DOUGLAS )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2021, by Russel J. Grant as President of the Consolidated Bell Mountain Ranch Metropolitan District.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

Notary Public



## **EXHIBIT 1**

### **To Special Warranty Deed (Water Rights)**

Attached to and made a part of Special Warranty Deed (Water Rights) between **CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT** and the **TOWN OF CASTLE ROCK**.

1. 500 acre-feet per year of non-tributary water decreed by the District Court in and for Water Division 1 in Case Nos. W7806-74, 82CW27 (diligence) and 80CW158. as follows:
  - a. 260 acre-feet in the Denver aquifer; and
  - b. 240 acre-feet in the Arapahoe aquifer.
2. All of Grantor's right title and interest in and to the following wells and well permits:
  - a. Permit No. 19038-F; and
  - b. The following alternate point of diversion permits for Permit No. 19038-F:
    - i. Permit No. 51785 issued on May 14, 1999, for 240 acre-feet per year from the Arapahoe aquifer, subject to the terms and conditions thereof; and
    - ii. Permit No. 75848, issued on February 2, 2012, for 260 acre-feet per year from the Denver aquifer under Permit No. 19038-F, subject to the terms and conditions thereof.

**EXHIBIT J-1**

**QUIT CLAIM DEED  
(Water Rights)**

**THIS QUIT CLAIM DEED**, made this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between **CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado, located in Douglas County, Colorado, hereinafter referred to as “Grantor” and the **TOWN OF CASTLE ROCK** (“Town”), a home rule municipality of the County of Douglas, State of Colorado, whose address is 100 North Wilcox Street, Castle Rock, Colorado 80104, hereinafter referred to as “Grantee”;

**WITNESSETH**, that Grantor, for and in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, has quitclaimed and conveyed and by these presents does quitclaim and convey unto the Grantee, and Grantee’s heirs, successors, and assigns forever, all the right, title, interest, claim and demand which Grantor has in and to any and all water rights appurtenant to the real property described on the attached **Exhibit 1** (“Property”) incorporated herein by this reference, situate, lying and being in the County of Douglas, State of Colorado, including any and all Denver Basin groundwater underlying the Property and adjudicated by decree entered by the District Court in and for Water Division 1 in Case No. 84CW385.

**TOGETHER WITH** all and singular the hereditaments and appurtenances thereunto belonging, or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues, and profits thereof; and all of the estate, right, title, interest, claim, and demand whatsoever, of Grantor, either in law or equity, of, in, and to the above bargained premises, with the hereditaments and appurtenances;

**TO HAVE AND TO HOLD** the same, together with all the appurtenances and privileges thereunto belonging, or in any way thereunto appertaining, and all the estate, right, title, interest, and claim whatsoever, of Grantor, either in law or equity, to the only proper use and benefit of Grantees and their successors and assigns forever, without warranty of any kind or type whatsoever with regard to the same.

**IN WITNESS WHEREOF**, Grantor has executed this Deed on the date set forth above.

**GRANTOR:**  
**CONSOLIDATED BELL MOUNTAIN**  
**RANCH METROPOLITAN DISTRICT**

By: \_\_\_\_\_  
Russel J. Grant, President

Attest:

\_\_\_\_\_  
Frank Strand, Secretary

STATE OF COLORADO )  
 ) ss.  
COUNTY OF DOUGLAS )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2021, by Russel J. Grant as President of the Consolidated Bell Mountain Ranch Metropolitan District.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

Notary Public

## **EXHIBIT 1**

### **To Special Warranty Deed (Water Rights) (Description of Property)**

#### **LEGAL DESCRIPTION**

A TRACT OF LAND SITUATED IN THE NORTH 1/2 OF SECTION 35, TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN, DOUGLAS COUNTY, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHWEST CORNER OF THE NORTHEAST 1/4 OF SECTION 35 AND CONSIDERING THE NORTH LINE OF THE NORTHEAST 1/4 OF SECTION 35 TO BEAR SOUTH 89 DEGREES 54 MINUTES 07 SECONDS EAST WITH ALL BEARINGS CONTAINED HEREIN RELATIVE THERETO;  
THENCE SOUTH 89 DEGREES 54 MINUTES 07 SECONDS EAST ALONG SAID NORTH LINE A DISTANCE OF 722.89 FEET;  
THENCE SOUTH 00 DEGREES 43 MINUTES 09 SECONDS EAST A DISTANCE OF 2831.16 FEET TO THE SOUTH LINE OF THE NORTH 1/2 OF SECTION 35;  
THENCE NORTH 89 DEGREES 57 MINUTES 04 SECONDS WEST ALONG SAID SOUTH LINE A DISTANCE OF 1158.77 FEET;  
THENCE NORTH 00 DEGREES 43 MINUTES 09 SECONDS WEST A DISTANCE OF 2632.15 FEET TO THE NORTH LINE OF THE NORTHWEST 1/4 OF SECTION 35;  
THENCE SOUTH 89 DEGREES 54 MINUTES 07 SECONDS EAST A DISTANCE OF 435.89 FEET TO THE POINT OF BEGINNING.

LEGAL DESCRIPTION PREPARED UNDER THE DIRECT SUPERVISION OF DAVID E. ARCHER  
(P.L.S. 6935)  
105 WILCOX STREET  
CASTLE ROCK, CO 80104



## **EXHIBIT K**

### **BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT**

**THIS BILL OF SALE, ASSIGNMENT AND ASSUMPTION AGREEMENT** (“Bill of Sale”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2021, to be effective on the \_\_\_\_ day of \_\_\_\_\_, 2021 (“Effective Date”), by and between the **CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT** (“CBMRMD”), a quasi-municipal corporation and political subdivision of the State of Colorado, as Grantor, and **THE TOWN OF CASTLE ROCK** a home rule municipal corporation of the State of Colorado, acting by and through the Town of Castle Rock Water Enterprise (the “Town”), as Assignee.

### **RECITALS**

**WHEREAS**, CBMRMD and Town have entered into an Intergovernmental Agreement dated \_\_\_\_\_, for water service and improvements (“Water Service Agreement”), providing, among other things, for the transfer, conveyance and assignment by CBMRMD of all of CBMRMD’s tangible and intangible assets, including but not limited to, CBMRMD’s water wells and water distribution system. All capitalized terms not defined herein shall have the same meaning as described in the Water Service Agreement.

### **AGREEMENTS**

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, and intending to be legal bound hereby, CBMRMD and Town agree as follows:

1. **Conveyance and Assignment.** CBMRMD hereby conveys, transfers, assigns and delivers to Town, free and clear of all liens (except for liens disclosed to Town in the Water Service Agreement), all right, title, and interest of CBMRMD in and to all of its Water System and all related water service operating assets, including the following:

(a) All of the water well, water treatment, water storage and water distribution system water pipes, valves, fittings and related facilities, inventory, spare parts, supplies and other tangible personal property owned or leased by CBMRMD in connection with its water service operations, including, without limitation, the items described on **Exhibit 1** (consisting of one page).

(b) All books, records, construction and other warranties, maps, technical documents, manuals, drawings, diagrams, blueprints and schematics related to CBMRMD’s Water System and water well facilities.

(c) All payments if any, received by CBMRMD after the dissolution of BMRMD, for water service provided by the Town from and after the date of dissolution.

(d) Any and all CBMRMD's rights in well permits and registrations located within Douglas, Colorado and not otherwise conveyed by either Special Warranty Deed or Quitclaim Deed.

(e) Any other personal property, tangible or intangible owned by CBMRMD and which is a part of its Water System and water service operations.

**TO HAVE AND TO HOLD** the foregoing unto Town, its successors and assigns, forever.

2. **Assumption of Liabilities.** Town hereby assumes, and shall pay, discharge and perform, all liabilities and obligations of CBMRMD with respect to the foregoing assets and with respect to providing water service to customers within the territorial boundaries served by CBMRMD as of the date and time set forth in the Water Service Agreement.

3. **Further Assurances.** Town and CBMRMD shall execute and deliver to each other such further instruments of conveyance as may be reasonably necessary to convey the foregoing assets.

CBMRMD and Town have executed this Bill of Sale, and Assignment and Assumption Agreement as of the date first above written to be effective as of the Effective Date.

**GRANTOR:**

**CONSOLIDATED BELL MOUNTAIN  
RANCH METROPOLITAN DISTRICT**, a  
quasi-municipal corporation, and political  
subdivision of the State of Colorado

By: \_\_\_\_\_  
Name: Russell J. Grant, President

Attest:

\_\_\_\_\_  
Frank Strand, Secretary

**ASSIGNEE:**

**TOWN OF CASTLE ROCK**, acting by and  
through the Town of Castle Rock Water  
Enterprise

By: \_\_\_\_\_  
Name: Jason Gray, Town Mayor

Attest:

By: \_\_\_\_\_  
Name: Lisa Anderson, Town Clerk

Approved as to Form:

By: \_\_\_\_\_  
Name: Michael J. Hyman, Town Attorney

Approved as to Content:

By: \_\_\_\_\_  
Name: Mark Marlowe, Director of Castle Rock Water

## EXHIBIT L

### NO STATEMENTS OF OPPOSITION AGREEMENT

**THIS NO STATEMENTS OF OPPOSITION AGREEMENT** (this “Agreement”) is made and entered into as of \_\_\_\_\_ (the “Agreement Date”), by and among CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (“CBMR”), and BMR METROPOLITAN DISTRICT (“BMR”), a quasi-municipal corporation and political subdivision of the State of Colorado, (f/k/a BELL MOUNTAIN RANCH MASTER METROPOLITAN DISTRICT), and BMR, acting by and through its Water Activity Enterprise (“Enterprise”), the TOWN OF CASTLE ROCK, a Colorado home rule municipality (“Town”) (collectively, CBMR, BMR, the Enterprise, and any person who is an officer, director, manager or member of CBMR or BMR shall be referred to as the “Non-Opposers.”)

### RECITALS

A. CBMR and the Town are parties to the Intergovernmental Agreement for Water Service and Improvements dated \_\_\_\_\_ (the “IGA”), pursuant to which CBMR will receive water service and improvements from the Town to certain real property located in Douglas County, Colorado (as more particularly described and defined in the IGA, the “Service Area”).

B. The Non-Opposers will receive a direct or indirect financial benefit from the closing of the IGA.

C. Pursuant to the IGA, CBMR and BMR and individuals affiliated with CBMR and BMR agreed not to file statements of opposition or otherwise participate as a party in certain water court applications that the Town may file.

D. Such parties agree to confirm such agreement on the terms of this Agreement.

**NOW, THEREFORE**, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows.

1. Non-Opposers Defined. “Non-Opposers” means the following entities or individuals: (a) CBMR; (b) BMR; (c) the Enterprise; or (d) any person who is an officer, director, manager or member of CBMR, BMR, or the Enterprise.

2. No Statements of Opposition. Each Non-Opposer covenants and agrees that he or it shall not file a statement of opposition or otherwise participate as a party in any water court application that the Town may file.

3. 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 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 and recover its reasonable attorney's fees and costs in such legal action.

4. Governing Law. The parties hereto hereby expressly agree that the terms and conditions hereof, and the subsequent performance hereunder, shall be construed and controlled by the laws of the State of Colorado.

5. Amendment. No change, alteration, amendment, modification or waiver of any of the terms or provisions hereof shall be valid unless the same shall be in writing and signed by the parties hereto.

6. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective permitted successors and assigns.

7. Authority. Each person executing this Agreement represents that he has full power and authority to execute, deliver and perform this Agreement, and that the individual executing this Agreement on behalf of another party is fully empowered and authorized to do so, including, but not limited to any entity that he has a controlling interest in.

8. Counterparts. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be an original, but all of which shall constitute one agreement.

9. Governmental Immunity. Nothing in this Agreement shall be construed as a waiver of the rights and privileges of any of the parties pursuant to the Colorado Governmental Immunity Act, §§ 24-10-101, et seq., C.R.S., as amended from time to time.

**THE PARTIES HERETO** have caused this Agreement to be executed and delivered as of the day and year first above written, notwithstanding the actual date of execution.

**CBMR:**

**CONSOLIDATED BELL MOUNTAIN  
RANCH METROPOLITAN DISTRICT,**  
a quasi-municipal corporation and political  
subdivision of the State of Colorado

By: \_\_\_\_\_  
Russell J. Grant, President

Attest:

\_\_\_\_\_  
Frank Strand, Secretary

**BMR:**

**BMR METROPOLITAN DISTRICT**, a  
quasi-municipal corporation and political  
subdivision of the State of Colorado

By: \_\_\_\_\_  
Russell J. Grant, President

Attest:

\_\_\_\_\_  
Frank Strand, Secretary

**TOWN:**

**TOWN OF CASTLE ROCK**, acting by and  
through the **TOWN OF CASTLE ROCK**  
**WATER ENTERPRISE**

\_\_\_\_\_  
Jason Gray, Mayor

**ATTEST:**

\_\_\_\_\_  
Lisa Anderson, Town Clerk

**Approved as to form:**

\_\_\_\_\_  
Michael Hyman, Town Attorney

**Approved as to content:**

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

## EXHIBIT M

### Fidelity National Title



NATIONAL COMMERCIAL SERVICES

8055 E Tufts Ave, Suite 900  
Denver, CO 80237  
Phone:

DATE: July 19, 2021

FILE NUMBER: 100-N0033568-010-TO2

PROPERTY ADDRESS: Vacant Land Bell Mountain Ranch, Castle Rock, CO

BUYER/BORROWER: Town of Castle Rock, a Colorado home rule municipality

OWNER(S): BMR Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado

YOUR REFERENCE NUMBER:

ASSESSOR PARCEL NUMBER: R0413513 R0413502 R0413499 R0413500

PLEASE TAKE NOTE OF THE FOLLOWING REVISED TERMS CONTAINED HEREIN:

None.

**WIRED FUNDS ARE REQUIRED ON ALL CASH PURCHASE TRANSACTIONS. FOR WIRING INSTRUCTIONS, PLEASE CONTACT YOUR ESCROW OFFICE AS NOTED ON THE TRANSMITTAL PAGE OF THIS COMMITMENT.**

|                                                                                                  |                                                                                                      |
|--------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| TO: Escrow Officer                                                                               | ATTN: Title Only 10<br>PHONE:<br>FAX: (303) 633-7720<br>E-MAIL:                                      |
| Escrow Assistant                                                                                 | ATTN:<br>PHONE:<br>E-MAIL:                                                                           |
| Title Officer                                                                                    | ATTN: Eric Gonzales<br>PHONE: (303) 692-6796<br>E-MAIL: egonzales@fnf.com                            |
| Sales Executive                                                                                  | ATTN: Stephen Boyka<br>E-MAIL: sboyka@fnf.com                                                        |
| TO: Collins Cockrel and Cole<br>390 Union Blvd.<br>Suite 400<br>Denver, CO 80228                 | ATTN: Timothy J. Flynn<br>PHONE: (303) 986-1551<br>FAX: (303) 986-1755<br>E-MAIL: tflynn@cccfirm.com |
| TO: National Commercial Services Title Only<br>8055 E Tufts Ave<br>Suite 900<br>Denver, CO 80237 | ATTN: Title Only 10<br>PHONE:<br>FAX: (303) 633-7720<br>E-MAIL:                                      |

END OF TRANSMITTAL



Fidelity National Title Insurance Company

# COMMITMENT FOR TITLE INSURANCE

*Issued by*

**Fidelity National Title Insurance Company**

## NOTICE

**IMPORTANT—READ CAREFULLY:** THIS COMMITMENT IS AN OFFER TO ISSUE ONE OR MORE TITLE INSURANCE POLICIES. ALL CLAIMS OR REMEDIES SOUGHT AGAINST THE COMPANY INVOLVING THE CONTENT OF THIS COMMITMENT OR THE POLICY MUST BE BASED SOLELY IN CONTRACT.

THIS COMMITMENT IS NOT AN ABSTRACT OF TITLE, REPORT OF THE CONDITION OF TITLE, LEGAL OPINION, OPINION OF TITLE, OR OTHER REPRESENTATION OF THE STATUS OF TITLE. THE PROCEDURES USED BY THE COMPANY TO DETERMINE INSURABILITY OF THE TITLE, INCLUDING ANY SEARCH AND EXAMINATION, ARE PROPRIETARY TO THE COMPANY, WERE PERFORMED SOLELY FOR THE BENEFIT OF THE COMPANY, AND CREATE NO EXTRA CONTRACTUAL LIABILITY TO ANY PERSON, INCLUDING A PROPOSED INSURED.

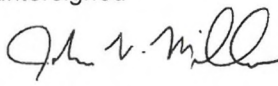
THE COMPANY'S OBLIGATION UNDER THIS COMMITMENT IS TO ISSUE A POLICY TO A PROPOSED INSURED IDENTIFIED IN SCHEDULE A IN ACCORDANCE WITH THE TERMS AND PROVISIONS OF THIS COMMITMENT. THE COMPANY HAS NO LIABILITY OR OBLIGATION INVOLVING THE CONTENT OF THIS COMMITMENT TO ANY OTHER PERSON.

## COMMITMENT TO ISSUE POLICY

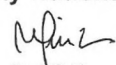
Subject to the Notice; Schedule B, Part I—Requirements; Schedule B, Part II—Exceptions; and the Commitment Conditions, **Fidelity National Title Insurance Company**, a Florida Corporation (the "Company"), commits to issue the Policy according to the terms and provisions of this Commitment. This Commitment is effective as of the Commitment Date shown in Schedule A for each Policy described in Schedule A, only when the Company has entered in Schedule A both the specified dollar amount as the Proposed Policy Amount and the name of the Proposed Insured.

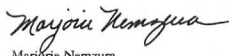
If all of the Schedule B, Part I—Requirements have not been met within 180 Days after the Commitment Date, this Commitment terminates and the Company's liability and obligation end.

Countersigned

By:   
John Miller  
Authorized Signature

**Fidelity National Title Insurance Company**

By:   
Randy Quirk  
President

ATTEST   
Marjorie Nemzura  
Corporate Secretary

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

27C165B Commitment for Title Insurance (Adopted 6-17-06 Revised 08-01-2016)

**Copyright American Land Title Association. All rights reserved.** The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Page 1





## COMMITMENT CONDITIONS

### 1. DEFINITIONS

- (a) "Knowledge" or "Known": Actual or imputed knowledge, but not constructive notice imparted by the Public Records.
- (b) "Land": The land described in Schedule A and affixed improvements that by law constitute real property. The term "Land" does not include any property beyond the lines of the area described in Schedule A, nor any right, title, interest, estate, or easement in abutting streets, roads, avenues, alleys, lanes, ways, or waterways, but this does not modify or limit the extent that a right of access to and from the Land is to be insured by the Policy.
- (c) "Mortgage": A mortgage, deed of trust, or other security instrument, including one evidenced by electronic means authorized by law.
- (d) "Policy": Each contract of title insurance, in a form adopted by the American Land Title Association, issued or to be issued by the Company pursuant to this Commitment.
- (e) "Proposed Insured": Each person identified in Schedule A as the Proposed Insured of each Policy to be issued pursuant to this Commitment.
- (f) "Proposed Policy Amount": Each dollar amount specified in Schedule A as the Proposed Policy Amount of each Policy to be issued pursuant to this Commitment.
- (g) "Public Records": Records established under state statutes at the Commitment Date for the purpose of imparting constructive notice of matters relating to real property to purchasers for value and without Knowledge.
- (h) "Title": The estate or interest described in Schedule A.

2. If all of the Schedule B, Part I—Requirements have not been met within the time period specified in the Commitment to Issue Policy, this Commitment terminates and the Company's liability and obligation end.

3. The Company's liability and obligation is limited by and this Commitment is not valid without:

- (a) the Notice;
- (b) the Commitment to Issue Policy;
- (c) the Commitment Conditions;
- (d) Schedule A;
- (e) Schedule B, Part I—Requirements;
- (f) Schedule B, Part II—Exceptions; and
- (g) a counter-signature by the Company or its issuing agent that may be in electronic form.

### 4. COMPANY'S RIGHT TO AMEND

The Company may amend this Commitment at any time. If the Company amends this Commitment to add a defect, lien, encumbrance, adverse claim, or other matter recorded in the Public Records prior to the Commitment Date, any liability of the Company is limited by Commitment Condition 5. The Company shall not be liable for any other amendment to this Commitment.

### 5. LIMITATIONS OF LIABILITY

- (a) The Company's liability under Commitment Condition 4 is limited to the Proposed Insured's actual expense incurred in the interval between the Company's delivery to the Proposed Insured of the Commitment and the delivery of the amended Commitment, resulting from the Proposed Insured's good faith reliance to:
  - (i) comply with the Schedule B, Part I—Requirements;
  - (ii) eliminate, with the Company's written consent, any Schedule B, Part II—Exceptions; or
  - (iii) acquire the Title or create the Mortgage covered by this Commitment.

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

- (b) The Company shall not be liable under Commitment Condition 5(a) if the Proposed Insured requested the amendment or had Knowledge of the matter and did not notify the Company about it in writing.
- (c) The Company will only have liability under Commitment Condition 4 if the Proposed Insured would not have incurred the expense had the Commitment included the added matter when the Commitment was first delivered to the Proposed Insured.
- (d) The Company's liability shall not exceed the lesser of the Proposed Insured's actual expense incurred in good faith and described in Commitment Conditions 5(a)(i) through 5(a)(iii) or the Proposed Policy Amount.
- (e) The Company shall not be liable for the content of the Transaction Identification Data, if any.
- (f) In no event shall the Company be obligated to issue the Policy referred to in this Commitment unless all of the Schedule B, Part I—Requirements have been met to the satisfaction of the Company.
- (g) In any event, the Company's liability is limited by the terms and provisions of the Policy.

#### 6. **LIABILITY OF THE COMPANY MUST BE BASED ON THIS COMMITMENT**

- (a) Only a Proposed Insured identified in Schedule A, and no other person, may make a claim under this Commitment.
- (b) Any claim must be based in contract and must be restricted solely to the terms and provisions of this Commitment.
- (c) Until the Policy is issued, this Commitment, as last revised, is the exclusive and entire agreement between the parties with respect to the subject matter of this Commitment and supersedes all prior commitment negotiations, representations, and proposals of any kind, whether written or oral, express or implied, relating to the subject matter of this Commitment.
- (d) The deletion or modification of any Schedule B, Part II—Exception does not constitute an agreement or obligation to provide coverage beyond the terms and provisions of this Commitment or the Policy.
- (e) Any amendment or endorsement to this Commitment must be in writing and authenticated by a person authorized by the Company.
- (f) When the Policy is issued, all liability and obligation under this Commitment will end and the Company's only liability will be under the Policy.

#### 7. **IF THIS COMMITMENT HAS BEEN ISSUED BY AN ISSUING AGENT**

The issuing agent is the Company's agent only for the limited purpose of issuing title insurance commitments and policies. The issuing agent is not the Company's agent for the purpose of providing closing or settlement services.

#### 8. **PRO-FORMA POLICY**

The Company may provide, at the request of a Proposed Insured, a pro-forma policy illustrating the coverage that the Company may provide. A pro-forma policy neither reflects the status of Title at the time that the pro-forma policy is delivered to a Proposed Insured, nor is it a commitment to insure.

#### 9. **ARBITRATION**

The Policy contains an arbitration clause. All arbitrable matters when the Proposed Policy Amount is \$2,000,000 or less shall be arbitrated at the option of either the Company or the Proposed Insured as the exclusive remedy of the parties. A Proposed Insured may review a copy of the arbitration rules at <http://www.alta.org/arbitration>.

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*



**Transaction Identification Data for reference only:**

Issuing Agent: Fidelity National Title, National Commercial Services  
 Issuing Office: 8055 E Tufts Ave, Suite 900, Denver, CO 80237  
 Loan ID Number:  
 Issuing Office File Number: 100-N0033568-010-TO2  
 Property Address: Vacant Land Bell Mountain Ranch, Castle Rock, CO  
 Revision Number:

**SCHEDULE A**

**AMERICAN LAND TITLE ASSOCIATION COMMITMENT**

1. Commitment Date: **July 12, 2021**
2. Policy to be issued:
  - (a) ALTA Owners Policy 6-17-06  
 Proposed Insured: Town of Castle Rock, a Colorado home rule municipality  
 Proposed Policy Amount: \$100,000.00
  - (b) None  
 Proposed Insured:  
 Proposed Policy Amount: \$0.00
  - (c) None  
 Proposed Insured:  
 Proposed Policy Amount: \$0.00
3. The estate or interest in the Land described or referred to in this Commitment is:  
**FEE SIMPLE**
4. The Title is, at the Commitment Date, vested in:  
 BMR Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado
5. The Land is described as follows:  
**See Exhibit A attached hereto and made a part hereof.**

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

**SCHEDULE A**

(Continued)

**PREMIUMS:**

|                                                                                                                                |        |
|--------------------------------------------------------------------------------------------------------------------------------|--------|
| Owners Policy                                                                                                                  | 579.00 |
| Deletion of 1 - 4 upon requirements met and<br>provided there is no recent, ongoing or<br>anticipated construction on the land | 75.00  |
| ALTA 39-06 - Policy Authentication                                                                                             | 0.00   |
| Tax Certificate                                                                                                                | 72.00  |

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

27C165 Commitment for Title Insurance (Adopted 6-17-06 Revised 08-01-2016)

Page 2

**Copyright American Land Title Association. All rights reserved.** The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.





## EXHIBIT A

### LEGAL DESCRIPTION

Tracts H, I, K and V, Bell Mountain Ranch, Filing No. 1-B, County of Douglas, State of Colorado.

For Informational Purposes Only

|            |                           |
|------------|---------------------------|
| Tax ID No. | 2607-020-01-012 (Tract H) |
|            | 2607-020-03-006 (Tract I) |
|            | 2607-020-03-034 (Tract K) |
|            | 2607-020-03-031 (Tract V) |

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

27C165 Commitment for Title Insurance (Adopted 6-17-06 Revised 08-01-2016)

**Copyright American Land Title Association. All rights reserved.** The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Page 3



## SCHEDULE B

### PART I – REQUIREMENTS

All of the following Requirements must be met:

- a. Pay the agreed amounts for the interest in the land and/or for the mortgage to be insured.
- b. Pay us the premiums, fees and charges for the policy.
- c. Obtain a certificate of taxes due from the county treasurer or the county treasurer's authorized agent.

**Note:** Any documents being executed in conjunction with this transaction must be signed in the presence of an authorized Company employee, an authorized employee of an agent, an authorized employee of the insured lender, or by using Bancserv or other approved third-party service. If the above requirement cannot be met, please call the Company at the number provided in this report.

- d. Deed sufficient to convey the fee simple estate or interest in the Land described or referred to herein, to the Proposed Insured Purchaser.
- e. The Company will require the following documents for review prior to the issuance of any title insurance predicated upon a conveyance or encumbrance by the corporation named below:

Name of Corporation: BMR Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado

- a) A Copy of the corporation By-laws and Articles of Incorporation
- b) An original or certified copy of a resolution authorizing the transaction contemplated herein
- c) If the Articles and/or By-laws require approval by a 'parent' organization, a copy of the Articles and By-laws of the parent
- d) A current dated certificate of good standing from the proper governmental authority of the state in which the entity was created

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

27C165 Commitment for Title Insurance (Adopted 6-17-06 Revised 08-01-2016)

**Copyright American Land Title Association. All rights reserved.** The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Page 4



**SCHEDULE B**  
**PART I – Requirements**  
(Continued)

- f. The Company will require a survey of the subject Land, which is in compliance with minimum technical standards, prepared by a duly registered and licensed surveyor. If the owner of the Land the subject of this transaction is in possession of a survey, the Company will require that said survey be submitted for review and approval; otherwise, a new survey, satisfactory to the Company, must be submitted to the Company for examination. In order to prevent delays, please furnish the survey at least 10 days prior to the close of this transaction.

If an existing survey is to be relied upon, an affidavit from the seller(s)/mortgagor(s) must be furnished to the Company stating that no improvements have been made on the Land the subject of this transaction or adjacent thereto subsequent to the survey presented to the Company.

The Company reserves the right to add additional items or make further requirements after review of the requested documentation.

- g. The Company will require that an Owner's Affidavit be completed by the party(s) named below before the issuance of any policy of title insurance.

Party(s): BMR Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado

The Company reserves the right to add additional items or make further requirements after review of the requested Affidavit.

Please be advised that our search did not disclose any open Deeds of Trust of record. If you should have knowledge of any outstanding obligation, please contact the Title Department immediately for further review prior to closing.

**Note: Please be aware that due to the conflict between federal and state laws concerning the cultivation, distribution, manufacture or sale of marijuana, the Company is not able to close or insure any transaction involving Land that is associated with these activities.**

---

**END OF REQUIREMENTS**

---

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

27C165 Commitment for Title Insurance (Adopted 6-17-06 Revised 08-01-2016)

**Copyright American Land Title Association. All rights reserved.** The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Page 5





## SCHEDULE B

### PART II – EXCEPTIONS

THIS COMMITMENT DOES NOT REPUBLISH ANY COVENANT, CONDITION, RESTRICTION, OR LIMITATION CONTAINED IN ANY DOCUMENT REFERRED TO IN THIS COMMITMENT TO THE EXTENT THAT THE SPECIFIC COVENANT, CONDITION, RESTRICTION, OR LIMITATION VIOLATES STATE OR FEDERAL LAW BASED ON RACE, COLOR, RELIGION, SEX, SEXUAL ORIENTATION, GENDER IDENTITY, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN.

The Policy will not insure against loss or damage resulting from the terms and provisions of any lease or easement identified in Schedule A, and will include the following Exceptions unless cleared to the satisfaction of the Company:

1. Any facts, rights, interests or claims that are not shown by the Public Records but which could be ascertained by an inspection of the Land or that may be asserted by persons in possession of the Land.
2. Easements, liens or encumbrances, or claims thereof, not shown by the Public Records.
3. Any encroachments, encumbrances, violation, variation, or adverse circumstance affecting the Title that would be disclosed by an accurate and complete land survey of the Land and not shown by Public Records.
4. Any lien or right to a lien, for services, labor or material heretofore or hereafter furnished, imposed by law and not shown by the Public Records.
5. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the Public Records or attaching subsequent to the effective date hereof but prior to the date the proposed Insured acquires of record for the value the estate or interest or mortgage thereon covered by this Commitment.

NOTE: The above exception will not appear on policies where closing and settlement has been performed by the Company.

6. Water rights, claims of title to water, whether or not these matters are shown by the Public Records.
7. All taxes and assessments, now or heretofore assessed, due or payable.

NOTE: This tax exception will be amended at policy upon satisfaction and evidence of payment of taxes.

8. Undivided ½ interest in all oil, gas and other mineral rights reserved in the instrument set forth below, and any and all assignments thereof or interests therein:

Reserved by: The Federal Land Bank of Wichita  
 Recording Date: June 13, 1948  
 Recording No.: [Book 101 at Page 587](#)

9. Terms, conditions, provisions, agreements and obligations contained in the Bell Mountain Ranch Development Plan as set forth below:

Recording Date: May 8, 1985

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*



**SCHEDULE B**  
**PART II – Exceptions**  
(Continued)

Recording No.: [Reception No. 352613](#)

1st Amendment recorded June 6, 1995 at [Reception No. 9525943](#).

Administrative Amendment recorded March 15, 1996 at [Reception No. 9613508](#).

3rd Amendment recorded November 25, 1998 at [Reception No. 9895132](#).

4th Amendment recorded October 11, 2002 at [Reception No. 2002106210](#).

5th Amendment recorded February 28, 2006 at [Reception No. 2006016375](#).

6th Amendment recorded June 19, 2007 at [Reception No. 2007057260](#).

7th Amendment recorded June 24, 2008 at [Reception No. 2008044570](#).

10. Terms, conditions, provisions, agreements and obligations contained in the Bell Mountain Ranch Development Guidelines as set forth below:

Recording Date: May 8, 1985

Recording No.: [Book 573 at Page 128](#)

11. Any tax, lien, fee, or assessment by reason of inclusion of the Land in the Castle Rock Fire Protection District, as evidenced by instrument(s) recorded September 12, 1980 in [Book 393 at Page 836](#) and re-recorded September 16, 1980 in [Book 394 at Page 93](#).

12. Any tax, lien, fee, or assessment by reason of inclusion of the Land in the Bell Mountain Ranch Master Metropolitan District, as evidenced by instrument(s) recorded August 8, 1985 in [Book 588 at Page 824](#).

Now known as the Consolidated Bell Mountain Ranch Metropolitan District as evidenced by instrument recorded January 7, 1999 in [Book 1653 at Page 1094](#).

13. Any tax, lien, fee, or assessment by reason of inclusion of the Land in the Bell Mountain Ranch Phase II Metropolitan District, as evidenced by instrument(s) recorded August 8, 1985 in [Book 588 at Page 833](#).

Now known as the Consolidated Bell Mountain Ranch Metropolitan District as evidenced by instrument recorded January 7, 1999 in [Book 1653 at Page 1094](#).

14. Any tax, lien, fee, or assessment by reason of inclusion of the Land in the Bell Mountain Ranch Phase III Metropolitan District, as evidenced by instrument(s) recorded August 8, 1985 in [Book 588 at Page 840](#).

Now known as the Consolidated Bell Mountain Ranch Metropolitan District as evidenced by instrument recorded January 7, 1999 in [Book 1653 at Page 1094](#).

15. Any tax, lien, fee, or assessment by reason of inclusion of the Land in the Bell Mountain Ranch Park and Recreation Metropolitan District, as evidenced by instrument(s) recorded August 8, 1985 in [Book 588 at Page 848](#).

Now known as the Consolidated Bell Mountain Ranch Metropolitan District as evidenced by instrument recorded January 7, 1999 in [Book 1653 at Page 1094](#).

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

**SCHEDULE B**  
**PART II – Exceptions**  
(Continued)

16. Any tax, lien, fee, or assessment by reason of inclusion of the Land in the Bell Mountain Ranch Phase II Metropolitan District, as evidenced by instrument(s) recorded January 9, 1996 in [Book 1311 at Page 2388](#).

Now known as the Consolidated Bell Mountain Ranch Metropolitan District as evidenced by instrument recorded January 7, 1999 in [Book 1653 at Page 1094](#).

17. Covenants, conditions and restrictions but omitting any covenants or restrictions, if any, including but not limited to those based upon race, color, religion, sex, sexual orientation, familial status, marital status, disability, handicap, national origin, ancestry, source of income, gender, gender identity, gender expression, medical condition or genetic information, as set forth in applicable state or federal laws, except to the extent that said covenant or restriction is permitted by applicable law, as set forth in the Declaration Creating Covenants, Conditions, Restrictions, and Easements for Bell Mountain Ranch, as set forth below:

Recording Date: January 24, 1996  
Recording No.: [Book 1314 at Page 1377](#)

Amendment(s) recorded April 9, 1996 in [Book 1332 at Page 1448](#), April 24, 1996 in [Book 1336 at Page 299](#) and February 14, 1997 in [Book 1408 at Page 1669](#).

Second Amendment recorded April 27, 1998 in [Book 1540 at Page 2044](#).

Certification recorded June 10, 1999 in [Book 1719 at Page 1595](#).

Third Amendment Declaration recorded March 10, 2010 at [Reception No. 2010015229](#).

18. Terms, conditions, provisions, agreements and obligations contained in the Private Roadway Agreement as set forth below:

Recording Date: March 14, 1996  
Recording No.: [Book 1325 at Page 1590](#)

19. Terms, conditions, provisions, agreements and obligations contained in the Facilities Fee Agreement as set forth below:

Recording Date: January 8, 1996  
Recording No.: [Book 1311 at Page 1042](#)  
And  
Recording Date: January 10, 1996  
Recording No.: [Book 1312 at Page 717](#)

20. Terms, conditions, provisions, agreements and obligations contained in the District Improvement Fee Agreement as set forth below:

Recording Date: January 8, 1996  
Recording No.: [Book 1311 at Page 1056](#)

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*



**SCHEDULE B**  
**PART II – Exceptions**  
(Continued)

21. Terms, conditions, provisions, agreements and obligations contained in the Roadway Easement and Access Agreement as set forth below:

Recording Date: December 4, 1996  
Recording No.: [Book 1391 at Page 1879](#)

22. Terms, conditions, provisions, agreements and obligations contained in the Easement Agreement as set forth below:

Recording Date: September 29, 1997  
Recording No.: [Book 1468 at Page 1751](#)

23. Terms, conditions, provisions, agreements and obligations contained in the Improvement Fee Agreement as set forth below:

Recording Date: March 25, 1997  
Recording No.: [Book 1417 at Page 1374](#)

24. Easements, notes, terms, conditions, provisions, agreements and obligations as shown on the plat of Bell Mountain Ranch Subdivision Filing No. 1-B, as set forth below:

Recording Date: April 23, 1998  
Recording No.: [Reception No. 9829016](#)

Affidavit and Ratification recorded September 10, 1998 in [Book 1597 at Page 1193](#).  
Ratification of Plat recorded February 4, 1999 in [Book 1664 at Page 1294](#).  
Technical Plat Correction Certificate recorded June 4, 2003 at [Reception No. 2003083550](#).

25. Terms, conditions, provisions, agreements and obligations contained in the Findings of Fact, Conclusions of Law, Judgment and Decree as set forth below:

Recording Date: May 20, 200  
Recording No.: [Book 2331 at Page 1878](#)

26. Terms, conditions, provisions, agreements and obligations contained in the Easement Agreement as set forth below:

Recording Date: September 10, 2001  
Recording No.: [Book 2127 at Page 864](#)

Assignment of Easements recorded September 10, 2001 in [Book 2127 at Page 870](#).

27. Any tax, lien, fee, or assessment by reason of inclusion of the Land in the BMR Metropolitan District, as evidenced by instrument(s) recorded October 10, 2002 at [Reception No. 2002105684](#).

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

**SCHEDULE B**  
**PART II – Exceptions**  
(Continued)

28. Terms, conditions, provisions, agreements and obligations contained in the Inclusion Agreement as set forth below:

Recording Date: September 4, 2008  
Recording No.: [Reception No. 2008061612](#)

29. Terms, conditions, provisions, agreements and obligations contained in the Bell Mountain Ranch Settlement Agreement as set forth below:

Recording Date: March 10, 2010  
Recording No.: [Reception No. 2010015114](#)

Partial Waiver of Conditions Subsequent recorded March 10, 2010 at [Reception No. 2010015227](#).  
First Amendment to Settlement Agreement recorded May 28, 2010 at [Reception No. 2010032395](#).

30. An oil and gas lease for the term therein provided with certain covenants, conditions and provisions, together with easements, if any, as set forth therein.

Dated: August 30, 2010  
Lessor: U.S. Ag Bank, FCB fka Farm Credit Bank of Wichita  
Lessee: Red River Resources, LLC  
Recording Date: October 18, 2010  
Recording No.: [Reception No. 2010068409](#)

31. An oil and gas lease for the term therein provided with certain covenants, conditions and provisions, together with easements, if any, as set forth therein.

Dated: August 30, 2010  
Lessor: U.S. Ag Bank, FCB fka Farm Credit Bank of Wichita  
Lessee: Red River Resources, LLC  
Recording Date: October 18, 2010  
Recording No.: [Reception No. 2010068411](#)

32. Lack of access to and from public road, highway or street.

(Affects Tract V)

---

**END OF EXCEPTIONS**

---

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

27C165 Commitment for Title Insurance (Adopted 6-17-06 Revised 08-01-2016)

**Copyright American Land Title Association. All rights reserved.** The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.

Page 5





**SCHEDULE B**  
**PART II – Exceptions**  
(Continued)

*This page is only a part of a 2016 ALTA® Commitment for Title Insurance issued by Fidelity National Title Insurance Company. This Commitment is not valid without the Notice; the Commitment to Issue Policy; the Commitment Conditions; Schedule A; Schedule B, Part I—Requirements; and Schedule B, Part II—Exceptions; and a counter-signature by the Company or its issuing agent that may be in electronic form.*

27C165 Commitment for Title Insurance (Adopted 6-17-06 Revised 08-01-2016)

Page 6

**Copyright American Land Title Association. All rights reserved.** The use of this Form is restricted to ALTA licensees and ALTA members in good standing as of the date of use. All other uses are prohibited. Reprinted under license from the American Land Title Association.



## DISCLOSURE STATEMENT

- Pursuant to Section 38-35-125 of Colorado Revised Statutes and Colorado Division of Insurance Regulation 8-1-2 (Section 5), if the parties to the subject transaction request us to provide escrow-settlement and disbursement services to facilitate the closing of the transaction, then all funds submitted for disbursement must be available for immediate withdrawal.
- Colorado Division of Insurance Regulation 8-1-2, Section 5, Paragraph H, requires that "Every title insurance company shall be responsible to the proposed insured(s) subject to the terms and conditions of the title insurance commitment, other than the effective date of the title insurance commitment, for all matters which appear of record prior to the time of recording whenever the title insurance company, or its agent, conducts the closing and settlement service that is in conjunction with its issuance of an owners policy of title insurance and is responsible for the recording and filing of legal documents resulting from the transaction which was closed". Provided that Fidelity National Title, National Commercial Services conducts the closing of the insured transaction and is responsible for recording the legal documents from the transaction, exception No. 5 in Schedule B-2 will not appear in the Owner's Title Policy and Lender's Title Policy when issued.
- Colorado Division of Insurance Regulation 8-1-2, Paragraph M of Section 5, requires that prospective insured(s) of a single family residence be notified in writing that the standard exception from coverage for unfiled Mechanics or Materialmans Liens may or may not be deleted upon the satisfaction of the requirement(s) pertinent to the transaction. These requirements will be addressed upon receipt of a written request to provide said coverage, or if the Purchase and Sale Agreement/Contract is provided to the Company then the necessary requirements will be reflected on the commitment.
- Colorado Division of Insurance Regulation 8-1-3, Paragraph C. 11.f. of Section 5 - requires a title insurance company to make the following notice to the consumer: "A closing protection letter is available to be issued to lenders, buyers and sellers."
- If the sales price of the subject property exceeds \$100,000.00 the seller shall be required to comply with the Disclosure of Withholding Provisions of C.R.S. 39-22-604.5 (Nonresident Withholding).
- Section 39-14-102 of Colorado Revised Statutes requires that a Real Property Transfer Declaration accompany any conveyance document presented for recordation in the State of Colorado. Said Declaration shall be completed and signed by either the grantor or grantee.
- Recording statutes contained in Section 30-10-406(3)(a) of the Colorado Revised Statutes require that all documents received for recording or filing in the clerk and recorder's office shall contain a top margin of at least one inch and a left, right, and bottom margin of at least one-half of an inch. The clerk and recorder may refuse to record or file a document that does not conform to requirements of this paragraph.
- Section 38-35-109 (2) of the Colorado Revised Statutes, requires that a notation of the purchasers legal address, (not necessarily the same as the property address) be included on the face of the deed to be recorded.
- Regulations of County Clerk and Recorder's offices require that all documents submitted for recording must contain a return address on the front page of every document being recorded.
- Pursuant to Section 10-11-122 of the Colorado Revised Statutes, the Company is required to disclose the following information:
  - The subject property may be located in a special taxing district.
  - A Certificate of Taxes Due listing each taxing jurisdiction shall be obtained from the County Treasurer or the County Treasurer's authorized agent.
  - Information regarding special districts and the boundaries of such districts may be obtained from the Board of County Commissioners, the County Clerk and Recorder or the County Assessor.
- Pursuant to Section 10-11-123 of the Colorado Revised Statutes, when it is determined that a mineral estate has been severed from the surface estate, the Company is required to disclose the following information: that there is recorded evidence that a mineral estate has been severed, leased, or otherwise conveyed from the surface estate and that there is a substantial likelihood that a third party holds some or all interest in oil, gas, other minerals, or geothermal energy in the property; and that such mineral estate may include the right to enter and use the property without the surface owner's permission.

Note: Notwithstanding anything to the contrary in this Commitment, if the policy to be issued is other than an ALTA Owner's Policy (6/17/06), the policy may not contain an arbitration clause, or the terms of the arbitration clause may be different from those set forth in this Commitment. If the policy does contain an arbitration clause, and the Amount of Insurance is less than the amount, if any, set forth in the arbitration clause, all arbitrable matters shall be arbitrated at the option of either the Company or the Insured as the exclusive remedy of the parties.

## Wire Fraud Alert

This Notice is not intended to provide legal or professional advice. If you have any questions, please consult with a lawyer.

All parties to a real estate transaction are targets for wire fraud and many have lost hundreds of thousands of dollars because they simply relied on the wire instructions received via email, without further verification. **If funds are to be wired in conjunction with this real estate transaction, we strongly recommend verbal verification of wire instructions through a known, trusted phone number prior to sending funds.**

In addition, the following non-exclusive self-protection strategies are recommended to minimize exposure to possible wire fraud.

- **NEVER RELY** on emails purporting to change wire instructions. Parties to a transaction rarely change wire instructions in the course of a transaction.
- **ALWAYS VERIFY** wire instructions, specifically the ABA routing number and account number, by calling the party who sent the instructions to you. DO NOT use the phone number provided in the email containing the instructions, use phone numbers you have called before or can otherwise verify. **Obtain the phone number of relevant parties to the transaction as soon as an escrow account is opened.** DO NOT send an email to verify as the email address may be incorrect or the email may be intercepted by the fraudster.
- **USE COMPLEX EMAIL PASSWORDS** that employ a combination of mixed case, numbers, and symbols. Make your passwords greater than eight (8) characters. Also, change your password often and do NOT reuse the same password for other online accounts.
- **USE MULTI-FACTOR AUTHENTICATION** for email accounts. Your email provider or IT staff may have specific instructions on how to implement this feature.

For more information on wire-fraud scams or to report an incident, please refer to the following links:

**Federal Bureau of Investigation:**  
<http://www.fbi.gov>

**Internet Crime Complaint Center:**  
<http://www.ic3.gov>



# FIDELITY NATIONAL FINANCIAL, INC. PRIVACY NOTICE

Effective January 1, 2021

Fidelity National Financial, Inc. and its majority-owned subsidiary companies (collectively, "FNF," "our," or "we") respect and are committed to protecting your privacy. This Privacy Notice explains how we collect, use, and protect personal information, when and to whom we disclose such information, and the choices you have about the use and disclosure of that information.

A limited number of FNF subsidiaries have their own privacy notices. If a subsidiary has its own privacy notice, the privacy notice will be available on the subsidiary's website and this Privacy Notice does not apply.

## **Collection of Personal Information**

FNF may collect the following categories of Personal Information:

- contact information (e.g., name, address, phone number, email address);
- demographic information (e.g., date of birth, gender, marital status);
- identity information (e.g. Social Security Number, driver's license, passport, or other government ID number);
- financial account information (e.g. loan or bank account information); and
- other personal information necessary to provide products or services to you.

We may collect Personal Information about you from:

- information we receive from you or your agent;
- information about your transactions with FNF, our affiliates, or others; and
- information we receive from consumer reporting agencies and/or governmental entities, either directly from these entities or through others.

## **Collection of Browsing Information**

FNF automatically collects the following types of Browsing Information when you access an FNF website, online service, or application (each an "FNF Website") from your Internet browser, computer, and/or device:

- Internet Protocol (IP) address and operating system;
- browser version, language, and type;
- domain name system requests; and
- browsing history on the FNF Website, such as date and time of your visit to the FNF Website and visits to the pages within the FNF Website.

Like most websites, our servers automatically log each visitor to the FNF Website and may collect the Browsing Information described above. We use Browsing Information for system administration, troubleshooting, fraud investigation, and to improve our websites. Browsing Information generally does not reveal anything personal about you, though if you have created a user account for an FNF Website and are logged into that account, the FNF Website may be able to link certain browsing activity to your user account.

## **Other Online Specifics**

**Cookies.** When you visit an FNF Website, a "cookie" may be sent to your computer. A cookie is a small piece of data that is sent to your Internet browser from a web server and stored on your computer's hard drive. Information gathered using cookies helps us improve your user experience. For example, a cookie can help the website load properly or can customize the display page based on your browser type and user preferences. You can choose whether or not to accept cookies by changing your Internet browser settings. Be aware that doing so may impair or limit some functionality of the FNF Website.

**Web Beacons.** We use web beacons to determine when and how many times a page has been viewed. This information is used to improve our websites.

**Do Not Track.** Currently our FNF Websites do not respond to "Do Not Track" features enabled through your browser.

**Links to Other Sites.** FNF Websites may contain links to unaffiliated third-party websites. FNF is not responsible for the privacy practices or content of those websites. We recommend that you read the privacy policy of every website you visit.

## **Use of Personal Information**

FNF uses Personal Information for three main purposes:

- To provide products and services to you or in connection with a transaction involving you.
- To improve our products and services.
- To communicate with you about our, our affiliates', and others' products and services, jointly or independently.

## **When Information Is Disclosed**

We may disclose your Personal Information and Browsing Information in the following circumstances:

- to enable us to detect or prevent criminal activity, fraud, material misrepresentation, or nondisclosure;
- to nonaffiliated service providers who provide or perform services or functions on our behalf and who agree to use the information only to provide such services or functions;



- to nonaffiliated third party service providers with whom we perform joint marketing, pursuant to an agreement with them to jointly market financial products or services to you;
- to law enforcement or authorities in connection with an investigation, or in response to a subpoena or court order; or
- in the good-faith belief that such disclosure is necessary to comply with legal process or applicable laws, or to protect the rights, property, or safety of FNF, its customers, or the public.

The law does not require your prior authorization and does not allow you to restrict the disclosures described above. Additionally, we may disclose your information to third parties for whom you have given us authorization or consent to make such disclosure. We do not otherwise share your Personal Information or Browsing Information with nonaffiliated third parties, except as required or permitted by law. We may share your Personal Information with affiliates (other companies owned by FNF) to directly market to you. Please see "Choices with Your Information" to learn how to restrict that sharing.

We reserve the right to transfer your Personal Information, Browsing Information, and any other information, in connection with the sale or other disposition of all or part of the FNF business and/or assets, or in the event of bankruptcy, reorganization, insolvency, receivership, or an assignment for the benefit of creditors. By submitting Personal Information and/or Browsing Information to FNF, you expressly agree and consent to the use and/or transfer of the foregoing information in connection with any of the above described proceedings.

### **Security of Your Information**

We maintain physical, electronic, and procedural safeguards to protect your Personal Information.

### **Choices With Your Information**

If you do not want FNF to share your information among our affiliates to directly market to you, you may send an "opt out" request as directed at the end of this Privacy Notice. We do not share your Personal Information with nonaffiliates for their use to direct market to you without your consent.

Whether you submit Personal Information or Browsing Information to FNF is entirely up to you. If you decide not to submit Personal Information or Browsing Information, FNF may not be able to provide certain services or products to you.

**For California Residents:** We will not share your Personal Information or Browsing Information with nonaffiliated third parties, except as permitted by California law. For additional information about your California privacy rights, please visit the "California Privacy" link on our website (<https://fnf.com/pages/californiaprivacy.aspx>) or call (888) 413-1748.

**For Nevada Residents:** You may be placed on our internal Do Not Call List by calling (888) 934-3354 or by contacting us via the information set forth at the end of this Privacy Notice. Nevada law requires that we also provide you with the following contact information: Bureau of Consumer Protection, Office of the Nevada Attorney General, 555 E. Washington St., Suite 3900, Las Vegas, NV 89101; Phone number: (702) 486-3132; email: BCPINFO@ag.state.nv.us.

**For Oregon Residents:** We will not share your Personal Information or Browsing Information with nonaffiliated third parties for marketing purposes, except after you have been informed by us of such sharing and had an opportunity to indicate that you do not want a disclosure made for marketing purposes.

**For Vermont Residents:** We will not disclose information about your creditworthiness to our affiliates and will not disclose your personal information, financial information, credit report, or health information to nonaffiliated third parties to market to you, other than as permitted by Vermont law, unless you authorize us to make those disclosures.

### **Information From Children**

The FNF Websites are not intended or designed to attract persons under the age of eighteen (18). We do not collect Personal Information from any person that we know to be under the age of thirteen (13) without permission from a parent or guardian.

### **International Users**

FNF's headquarters is located within the United States. If you reside outside the United States and choose to provide Personal Information or Browsing Information to us, please note that we may transfer that information outside of your country of residence. By providing FNF with your Personal Information and/or Browsing Information, you consent to our collection, transfer, and use of such information in accordance with this Privacy Notice.

### **FNF Website Services for Mortgage Loans**

Certain FNF companies provide services to mortgage loan servicers, including hosting websites that collect customer information on behalf of mortgage loan servicers (the "Service Websites"). The Service Websites may contain links to both this Privacy Notice and the mortgage loan servicer or lender's privacy notice. The sections of this Privacy Notice titled When Information is Disclosed, Choices with Your Information, and Accessing and Correcting Information do not apply to the Service Websites. The mortgage loan servicer or lender's privacy notice governs use, disclosure, and access to your Personal Information. FNF does not share Personal Information collected through the Service Websites, except as required or authorized by contract with the mortgage loan servicer or lender, or as required by law or in the good-faith belief that such disclosure is necessary: to comply with a legal process or applicable law, to enforce this Privacy Notice, or to protect the rights, property, or safety of FNF or the public.

**Your Consent To This Privacy Notice; Notice Changes; Use of Comments or Feedback**

By submitting Personal Information and/or Browsing Information to FNF, you consent to the collection and use of the information in accordance with this Privacy Notice. We may change this Privacy Notice at any time. The Privacy Notice's effective date will show the last date changes were made. If you provide information to us following any change of the Privacy Notice, that signifies your assent to and acceptance of the changes to the Privacy Notice.

**Accessing and Correcting Information; Contact Us**

If you have questions, would like to correct your Personal Information, or want to opt-out of information sharing for affiliate marketing, visit FNF's [Opt Out Page](#) or contact us by phone at (888) 934-3354 or by mail to:

Fidelity National Financial, Inc.  
601 Riverside Avenue  
Jacksonville, Florida 32204  
Attn: Chief Privacy Officer

# EXHIBIT N - FINANCIAL SUMMARY

Table 1

BMR Count of Customers by Meter Size

| Customer Class | Meter Size | Count of Customers |
|----------------|------------|--------------------|
| Residential    | 3/4"       | 322                |
| Irrigation     | 1.5"       | 2                  |
| Total          |            | 324                |

## Notes

1. Customer count is 321 residential units and one reserved for a future Community Center plus 2 irrigation meters.

Table 2

System Development Fee Summary

| Meter Size    | SFE (Single Family Equivalency) | Water 2021 | Renewable Water 2021 | Count of Customers | Count of SFEs | Total SDF Charges |
|---------------|---------------------------------|------------|----------------------|--------------------|---------------|-------------------|
| 3/4"          | 1                               | \$3,664    | \$17,623             | 322                | 322           | \$6,854,414       |
| 1.5"          | 3.33                            | \$12,201   | \$58,685             | 2                  | 7             | \$141,771         |
| 10% surcharge |                                 |            |                      |                    |               | \$699,619         |
| Total         |                                 |            |                      |                    | 329           | \$7,695,804       |

Table 3

Water System Fixed Assets Valuation

| Asset                           | Fixed Assets |
|---------------------------------|--------------|
| Water System                    | \$2,241,867  |
| Water Rights                    | \$521,185    |
| Arapahoe Well Depreciated Value | -\$383,842   |
| Arapahoe Well Repairs           | \$112,000    |
| Frac Tank                       | \$10,500     |
| Land                            | \$232,033    |
| Total                           | \$2,733,743  |

## Notes

2. Water system is value of depreciated fixed assets as of 12/31/20.
3. Water rights are: 570 AF - (328.66x1.1) AF = 208.474 excess x \$2,500 = \$521,185.
4. Arapahoe well had a partial failure and was repaired for emergency use.
5. Frac tank is a holding vessel purchased to capture wastewater from the water plant.
6. Land value is: 3.35 ac added to Tract I (43,560 x 3.35 = 146,058 sf x \$1.26/sf = \$184,033)  
192,000 sf for an easement in Glade Gulch (192,000 sf x \$1.26/sf x .5 = \$48,000)  
Total Land Value of \$232,033

Table 4

Summary of Debt Obligation

| Debt          | Principal | Interests | Total |
|---------------|-----------|-----------|-------|
| Existing Loan | \$0       | \$0       | \$0   |
| Future Loan   | \$0       | \$0       | \$0   |
| Total         | \$0       | \$0       | \$0   |

Table 5

Net Costs Summary

| Description             | Amount        |
|-------------------------|---------------|
| System Development Fee  | \$7,695,804   |
| Less: Fixed Assets      | (\$2,733,743) |
| Additional Improvements | \$1,392,004   |
| Debt                    | \$0           |
| Total                   | \$6,354,065   |

## Notes

7. Additional Improvements is estimated Consolidated BMR Metro Dist share of the cost of design and construction of the TCR-BMR water main connector and pump station.

Table 6

Monthly Repayment Schedule

| Description                   | Repayment |
|-------------------------------|-----------|
| Year                          | 30 years  |
| Month                         | 360       |
| Interest Rate                 | 2.54%     |
| Total Monthly Repayment       | \$25,239  |
| Total SFEs                    | 329       |
| Monthly Repayment per SFE     | \$76.79   |
| <b>Summary</b>                |           |
| Monthly Repayment Residential | \$76.79   |
| Monthly Repayment Irrigation  | \$253.41  |



## EXHIBIT O - WATER IMPROVEMENTS PRELIMINARY COSTS AND DIVISION OF COSTS

### Design Fees

|                          | Cost Allocation |           | Design Fees       |                   | Total             |
|--------------------------|-----------------|-----------|-------------------|-------------------|-------------------|
|                          | Town/BMR        | The Ridge | Town/BMR          | The Ridge         |                   |
| Previous Expenditures    | 30%             | 70%       | \$ 20,164         | \$ 47,049         | \$ 67,213         |
| Tank                     | 0%              | 100%      | \$ -              | \$ 99,850         | \$ 99,850         |
| Booster Pump             | 70%             | 30%       | \$ 74,727         | \$ 32,026         | \$ 106,753        |
| Water Main               | 70%             | 30%       | \$ 51,113         | \$ 21,906         | \$ 73,019         |
| <b>Total Design Cost</b> |                 |           | <b>\$ 146,004</b> | <b>\$ 200,830</b> | <b>\$ 346,835</b> |

### Preliminary Estimated Construction Costs

|                                              | Cost Allocation |           | Preliminary Construction Costs |                     | Total               |
|----------------------------------------------|-----------------|-----------|--------------------------------|---------------------|---------------------|
|                                              | Town/BMR        | The Ridge | Town/BMR                       | The Ridge           |                     |
| Tank                                         | 0%              | 100%      | \$ -                           | \$ 1,650,000        | \$ 1,650,000        |
| Booster Pump                                 | 70%             | 30%       | \$ 455,000                     | \$ 195,000          | \$ 650,000          |
| Water Main                                   | 70%             | 30%       | \$ 686,000                     | \$ 294,000          | \$ 980,000          |
| <b>Subtotal Construction</b>                 |                 |           | <b>\$ 1,141,000</b>            | <b>\$ 2,139,000</b> | <b>\$ 3,280,000</b> |
| Construction Management Fee (2% Const. Cost) |                 |           |                                | \$ 42,780           | \$ 42,780           |
| <b>Total Construction Cost</b>               |                 |           | <b>\$ 1,141,000</b>            | <b>\$ 2,181,780</b> | <b>\$ 3,322,780</b> |
| <br>Easement Acquisition for Pipeline        | 70%             | 30%       | \$ 105,000                     | \$ 45,000           | \$ 150,000          |
| <br><b>Total Project Cost</b>                |                 |           | <b>\$ 1,392,004</b>            | <b>\$ 2,427,610</b> | <b>\$ 3,819,615</b> |

**Notes:**

1. Number of SFEs in BMR is assumed to be 325 for build out condition.
2. Number of SFEs in The Ridge is 142.
3. Split based on hydraulic capacity is 70% BMR and 30% The Ridge.
4. BMR will donate the land for tank site valued at ~\$100,000
5. It is important to note that the preliminary construction costs are not based on final design drawings. Final bid prices may come in higher. The pro-rata costs still will be divided based on the hydraulic capacity as provided in note 3.

**EXHIBIT P**

**Bell Mountain Ranch  
Water System Acquisition  
Transition Plan**

**September 2021**

This transition plan has been prepared to help with transferring ownership, operation and maintenance of the Bell Mountain Ranch water system to Castle Rock Water and integrate it into the Town's water system as seamlessly as possible. The goal is to maintain solid operations - financially, managerially, and functionally – during and after the transition of ownership. Following are detailed descriptions of actions to be taken beginning at closing and extending through future improvements to the BMR water system.

## Table of Contents

|                                                                                          |    |
|------------------------------------------------------------------------------------------|----|
| <a href="#"><u>Closing Items</u></a>                                                     | 1  |
| <a href="#"><u>Special Warranty Deeds for Land Tracts</u></a>                            | 1  |
| <a href="#"><u>Easement Assignments</u></a>                                              | 1  |
| <a href="#"><u>Special Warranty Deed(s) for Water Rights</u></a>                         | 1  |
| <a href="#"><u>Bill of Sale and Assignment</u></a>                                       | 2  |
| <a href="#"><u>Statement of No Opposition</u></a>                                        | 2  |
| <a href="#"><u>Post-Closing Items</u></a>                                                | 3  |
| <a href="#"><u>Insurance for Newly Acquired Facilities</u></a>                           | 3  |
| <a href="#"><u>Add to Asset List with Finance</u></a>                                    | 3  |
| <a href="#"><u>Operation and Maintenance of Existing Water System</u></a>                | 3  |
| <a href="#"><u>Water Supply</u></a>                                                      | 3  |
| <a href="#"><u>Water Treatment</u></a>                                                   | 4  |
| <a href="#"><u>Water Transmission, Distribution and Storage</u></a>                      | 5  |
| <a href="#"><u>Customer Service, Billing and Financial Management</u></a>                | 6  |
| <a href="#"><u>Customer Outreach – New Customer Welcome Email</u></a>                    | 6  |
| <a href="#"><u>Set Up Customer Accounts</u></a>                                          | 7  |
| <a href="#"><u>Customer Service Inquiries</u></a>                                        | 7  |
| <a href="#"><u>Meter Reading</u></a>                                                     | 7  |
| <a href="#"><u>Billing</u></a>                                                           | 7  |
| <a href="#"><u>Reimbursement of Engineering Costs from County</u></a>                    | 7  |
| <a href="#"><u>Incorporate Customers and Assets into Annual Rates and Fees Study</u></a> | 8  |
| <a href="#"><u>Annual Letter to CBMRMD on Rates and Fees Changes</u></a>                 | 8  |
| <a href="#"><u>Review and Action on Existing Contracts</u></a>                           | 8  |
| <a href="#"><u>Annual Review of Financial Situation and Reconciliation</u></a>           | 8  |
| <a href="#"><u>Bell Mountain Connection to Town and Related Upgrades</u></a>             | 9  |
| <a href="#"><u>Contracting and Coordination with The Ridge</u></a>                       | 9  |
| <a href="#"><u>CBMRMD Input to Project</u></a>                                           | 9  |
| <a href="#"><u>Design</u></a>                                                            | 9  |
| <a href="#"><u>Construction</u></a>                                                      | 9  |
| <a href="#"><u>Operation and Maintenance</u></a>                                         | 9  |
| <a href="#"><u>Engineering, Water Resources and Environmental Health and Safety</u></a>  | 10 |



|                                                                                                            |    |
|------------------------------------------------------------------------------------------------------------|----|
| <a href="#"><u>Add Water Rights to Portfolio and Plan to Adjudicate Septic Tank Return Flows</u></a> ..... | 10 |
| <a href="#"><u>Emergency Response Plan</u></a> .....                                                       | 10 |
| <a href="#"><u>Water Quality Monitoring Plan</u></a> .....                                                 | 10 |
| <a href="#"><u>Map of Service Territory</u></a> .....                                                      | 10 |
| <a href="#"><u>Future Capital Planning</u></a> .....                                                       | 10 |
| <a href="#"><u>Water Supply / Demand Model</u></a> .....                                                   | 10 |
| <a href="#"><u>Master Plans for Water / Water Resources</u></a> .....                                      | 11 |
| <a href="#"><u>Water Use Management Plan and Water Monitoring</u></a> .....                                | 11 |
| <a href="#"><u>Records Management</u></a> .....                                                            | 11 |
| <a href="#"><u>Integrate Mapping and Assets into Geographic Information System (GIS)</u></a> .....         | 11 |
| <a href="#"><u>Customer Billing</u></a> .....                                                              | 11 |
| <a href="#"><u>Permit Documents</u></a> .....                                                              | 11 |
| <a href="#"><u>Legal Documents</u></a> .....                                                               | 11 |
| <a href="#"><u>Operation &amp; Maintenance Manuals</u></a> .....                                           | 12 |
| <a href="#"><u>Future Water Improvements</u></a> .....                                                     | 12 |
| <a href="#"><u>Meter Replacement Program</u></a> .....                                                     | 12 |
| <a href="#"><u>Add Existing Wells to Denver Well Rehab Plan</u></a> .....                                  | 12 |
| <a href="#"><u>Water Treatment Plant Improvements</u></a> .....                                            | 12 |
| <a href="#"><u>SCADA Upgrades</u></a> .....                                                                | 12 |
| <a href="#"><u>Connect Town's BMR wells to WTP</u></a> .....                                               | 13 |
| <a href="#"><u>Drill Additional Well(s)</u></a> .....                                                      | 13 |
| <a href="#"><u>Complete Redundant Connection to BMR</u></a> .....                                          | 13 |

## **Closing Items**

The following items will be provided at closing.

### **Special Warranty Deeds for Land Tracts**

1. Tract H – 1.24-acre tract of land for the existing water treatment plant.
2. Tract I – 0.36-acre tract of land for the existing Denver and Arapahoe wells.
3. Tract J – 3.35-acre tract of land for the future expansion of the water treatment plant.
4. Tract K – 0.92-acre tract of land for existing water storage tanks plus an additional 0.92-acre tract due west of the existing tank site for a total of 1.84 acres.

### **Easement Assignments**

1. Access Road to Water Storage Tanks  
Need to define the access road easement through a legal description and Bell Mountain Ranch (BMR) needs to grant the easement to the Town. The road lies within Tract J of BMR and is owned by the Consolidated Bell Mountain Ranch Metropolitan District (CBMRMD). A portion of the easement is defined on the plat as a 20-foot-wide utility easement and is meant to cover the pipeline to the tanks. A survey will pick up where this leaves off.
2. Future Raw Water Pipeline  
The Town plans to connect the existing wells owned by the Town and others to the BMR water treatment plant in the future. This easement will be approximately 6,400 feet long and 30 feet wide, containing roughly 4.4 acres. A legal description and easement agreement will be developed once the pipeline routing is determined. The approximate routing is shown on the Facilities Plan. The easement will be located within Tract K of CBMR. The Town will compensate CBMRMD for this easement based on land valuation of \$0.50 per square foot and 50% of this value for a permanent easement. Any temporary construction easement would be valued at 10% of the land value.

### **Special Warranty Deed(s) for Water Rights**

A special warranty deed will be executed transferring \_\_\_\_ acre-feet (AF) of Denver Basin groundwater from the CBMRMD to Castle Rock Water. These water rights include the following:

|          |    |
|----------|----|
| Dawson   | AF |
| Denver   | AF |
| Arapahoe | AF |

### **Bill of Sale and Assignment**

A Bill of Sale and Assumption Agreement will be executed which will convey, transfer and assign the following assets:

1. All of the water well, water treatment, water storage and water distribution system water pipes, valves, fittings and related facilities, inventory, spare parts, supplies and other tangible personal property owned or leased by CBMRMD in connection with its water service operations, including, without limitation, the items described on Exhibit 1 (consisting of one page).
2. All books, records, construction and other warranties, maps, technical documents, manuals, drawings, diagrams, blueprints and schematics related to CBMRMD's Water System and water well facilities.
3. All cash in CBMRMD's Water System operating savings and checking accounts at First Bank, Account Nos. \_\_\_\_\_ and \_\_\_\_\_.
4. All water service and Water System accounts receivable owing to CBMRMD as of \_\_\_\_\_, 2021.
5. Any and all CBMRMD's rights in well permits and registrations located within Douglas County, Colorado and being more particularly described on Exhibit \_\_\_\_\_, as attached hereto.
6. All of CBMRMD's right, title and interest in the decrees entered in Case Nos. \_\_\_\_\_ and \_\_\_\_\_, District Court for Water Division No. 1.
7. Any other personal property, tangible or intangible owned by CBMRMD and which is a part of its Water System and water service operations.

### **Statement of No Opposition**

Upon closing of the IGA, CBMRMD will execute a Statement of No Opposition agreeing not to file statements of opposition or otherwise participate as a party in certain water court applications that the Town may file.

## **Post-Closing Items**

### **Insurance for Newly Acquired Facilities**

All acquired facilities will need to be added to the Town's insurance policy. This can be done in conjunction with adding fixed assets to the Town's fixed asset list.

### **Add to Asset List with Finance**

The water treatment plant, both wells, both water storage tanks and the water distribution system will need to be added to the Town's fixed asset list, apply values and set depreciation schedules. This will be coordinated with the Town's Finance Department prior to transferring the assets.

## **Operation and Maintenance of Existing Water System**

### **Water Supply**

Water supply operations consist of operating two Denver Basin groundwater wells.

#### **1. Operation of Existing Denver and Arapahoe Wells**

The Denver well was drilled and equipped in \_\_\_\_ and is in relatively good working order. It was last rehabilitated in \_\_\_\_\_. The Arapahoe well is failing and has temporary pumping equipment installed in June 2021. This well will need to be replaced in the near future, but it will be operated with the temporary equipment until the water improvements are completed.

#### **2. Replace Arapahoe Well**

The Arapahoe well will need to be replaced and the timing can be in coordination with improvements to the water treatment plant. Any improvements would begin after October 2022 when the connection between the Town and BMR should be completed.

#### **3. Water Rights Accounting**

Water rights accounting can be integrated into CRW's existing water rights accounting system. CRW's Water Resources Manager will coordinate this work and assign it to a Water Resources Program Analyst.

#### **4. Operator and Plant Maintenance Training**

Training of staff will occur over the course of the first year that the Town takes over ownership of the water system. Training will consist of shadowing and doing hands on training with the contract operator which is the current Certified Operator in



Responsible Charge (ORC) under Colorado Department of Public Health and Environment (CDPHE) Regulation 100.

5. Safety Review of Existing Facilities

A safety audit will be performed within three months of assuming ownership and may involve an outside consultant. This work will be coordinated through Castle Rock Water's (CRW's) Environmental Health and Safety (EHS) Program Manager.

## **Water Treatment**

1. Maintain Existing Process

The existing ion exchange water treatment system will continue to be operated until the connection to the Town's system is completed (projected October 2022). The system currently is operated by a contract operator, ORC Water Professionals, who specialize in providing contracted services for water treatment and water distribution operations. It is intended to maintain these contracted services until the water treatment plant can be shut down for planned improvements (projected shut down in November 2022). CRW will be assigned the contract that currently exists between BMR and ORC and a copy of this contract was provided to the Town for review in August 2021. The contract period covers the period from January 1, 2021 through December 31, 2024.

2. Discharge Backwash to Frac Tank

BMR established a frac tank and pumping operation to allow wastewater from the water treatment process to be captured and disposed of offsite. McDonald Farms was contracted to haul the wastewater to Castle Rock where it is unloaded into the sanitary sewer system for further treatment through the Plum Creek Water Reclamation Authority. Disposal costs have been incurred by Castle Rock at \$6.39/1,000 gallons and charges will be assessed quarterly until such time that the connection from BMR to CRW is complete (projected October 2022).

3. Discharge Permit with Colorado Discharge Permit System

The discharge permit held by BMR will be transferred to Castle Rock at closing when ownership of the water treatment plant is transferred. Castle Rock will maintain the permit; however, it is intended that no discharge will occur except in an emergency situation. Castle Rock will abide by all terms and conditions of the permit. Once upgrades to the water treatment plant are completed, CRW will likely terminate the discharge permit, but the final decision to terminate will depend on the final upgrades to the water treatment plant.

4. Operator and Plant Maintenance Training on Existing Process

Training on the existing BMR water system will occur in the months following execution of the water service IGA. This will be informal training accomplished by shadowing ORC operators one or two days per month as schedules allow.

**5. Safety Review of Existing Facilities**

A safety review of the existing water treatment facility will be performed by CRW's EHS Program Manager. This review will be a comprehensive hazard identification and risk assessment considering environmental health and safety practices.

**6. Plan for Improvements**

The Town plans to improve the water treatment facility by replacing the ion exchange system with a greensand filtration system. The improvements will include a backwash tank with provisions to recycle supernatant and capture treatment residuals for offsite disposal. In addition, the Town will consider increasing plant capacity from its current 0.75 million gallons per day (mgd) rating to upwards of 1 mgd. Finally, the Town will convert the current disinfection process from chlorine to chloramines to be consistent with the disinfection system used across CRW's current system.

## **Water Transmission, Distribution and Storage**

**1. Maintain Existing Operation**

The water transmission and distribution system consist of approximately 12 miles of 8-inch diameter PVC pipes and 3 miles of 12-inch diameter PVC pipes. The system is divided into three pressure zones through the use of seven pressure reducing valves (PRV) buried in vaults throughout the system. The water storage system includes two on-ground steel tanks sized at 90,000 gallons and 210,000 gallons. Operation of the distribution system will be maintained through contract operations with ORC until the connection to the Town's water system is completed. At that time, CRW's Operations Division will assume responsibility for day-to-day operations.

**2. Repairs**

Distribution system repairs will be performed using CRW's Field Service team or will be contracted out depending on the workload. Repairs will be handled just like any other piping repair in the Town's system.

**3. Tank Cleaning**

To maintain the high quality of water being delivered to the distribution system by our water treatment plants, water storage tanks are inspected quarterly by our



operations team and further are cleaned by our operations team and inspected by our engineering team every two to three years. The Town's standard operating procedure for tank cleaning will be followed.

#### **4. Incorporate Valves and Hydrants into Maintenance Program**

Water system valves and fire hydrants are inspected and exercised once per year. Valves must be inspected and exercised routinely to ensure they are accessible and operational. Additionally, it is imperative that these valves are in the proper position to ensure water quality is not compromised and that adequate fire flow is available in an emergency. Hydrant maintenance includes inspecting all external parts for damage, operating the hydrant and measuring the flow, lubricating all moving internal parts and painting the exterior when necessary. PRVs also require periodic inspection and maintenance. PRVs are checked quarterly. This infrastructure will need to be incorporated into the annual program.

#### **5. Field Services Training on Existing Assets**

Training will be needed for staff to learn the existing distribution system. Integrating the mapping into the Town's GIS will be critical for locating assets in the field. Initially, paper maps may be necessary to field locate assets. Ultimately, these assets will be added to Cartegraph.

#### **6. Safety Review of Existing Facilities**

A safety review of the existing facilities will be performed by CRW's EHS Program Manager. This review will be a comprehensive hazard identification and risk assessment considering environmental health and safety practices.

#### **7. Utility Locaters Review of Existing Facilities**

Utility mapping will be needed in order for locaters to be able to perform their work. Locate requests are currently routed through Colorado 811 and performed by a contractor. Once CRW takes over the system, CRW locaters will perform the locates based on mapping that will be added to CRW's GIS. Mapping BMR assets will occur after Town Council approval of the agreement and prior to taking ownership of the system.

### **Customer Service, Billing and Financial Management**

#### **Customer Outreach – New Customer Welcome Email**

Customer outreach will be needed to explain the transition to CRW. Customers will need to understand what the bills will look like, fixed charges and water budget charges, extra-territorial charges, etc. Customers will also need to know who to contact with

questions/concerns. Outreach will be needed when meters are converted to CRW technology and appointments will be needed in order to access homes to change water meters and add MXUs for meter reading. Customers will also need to be provided with the outdoor watering schedule going forward as well as the rules regarding violations of the schedule.

### **Set Up Customer Accounts**

Customer accounts will need to be set up in Billmaster (and later Northstar once conversion takes place).

### **Customer Service Inquiries**

Customer service staff will need training on the BMR area and extra-territorial charges.

### **Meter Reading**

#### **1. Interim**

Current meters are not compatible with CRW meter reading technology. CRW uses Sensus meters. The current contractor, ADD CONTRACTOR NAME HERE, will continue to read meters until meters can be changed. An import process will need to be developed to import meter reads into Billmaster. We can likely modify an import process already in use.

#### **2. Future**

Meters will need to be converted to the same infrastructure and technology used by CRW. An additional meter reading route will need to be added to CRW's system.

### **Billing**

Customer Billing will need help from GIS to determine irrigated areas for all new accounts so water budgets can be created. Billing will also need historical consumption for all customers so an Average Winter Monthly Consumption (AWMC) can be established for all customers. An AWMC process for snowbirds will also need to be established in BMR since these customers do not have wastewater service. New rates will need to be created in order to incorporate extra-territorial charges.

### **Reimbursement of Engineering Costs from County**

The Town will coordinate with Douglas County and seek reimbursement for engineering costs associated with the water improvements (pump station and pipeline). These costs are estimated to be in the range of \$250,000 to \$300,000. CBMRMD will be credited for any costs incurred by them and reimbursed by Douglas County.



### **Incorporate Customers and Assets into Annual Rates and Fees Study**

The additional customers (~325) and all fixed assets will be included in future rates and fees studies beginning the year in which the Town takes over the water system.

### **Annual Letter to CBMRMD on Rates and Fees Changes**

Upon approval of the rates and fees study each year, CRW will send a letter to CBMRMD notifying them of any changes in rates and fees. This letter typically will be issued in November of each year. Outreach to individual customers on rates and fees changes will be consistent with any outreach that CRW does with customers in the Town.

### **Review and Action on Existing Contracts**

CRW will be assigned existing contracts, which primarily is the operating contract with ORC Water Professionals Inc. This contract was executed on June 4, 2021 and covers the period from January 1, 2021 through December 31, 2024. This agreement includes a paragraph on BMRMD's intent to dissolve and either assign the agreement to CRW or terminate it. It is preferred to maintain this contract until the connection is complete and maybe even extend it beyond that period to honor the agreement end date of December 31, 2024. Other contracts may include a hauling agreement with McDonald Farms for wastewater disposal from the water treatment plant, chemical suppliers or other.

### **Annual Review of Financial Situation and Reconciliation**

1. Interim Finance Charge – The Interim Finance Charge will be reviewed after completion of the connection between CRW and BMR. Based on the actual costs of the construction of the connection and water improvements associated with the connection, CRW develop a final finance charge. Customer outreach will be performed to all customers explaining the final cost of the connection and the resulting change in the finance charge. CBMRMD will also be provided with a complete accounting of the change to the finance charge and the Final Finance Charge.
2. Final Finance Charge – The Final Finance Charge will be reviewed annually to make sure that actual revenues are consistent with the revenues needed to pay off the financed improvements and system development fees over a 30-year period at an interest rate of 2.54%. Any needed changes to the Final Finance Charge to maintain this payoff schedule will be communicated to customers and to CBMRMD ahead of any changes. Changes to the Final Finance Charge will be performed at

the same time that any changes are made to overall rates and fees consistent with Town wide changes to rates and fees.

## **Bell Mountain Connection to Town and Related Upgrades**

### **Contracting and Coordination with The Ridge**

The Town will coordinate with The Ridge development and contract engineering and construction work for the pump station, pipeline and water storage tank.

### **CBMRMD Input to Project**

Throughout design and construction of the water improvements, the Town will keep CBMRMD involved and actively seek input on the improvements. Monthly progress meetings will be held during design and weekly progress meetings will be held onsite during construction. CBMRMD will have the opportunity to provide input at these meetings and will be included in design submittal reviews.

### **Design**

Design of the improvements will be performed by WSB Engineering, who has been engaged in the preliminary engineering since inception of the project. The Town will contract with WSB once the Water Service Agreement (WSA) between CBMRMD and the Town is executed and the Town executes a Development Agreement Amendment with The Ridge.

### **Construction**

Award of a construction contract for the improvements will be based on a bidding process to be conducted by the Town, consistent with the process used by CRW for all other Town projects. The water improvements plus the water storage tank will be bid as a package or will be bid separately depending on recommendations from WSB Engineering and CRW's staff as to what will be the best approach for obtaining the best pricing. Bidding will be coordinated with WSB Engineering, The Ridge and CBMRMD.

### **Operation and Maintenance**

The Town will assume operation and maintenance responsibilities of all water system assets once the assets are conveyed to the Town.



## **Engineering, Water Resources and Environmental Health and Safety**

### **Add Water Rights to Portfolio and Plan to Adjudicate Septic Tank Return Flows**

The Denver Basin groundwater rights acquired through this agreement will be added to the Town's groundwater portfolio. These rights will also be incorporated into the Town's master well field. In addition, CRW will work with our water right's consultant to quantify septic tank return flows and our water rights attorney to file a water court case to adjudicate the quantified septic tank return flows.

### **Emergency Response Plan**

CRW's Emergency Response Plan will be updated to incorporate the BMR water system into the plan. This will occur within 1 year of taking over the BMR system.

### **Water Quality Monitoring Plan**

The Water Monitoring Plan submitted to CDPHE will be revised within 30 days of taking ownership of the BMR water system and will be submitted to CDPHE for their record. Sample collection will be adjusted to incorporate the BMR distribution system into CRW's overall sampling scheme.

### **Map of Service Territory**

CRW's service area will expand to include BMR and the mapping will be expanded to include this geographic area. The Town's Geographic Information System (GIS) will be updated to include BMR's water infrastructure based on construction drawings and record drawings provided by BMR. Future aerial surveys will include BMR and customer accounts will need to be revised to reflect irrigated areas and types of vegetation.

### **Future Capital Planning**

Planned improvements in BMR will be incorporated into CRW's capital planning and budgeting. Improvements include upgrading the water treatment plant to include a greensand filtration process and backwash holding/recycling and conversion to chloramine disinfection. The existing Arapahoe well will need to be replaced and additional wells are planned. Also, a new raw water line is planned to connect the existing wells in BMR in which CRW has ownership to the water treatment plant. Other planned improvements include repair and/or replacement of existing infrastructure based on condition assessment, risk of failure and age of asset.

### **Water Supply / Demand Model**

The Town's water supply and demand model will be updated to include BMR's existing and future water supply and demand.

### **Master Plans for Water / Water Resources**

Master plans for water and water resources will be updated to include BMR.

### **Water Use Management Plan and Water Monitoring**

The Town's Water Use Management Plan will apply to BMR once CRW assumes ownership and operation. This will include regular monitoring of water use during the irrigation season (May 1 – Sep 30) and customer education visits by water monitors to help the community adjust to the Town's watering schedule and water conservation requirements. In addition, the irrigation schedule and information about the program will be sent directly to each customer ahead of irrigation season.

## **Records Management**

### **Integrate Mapping and Assets into Geographic Information System (GIS)**

The Town's GIS will be updated to include BMR's water infrastructure based on construction drawings and record drawings provided by BMR. Future aerial surveys will include BMR and customer accounts will need to be revised to reflect irrigated areas and types of vegetation.

### **Customer Billing**

Customer information will be entered into the Town's billing software and billing records will be maintained in perpetuity once the account is established. Past billing records prior to CRW assuming ownership will not be imported into the Town's billing system, but electronic records could be saved on file for future reference, if they are available.

### **Permit Documents**

BMR permit documents include documents associated with the Colorado Discharge Permit System issued by the State of Colorado for BMR's outfall from the water treatment plant. These documents were provided by BMR and will be kept on file for future reference; however, it is intended that CRW will cancel this permit once upgrades to the water treatment plant have been completed. Permits for wells will be maintained by CRW going forward.

### **Legal Documents**

Legal documents will be maintained in perpetuity and stored on the Town's business network.



### **Operation & Maintenance Manuals**

Operation and maintenance manuals will be gathered from BMR and scanned or additional copies will be obtained electronically via internet search and added to the Town's SharePoint site for O&M manuals.

## **Future Water Improvements**

### **Meter Replacement Program**

The existing meters at BMR are not compatible with CRW's automated meter reading (AMR) program and will need to be replaced. A rough estimate to replace the Badger meters with Sensus meters to be compatible with CRW's metering network is around \$150k to \$200k based on using either iPerl meters or Ally meters. CRW is planning to upgrade to Advanced Metering Infrastructure (AMI) starting in 2022, and the BMR area will be included in this upgrade.

### **Add Existing Wells to Denver Well Rehab Plan**

The existing wells at BMR will be incorporated into CRW's well rehabilitation program. The Arapahoe well has failed and will need to be replaced. The Denver well was last rehabbed in \_\_\_\_\_. Rehabilitation is planned for every three to five years.

### **Water Treatment Plant Improvements**

In order to continue operating the water treatment plant, it will need to be modified to a greensand filtration process with backwash recycling capability (zero liquid discharge). In addition, the water treatment plant will need to be converted to use chloramines for disinfection. CRW completed a study to identify the process changes and provide a budgetary estimate for implementing these changes and increasing the treatment capacity to 1.3 million gallons per day. The cost estimate for this work is approximately \$4.2M.

### **SCADA Upgrades**

The Supervisory Control and Data Acquisition (SCADA) system will need to be integrated into CRW's SCADA network. This will require both hardware and software upgrades. A scope of work and cost estimate will be prepared after Town Council approval of the service agreement, and the work will be planned to coincide with the water treatment plant improvements. With the addition of a new water storage tank, the SCADA controls for the pumping and storage operation will be integrated into CRW's network with that project.

**Connect Town's BMR wells to WTP**

The wells currently owned by CRW will be connected to the existing water treatment plant through a new raw water pipeline to be constructed through Glade Gulch to the water treatment plant. This pipeline will be timed in coordination of the water treatment plant improvements.

**Drill Additional Well(s)**

Additional wells are planned to be developed based on how the water treatment plant can be expanded and/or how raw water lines can be constructed to connect to the Town's raw water system. This could include connecting to the existing pipeline that goes to East Plum Creek.

**Complete Redundant Connection to BMR**

A second interconnect between the Town's water distribution system and BMR's system is planned to be made through Glade Gulch Circle, through an existing dedicated well property (owned by Castle Rock Investment Properties, LLC) and will tie into the water main in The Ridge development. The Town will have to either purchase the well property or acquire an easement. This will be done as a future capital improvement funded through rates and fees spread across all of the Town's water customers.

**Future Potential Water Plant Expansion**

CRW will be getting a 3.35-acre piece of land across from the existing water treatment plant for a potential future expansion of that plant. This location will be incorporated into CRW's long term planning for potential development in the future.

**References:**

1. Water Research Foundation. (2013), *Business Continuity Planning for Water Utilities: Guidance Document*.
2. Douglas County Geographic Information Systems (GIS), DC Maps application.
3. Rothburg, Tamburini and Winsor, Inc. (May 2008), *Bell Mountain Ranch Water System Analysis Report*.
4. Wright Water Engineers, Inc. (December 2019), Bell Mountain Ranch Metropolitan District, *Town of Castle Rock Water System Connection Options*.
5. Burns & McDonnell Engineers. August 24, 2020, *Bell Mountain Ranch Water Treatment Study: 1.3 MGD*.



EXHIBIT Q - AMORTIZATION SCHEDULE

## Bell Mountain Ranch Amortization Schedule

Loan Amount       \$     6,354,065  
Interest Rate       2.54%  
Months             360  
Payments           \$25,239

| Period | Beginning<br>Balance | Payment  | Principal   | Interest  | Cumulative<br>Principal | Cumulative<br>Interest | Ending<br>Balance |
|--------|----------------------|----------|-------------|-----------|-------------------------|------------------------|-------------------|
| Feb-22 | \$ 6,354,065         | \$25,239 | \$11,789.14 | \$ 13,449 | \$0                     | \$ -                   | \$ 6,342,276      |
| Mar-22 | \$ 6,342,276         | \$25,239 | \$11,814.10 | \$ 13,424 | \$11,789                | \$ 13,424              | \$ 6,330,462      |
| Apr-22 | \$ 6,330,462         | \$25,239 | \$11,839.10 | \$ 13,399 | \$23,603                | \$ 26,824              | \$ 6,318,623      |
| May-22 | \$ 6,318,623         | \$25,239 | \$11,864.16 | \$ 13,374 | \$35,442                | \$ 40,198              | \$ 6,306,758      |
| Jun-22 | \$ 6,306,758         | \$25,239 | \$11,889.27 | \$ 13,349 | \$47,307                | \$ 53,548              | \$ 6,294,869      |
| Jul-22 | \$ 6,294,869         | \$25,239 | \$11,914.44 | \$ 13,324 | \$59,196                | \$ 66,872              | \$ 6,282,955      |
| Jul-22 | \$ 6,282,955         | \$25,239 | \$11,939.66 | \$ 13,299 | \$71,110                | \$ 80,171              | \$ 6,271,015      |
| Aug-22 | \$ 6,271,015         | \$25,239 | \$11,964.93 | \$ 13,274 | \$83,050                | \$ 93,444              | \$ 6,259,050      |
| Sep-22 | \$ 6,259,050         | \$25,239 | \$11,990.26 | \$ 13,248 | \$95,015                | \$ 106,693             | \$ 6,247,060      |
| Oct-22 | \$ 6,247,060         | \$25,239 | \$12,015.64 | \$ 13,223 | \$107,005               | \$ 119,916             | \$ 6,235,044      |
| Nov-22 | \$ 6,235,044         | \$25,239 | \$12,041.07 | \$ 13,198 | \$119,021               | \$ 133,113             | \$ 6,223,003      |
| Dec-22 | \$ 6,223,003         | \$25,239 | \$12,066.56 | \$ 13,172 | \$131,062               | \$ 146,285             | \$ 6,210,937      |
| Jan-23 | \$ 6,210,937         | \$25,239 | \$12,092.10 | \$ 13,146 | \$143,128               | \$ 159,432             | \$ 6,198,845      |
| Feb-23 | \$ 6,198,845         | \$25,239 | \$12,117.69 | \$ 13,121 | \$155,220               | \$ 172,553             | \$ 6,186,727      |
| Mar-23 | \$ 6,186,727         | \$25,239 | \$12,143.34 | \$ 13,095 | \$167,338               | \$ 185,648             | \$ 6,174,584      |
| Apr-23 | \$ 6,174,584         | \$25,239 | \$12,169.04 | \$ 13,070 | \$179,481               | \$ 198,717             | \$ 6,162,414      |
| May-23 | \$ 6,162,414         | \$25,239 | \$12,194.80 | \$ 13,044 | \$191,651               | \$ 211,761             | \$ 6,150,220      |
| Jun-23 | \$ 6,150,220         | \$25,239 | \$12,220.62 | \$ 13,018 | \$203,845               | \$ 224,779             | \$ 6,137,999      |
| Jul-23 | \$ 6,137,999         | \$25,239 | \$12,246.48 | \$ 12,992 | \$216,066               | \$ 237,771             | \$ 6,125,753      |
| Aug-23 | \$ 6,125,753         | \$25,239 | \$12,272.40 | \$ 12,966 | \$228,312               | \$ 250,737             | \$ 6,113,480      |
| Sep-23 | \$ 6,113,480         | \$25,239 | \$12,298.38 | \$ 12,940 | \$240,585               | \$ 263,678             | \$ 6,101,182      |
| Oct-23 | \$ 6,101,182         | \$25,239 | \$12,324.41 | \$ 12,914 | \$252,883               | \$ 276,592             | \$ 6,088,857      |
| Nov-23 | \$ 6,088,857         | \$25,239 | \$12,350.50 | \$ 12,888 | \$265,208               | \$ 289,480             | \$ 6,076,507      |
| Dec-23 | \$ 6,076,507         | \$25,239 | \$12,376.64 | \$ 12,862 | \$277,558               | \$ 302,342             | \$ 6,064,130      |
| Jan-24 | \$ 6,064,130         | \$25,239 | \$12,402.84 | \$ 12,836 | \$289,935               | \$ 315,177             | \$ 6,051,727      |
| Feb-24 | \$ 6,051,727         | \$25,239 | \$12,429.09 | \$ 12,809 | \$302,338               | \$ 327,987             | \$ 6,039,298      |
| Mar-24 | \$ 6,039,298         | \$25,239 | \$12,455.40 | \$ 12,783 | \$314,767               | \$ 340,770             | \$ 6,026,843      |
| Apr-24 | \$ 6,026,843         | \$25,239 | \$12,481.76 | \$ 12,757 | \$327,222               | \$ 353,527             | \$ 6,014,361      |
| May-24 | \$ 6,014,361         | \$25,239 | \$12,508.18 | \$ 12,730 | \$339,704               | \$ 366,257             | \$ 6,001,853      |
| Jun-24 | \$ 6,001,853         | \$25,239 | \$12,534.66 | \$ 12,704 | \$352,212               | \$ 378,961             | \$ 5,989,318      |
| Jul-24 | \$ 5,989,318         | \$25,239 | \$12,561.19 | \$ 12,677 | \$364,747               | \$ 391,639             | \$ 5,976,757      |
| Aug-24 | \$ 5,976,757         | \$25,239 | \$12,587.78 | \$ 12,651 | \$377,308               | \$ 404,289             | \$ 5,964,169      |
| Sep-24 | \$ 5,964,169         | \$25,239 | \$12,614.42 | \$ 12,624 | \$389,896               | \$ 416,914             | \$ 5,951,555      |
| Oct-24 | \$ 5,951,555         | \$25,239 | \$12,641.12 | \$ 12,597 | \$402,510               | \$ 429,511             | \$ 5,938,914      |
| Nov-24 | \$ 5,938,914         | \$25,239 | \$12,667.88 | \$ 12,571 | \$415,151               | \$ 442,082             | \$ 5,926,246      |
| Dec-24 | \$ 5,926,246         | \$25,239 | \$12,694.69 | \$ 12,544 | \$427,819               | \$ 454,626             | \$ 5,913,551      |
| Jan-25 | \$ 5,913,551         | \$25,239 | \$12,721.56 | \$ 12,517 | \$440,514               | \$ 467,143             | \$ 5,900,830      |
| Feb-25 | \$ 5,900,830         | \$25,239 | \$12,748.49 | \$ 12,490 | \$453,235               | \$ 479,633             | \$ 5,888,081      |
| Mar-25 | \$ 5,888,081         | \$25,239 | \$12,775.47 | \$ 12,463 | \$465,984               | \$ 492,096             | \$ 5,875,306      |
| Apr-25 | \$ 5,875,306         | \$25,239 | \$12,802.52 | \$ 12,436 | \$478,759               | \$ 504,532             | \$ 5,862,503      |
| May-25 | \$ 5,862,503         | \$25,239 | \$12,829.61 | \$ 12,409 | \$491,562               | \$ 516,941             | \$ 5,849,674      |
| Jun-25 | \$ 5,849,674         | \$25,239 | \$12,856.77 | \$ 12,382 | \$504,391               | \$ 529,323             | \$ 5,836,817      |
| Jul-25 | \$ 5,836,817         | \$25,239 | \$12,883.98 | \$ 12,355 | \$517,248               | \$ 541,677             | \$ 5,823,933      |



| Period | Beginning<br>Balance | Payment  | Principal   | Interest  | Cumulative<br>Principal | Cumulative<br>Interest | Ending<br>Balance |
|--------|----------------------|----------|-------------|-----------|-------------------------|------------------------|-------------------|
| Aug-25 | \$ 5,823,933         | \$25,239 | \$12,911.26 | \$ 12,327 | \$530,132               | \$ 554,005             | \$ 5,811,022      |
| Sep-25 | \$ 5,811,022         | \$25,239 | \$12,938.58 | \$ 12,300 | \$543,043               | \$ 566,305             | \$ 5,798,083      |
| Oct-25 | \$ 5,798,083         | \$25,239 | \$12,965.97 | \$ 12,273 | \$555,982               | \$ 578,577             | \$ 5,785,117      |
| Nov-25 | \$ 5,785,117         | \$25,239 | \$12,993.42 | \$ 12,245 | \$568,948               | \$ 590,822             | \$ 5,772,124      |
| Dec-25 | \$ 5,772,124         | \$25,239 | \$13,020.92 | \$ 12,218 | \$581,941               | \$ 603,040             | \$ 5,759,103      |
| Jan-26 | \$ 5,759,103         | \$25,239 | \$13,048.48 | \$ 12,190 | \$594,962               | \$ 615,230             | \$ 5,746,054      |
| Feb-26 | \$ 5,746,054         | \$25,239 | \$13,076.10 | \$ 12,162 | \$608,011               | \$ 627,393             | \$ 5,732,978      |
| Mar-26 | \$ 5,732,978         | \$25,239 | \$13,103.78 | \$ 12,135 | \$621,087               | \$ 639,527             | \$ 5,719,874      |
| Apr-26 | \$ 5,719,874         | \$25,239 | \$13,131.51 | \$ 12,107 | \$634,191               | \$ 651,635             | \$ 5,706,743      |
| May-26 | \$ 5,706,743         | \$25,239 | \$13,159.31 | \$ 12,079 | \$647,322               | \$ 663,714             | \$ 5,693,583      |
| Jun-26 | \$ 5,693,583         | \$25,239 | \$13,187.16 | \$ 12,051 | \$660,481               | \$ 675,765             | \$ 5,680,396      |
| Jul-26 | \$ 5,680,396         | \$25,239 | \$13,215.07 | \$ 12,024 | \$673,669               | \$ 687,789             | \$ 5,667,181      |
| Aug-26 | \$ 5,667,181         | \$25,239 | \$13,243.05 | \$ 11,996 | \$686,884               | \$ 699,784             | \$ 5,653,938      |
| Sep-26 | \$ 5,653,938         | \$25,239 | \$13,271.08 | \$ 11,968 | \$700,127               | \$ 711,752             | \$ 5,640,667      |
| Oct-26 | \$ 5,640,667         | \$25,239 | \$13,299.17 | \$ 11,939 | \$713,398               | \$ 723,691             | \$ 5,627,368      |
| Nov-26 | \$ 5,627,368         | \$25,239 | \$13,327.32 | \$ 11,911 | \$726,697               | \$ 735,602             | \$ 5,614,041      |
| Dec-26 | \$ 5,614,041         | \$25,239 | \$13,355.53 | \$ 11,883 | \$740,024               | \$ 747,486             | \$ 5,600,685      |
| Jan-27 | \$ 5,600,685         | \$25,239 | \$13,383.80 | \$ 11,855 | \$753,380               | \$ 759,340             | \$ 5,587,301      |
| Feb-27 | \$ 5,587,301         | \$25,239 | \$13,412.13 | \$ 11,826 | \$766,764               | \$ 771,167             | \$ 5,573,889      |
| Mar-27 | \$ 5,573,889         | \$25,239 | \$13,440.51 | \$ 11,798 | \$780,176               | \$ 782,965             | \$ 5,560,449      |
| Apr-27 | \$ 5,560,449         | \$25,239 | \$13,468.96 | \$ 11,770 | \$793,616               | \$ 794,734             | \$ 5,546,980      |
| May-27 | \$ 5,546,980         | \$25,239 | \$13,497.47 | \$ 11,741 | \$807,085               | \$ 806,476             | \$ 5,533,482      |
| Jun-27 | \$ 5,533,482         | \$25,239 | \$13,526.04 | \$ 11,713 | \$820,583               | \$ 818,188             | \$ 5,519,956      |
| Jul-27 | \$ 5,519,956         | \$25,239 | \$13,554.67 | \$ 11,684 | \$834,109               | \$ 829,872             | \$ 5,506,402      |
| Aug-27 | \$ 5,506,402         | \$25,239 | \$13,583.36 | \$ 11,655 | \$847,663               | \$ 841,527             | \$ 5,492,818      |
| Sep-27 | \$ 5,492,818         | \$25,239 | \$13,612.11 | \$ 11,626 | \$861,247               | \$ 853,154             | \$ 5,479,206      |
| Oct-27 | \$ 5,479,206         | \$25,239 | \$13,640.93 | \$ 11,598 | \$874,859               | \$ 864,751             | \$ 5,465,565      |
| Nov-27 | \$ 5,465,565         | \$25,239 | \$13,669.80 | \$ 11,569 | \$888,500               | \$ 876,320             | \$ 5,451,895      |
| Dec-27 | \$ 5,451,895         | \$25,239 | \$13,698.73 | \$ 11,540 | \$902,170               | \$ 887,860             | \$ 5,438,197      |
| Jan-28 | \$ 5,438,197         | \$25,239 | \$13,727.73 | \$ 11,511 | \$915,868               | \$ 899,371             | \$ 5,424,469      |
| Jan-28 | \$ 5,424,469         | \$25,239 | \$13,756.79 | \$ 11,482 | \$929,596               | \$ 910,853             | \$ 5,410,712      |
| Mar-28 | \$ 5,410,712         | \$25,239 | \$13,785.91 | \$ 11,453 | \$943,353               | \$ 922,305             | \$ 5,396,926      |
| Mar-28 | \$ 5,396,926         | \$25,239 | \$13,815.09 | \$ 11,423 | \$957,139               | \$ 933,729             | \$ 5,383,111      |
| Apr-28 | \$ 5,383,111         | \$25,239 | \$13,844.33 | \$ 11,394 | \$970,954               | \$ 945,123             | \$ 5,369,267      |
| May-28 | \$ 5,369,267         | \$25,239 | \$13,873.63 | \$ 11,365 | \$984,798               | \$ 956,488             | \$ 5,355,393      |
| Jun-28 | \$ 5,355,393         | \$25,239 | \$13,903.00 | \$ 11,336 | \$998,672               | \$ 967,824             | \$ 5,341,490      |
| Jul-28 | \$ 5,341,490         | \$25,239 | \$13,932.43 | \$ 11,306 | \$1,012,575             | \$ 979,130             | \$ 5,327,558      |
| Aug-28 | \$ 5,327,558         | \$25,239 | \$13,961.92 | \$ 11,277 | \$1,026,507             | \$ 990,406             | \$ 5,313,596      |
| Sep-28 | \$ 5,313,596         | \$25,239 | \$13,991.47 | \$ 11,247 | \$1,040,469             | \$ 1,001,653           | \$ 5,299,604      |
| Oct-28 | \$ 5,299,604         | \$25,239 | \$14,021.08 | \$ 11,218 | \$1,054,461             | \$ 1,012,871           | \$ 5,285,583      |
| Nov-28 | \$ 5,285,583         | \$25,239 | \$14,050.76 | \$ 11,188 | \$1,068,482             | \$ 1,024,059           | \$ 5,271,532      |
| Dec-28 | \$ 5,271,532         | \$25,239 | \$14,080.50 | \$ 11,158 | \$1,082,533             | \$ 1,035,217           | \$ 5,257,452      |
| Jan-29 | \$ 5,257,452         | \$25,239 | \$14,110.31 | \$ 11,128 | \$1,096,613             | \$ 1,046,345           | \$ 5,243,342      |
| Feb-29 | \$ 5,243,342         | \$25,239 | \$14,140.17 | \$ 11,098 | \$1,110,723             | \$ 1,057,444           | \$ 5,229,201      |
| Mar-29 | \$ 5,229,201         | \$25,239 | \$14,170.10 | \$ 11,068 | \$1,124,863             | \$ 1,068,512           | \$ 5,215,031      |
| Apr-29 | \$ 5,215,031         | \$25,239 | \$14,200.10 | \$ 11,038 | \$1,139,034             | \$ 1,079,551           | \$ 5,200,831      |
| May-29 | \$ 5,200,831         | \$25,239 | \$14,230.15 | \$ 11,008 | \$1,153,234             | \$ 1,090,559           | \$ 5,186,601      |
| Jun-29 | \$ 5,186,601         | \$25,239 | \$14,260.27 | \$ 10,978 | \$1,167,464             | \$ 1,101,537           | \$ 5,172,341      |
| Jul-29 | \$ 5,172,341         | \$25,239 | \$14,290.46 | \$ 10,948 | \$1,181,724             | \$ 1,112,485           | \$ 5,158,050      |
| Aug-29 | \$ 5,158,050         | \$25,239 | \$14,320.71 | \$ 10,918 | \$1,196,015             | \$ 1,123,403           | \$ 5,143,730      |
| Sep-29 | \$ 5,143,730         | \$25,239 | \$14,351.02 | \$ 10,888 | \$1,210,335             | \$ 1,134,291           | \$ 5,129,379      |
| Oct-29 | \$ 5,129,379         | \$25,239 | \$14,381.40 | \$ 10,857 | \$1,224,686             | \$ 1,145,148           | \$ 5,114,997      |
| Nov-29 | \$ 5,114,997         | \$25,239 | \$14,411.84 | \$ 10,827 | \$1,239,068             | \$ 1,155,975           | \$ 5,100,585      |
| Dec-29 | \$ 5,100,585         | \$25,239 | \$14,442.34 | \$ 10,796 | \$1,253,480             | \$ 1,166,771           | \$ 5,086,143      |

| Period | Beginning<br>Balance | Payment  | Principal   | Interest  | Cumulative<br>Principal | Cumulative<br>Interest | Ending<br>Balance |
|--------|----------------------|----------|-------------|-----------|-------------------------|------------------------|-------------------|
| Jan-30 | \$ 5,086,143         | \$25,239 | \$14,472.91 | \$ 10,766 | \$1,267,922             | \$ 1,177,537           | \$ 5,071,670      |
| Feb-30 | \$ 5,071,670         | \$25,239 | \$14,503.54 | \$ 10,735 | \$1,282,395             | \$ 1,188,272           | \$ 5,057,167      |
| Mar-30 | \$ 5,057,167         | \$25,239 | \$14,534.24 | \$ 10,704 | \$1,296,898             | \$ 1,198,976           | \$ 5,042,632      |
| Apr-30 | \$ 5,042,632         | \$25,239 | \$14,565.01 | \$ 10,674 | \$1,311,433             | \$ 1,209,650           | \$ 5,028,067      |
| May-30 | \$ 5,028,067         | \$25,239 | \$14,595.84 | \$ 10,643 | \$1,325,998             | \$ 1,220,292           | \$ 5,013,472      |
| Jun-30 | \$ 5,013,472         | \$25,239 | \$14,626.73 | \$ 10,612 | \$1,340,593             | \$ 1,230,904           | \$ 4,998,845      |
| Jul-30 | \$ 4,998,845         | \$25,239 | \$14,657.69 | \$ 10,581 | \$1,355,220             | \$ 1,241,485           | \$ 4,984,187      |
| Aug-30 | \$ 4,984,187         | \$25,239 | \$14,688.72 | \$ 10,550 | \$1,369,878             | \$ 1,252,035           | \$ 4,969,498      |
| Sep-30 | \$ 4,969,498         | \$25,239 | \$14,719.81 | \$ 10,519 | \$1,384,567             | \$ 1,262,554           | \$ 4,954,779      |
| Oct-30 | \$ 4,954,779         | \$25,239 | \$14,750.97 | \$ 10,488 | \$1,399,286             | \$ 1,273,041           | \$ 4,940,028      |
| Nov-30 | \$ 4,940,028         | \$25,239 | \$14,782.19 | \$ 10,456 | \$1,414,037             | \$ 1,283,498           | \$ 4,925,245      |
| Dec-30 | \$ 4,925,245         | \$25,239 | \$14,813.48 | \$ 10,425 | \$1,428,820             | \$ 1,293,923           | \$ 4,910,432      |
| Jan-31 | \$ 4,910,432         | \$25,239 | \$14,844.83 | \$ 10,394 | \$1,443,633             | \$ 1,304,317           | \$ 4,895,587      |
| Feb-31 | \$ 4,895,587         | \$25,239 | \$14,876.25 | \$ 10,362 | \$1,458,478             | \$ 1,314,679           | \$ 4,880,711      |
| Mar-31 | \$ 4,880,711         | \$25,239 | \$14,907.74 | \$ 10,331 | \$1,473,354             | \$ 1,325,010           | \$ 4,865,803      |
| Apr-31 | \$ 4,865,803         | \$25,239 | \$14,939.30 | \$ 10,299 | \$1,488,262             | \$ 1,335,309           | \$ 4,850,864      |
| May-31 | \$ 4,850,864         | \$25,239 | \$14,970.92 | \$ 10,268 | \$1,503,201             | \$ 1,345,577           | \$ 4,835,893      |
| Jun-31 | \$ 4,835,893         | \$25,239 | \$15,002.61 | \$ 10,236 | \$1,518,172             | \$ 1,355,813           | \$ 4,820,890      |
| Jul-31 | \$ 4,820,890         | \$25,239 | \$15,034.36 | \$ 10,204 | \$1,533,175             | \$ 1,366,017           | \$ 4,805,856      |
| Aug-31 | \$ 4,805,856         | \$25,239 | \$15,066.18 | \$ 10,172 | \$1,548,209             | \$ 1,376,189           | \$ 4,790,790      |
| Sep-31 | \$ 4,790,790         | \$25,239 | \$15,098.07 | \$ 10,141 | \$1,563,275             | \$ 1,386,330           | \$ 4,775,692      |
| Oct-31 | \$ 4,775,692         | \$25,239 | \$15,130.03 | \$ 10,109 | \$1,578,373             | \$ 1,396,438           | \$ 4,760,562      |
| Nov-31 | \$ 4,760,562         | \$25,239 | \$15,162.06 | \$ 10,077 | \$1,593,503             | \$ 1,406,515           | \$ 4,745,400      |
| Dec-31 | \$ 4,745,400         | \$25,239 | \$15,194.15 | \$ 10,044 | \$1,608,665             | \$ 1,416,559           | \$ 4,730,205      |
| Jan-32 | \$ 4,730,205         | \$25,239 | \$15,226.31 | \$ 10,012 | \$1,623,860             | \$ 1,426,572           | \$ 4,714,979      |
| Feb-32 | \$ 4,714,979         | \$25,239 | \$15,258.54 | \$ 9,980  | \$1,639,086             | \$ 1,436,552           | \$ 4,699,721      |
| Mar-32 | \$ 4,699,721         | \$25,239 | \$15,290.84 | \$ 9,948  | \$1,654,344             | \$ 1,446,499           | \$ 4,684,430      |
| Apr-32 | \$ 4,684,430         | \$25,239 | \$15,323.20 | \$ 9,915  | \$1,669,635             | \$ 1,456,415           | \$ 4,669,107      |
| May-32 | \$ 4,669,107         | \$25,239 | \$15,355.64 | \$ 9,883  | \$1,684,958             | \$ 1,466,298           | \$ 4,653,751      |
| Jun-32 | \$ 4,653,751         | \$25,239 | \$15,388.14 | \$ 9,850  | \$1,700,314             | \$ 1,476,148           | \$ 4,638,363      |
| Jul-32 | \$ 4,638,363         | \$25,239 | \$15,420.71 | \$ 9,818  | \$1,715,702             | \$ 1,485,966           | \$ 4,622,942      |
| Aug-32 | \$ 4,622,942         | \$25,239 | \$15,453.35 | \$ 9,785  | \$1,731,123             | \$ 1,495,751           | \$ 4,607,489      |
| Sep-32 | \$ 4,607,489         | \$25,239 | \$15,486.06 | \$ 9,753  | \$1,746,576             | \$ 1,505,504           | \$ 4,592,003      |
| Oct-32 | \$ 4,592,003         | \$25,239 | \$15,518.84 | \$ 9,720  | \$1,762,062             | \$ 1,515,223           | \$ 4,576,484      |
| Nov-32 | \$ 4,576,484         | \$25,239 | \$15,551.69 | \$ 9,687  | \$1,777,581             | \$ 1,524,910           | \$ 4,560,932      |
| Dec-32 | \$ 4,560,932         | \$25,239 | \$15,584.61 | \$ 9,654  | \$1,793,133             | \$ 1,534,564           | \$ 4,545,348      |
| Jan-33 | \$ 4,545,348         | \$25,239 | \$15,617.59 | \$ 9,621  | \$1,808,717             | \$ 1,544,185           | \$ 4,529,730      |
| Feb-33 | \$ 4,529,730         | \$25,239 | \$15,650.65 | \$ 9,588  | \$1,824,335             | \$ 1,553,773           | \$ 4,514,079      |
| Mar-33 | \$ 4,514,079         | \$25,239 | \$15,683.78 | \$ 9,555  | \$1,839,986             | \$ 1,563,328           | \$ 4,498,396      |
| Apr-33 | \$ 4,498,396         | \$25,239 | \$15,716.98 | \$ 9,522  | \$1,855,669             | \$ 1,572,850           | \$ 4,482,679      |
| May-33 | \$ 4,482,679         | \$25,239 | \$15,750.24 | \$ 9,488  | \$1,871,386             | \$ 1,582,338           | \$ 4,466,928      |
| Jun-33 | \$ 4,466,928         | \$25,239 | \$15,783.58 | \$ 9,455  | \$1,887,137             | \$ 1,591,793           | \$ 4,451,145      |
| Jul-33 | \$ 4,451,145         | \$25,239 | \$15,816.99 | \$ 9,422  | \$1,902,920             | \$ 1,601,215           | \$ 4,435,328      |
| Aug-33 | \$ 4,435,328         | \$25,239 | \$15,850.47 | \$ 9,388  | \$1,918,737             | \$ 1,610,603           | \$ 4,419,477      |
| Sep-33 | \$ 4,419,477         | \$25,239 | \$15,884.02 | \$ 9,355  | \$1,934,588             | \$ 1,619,957           | \$ 4,403,593      |
| Oct-33 | \$ 4,403,593         | \$25,239 | \$15,917.64 | \$ 9,321  | \$1,950,472             | \$ 1,629,278           | \$ 4,387,676      |
| Oct-33 | \$ 4,387,676         | \$25,239 | \$15,951.33 | \$ 9,287  | \$1,966,389             | \$ 1,638,565           | \$ 4,371,724      |
| Nov-33 | \$ 4,371,724         | \$25,239 | \$15,985.10 | \$ 9,253  | \$1,982,341             | \$ 1,647,819           | \$ 4,355,739      |
| Dec-33 | \$ 4,355,739         | \$25,239 | \$16,018.93 | \$ 9,220  | \$1,998,326             | \$ 1,657,039           | \$ 4,339,720      |
| Jan-34 | \$ 4,339,720         | \$25,239 | \$16,052.84 | \$ 9,186  | \$2,014,345             | \$ 1,666,224           | \$ 4,323,667      |
| Feb-34 | \$ 4,323,667         | \$25,239 | \$16,086.82 | \$ 9,152  | \$2,030,398             | \$ 1,675,376           | \$ 4,307,581      |
| Mar-34 | \$ 4,307,581         | \$25,239 | \$16,120.87 | \$ 9,118  | \$2,046,484             | \$ 1,684,494           | \$ 4,291,460      |
| Apr-34 | \$ 4,291,460         | \$25,239 | \$16,154.99 | \$ 9,084  | \$2,062,605             | \$ 1,693,577           | \$ 4,275,305      |
| May-34 | \$ 4,275,305         | \$25,239 | \$16,189.19 | \$ 9,049  | \$2,078,760             | \$ 1,702,627           | \$ 4,259,116      |



| Period | Beginning<br>Balance | Payment  | Principal   | Interest | Cumulative<br>Principal | Cumulative<br>Interest | Ending<br>Balance |
|--------|----------------------|----------|-------------|----------|-------------------------|------------------------|-------------------|
| Jun-34 | \$ 4,259,116         | \$25,239 | \$16,223.45 | \$ 9,015 | \$2,094,949             | \$ 1,711,642           | \$ 4,242,892      |
| Jul-34 | \$ 4,242,892         | \$25,239 | \$16,257.79 | \$ 8,981 | \$2,111,173             | \$ 1,720,623           | \$ 4,226,634      |
| Aug-34 | \$ 4,226,634         | \$25,239 | \$16,292.20 | \$ 8,946 | \$2,127,431             | \$ 1,729,569           | \$ 4,210,342      |
| Sep-34 | \$ 4,210,342         | \$25,239 | \$16,326.69 | \$ 8,912 | \$2,143,723             | \$ 1,738,481           | \$ 4,194,015      |
| Oct-34 | \$ 4,194,015         | \$25,239 | \$16,361.25 | \$ 8,877 | \$2,160,050             | \$ 1,747,358           | \$ 4,177,654      |
| Nov-34 | \$ 4,177,654         | \$25,239 | \$16,395.88 | \$ 8,843 | \$2,176,411             | \$ 1,756,201           | \$ 4,161,258      |
| Dec-34 | \$ 4,161,258         | \$25,239 | \$16,430.58 | \$ 8,808 | \$2,192,807             | \$ 1,765,009           | \$ 4,144,828      |
| Jan-35 | \$ 4,144,828         | \$25,239 | \$16,465.36 | \$ 8,773 | \$2,209,237             | \$ 1,773,782           | \$ 4,128,362      |
| Feb-35 | \$ 4,128,362         | \$25,239 | \$16,500.21 | \$ 8,738 | \$2,225,703             | \$ 1,782,521           | \$ 4,111,862      |
| Mar-35 | \$ 4,111,862         | \$25,239 | \$16,535.14 | \$ 8,703 | \$2,242,203             | \$ 1,791,224           | \$ 4,095,327      |
| Apr-35 | \$ 4,095,327         | \$25,239 | \$16,570.14 | \$ 8,668 | \$2,258,738             | \$ 1,799,892           | \$ 4,078,757      |
| May-35 | \$ 4,078,757         | \$25,239 | \$16,605.21 | \$ 8,633 | \$2,275,308             | \$ 1,808,526           | \$ 4,062,152      |
| Jun-35 | \$ 4,062,152         | \$25,239 | \$16,640.36 | \$ 8,598 | \$2,291,913             | \$ 1,817,124           | \$ 4,045,511      |
| Jul-35 | \$ 4,045,511         | \$25,239 | \$16,675.58 | \$ 8,563 | \$2,308,554             | \$ 1,825,687           | \$ 4,028,836      |
| Aug-35 | \$ 4,028,836         | \$25,239 | \$16,710.88 | \$ 8,528 | \$2,325,229             | \$ 1,834,215           | \$ 4,012,125      |
| Sep-35 | \$ 4,012,125         | \$25,239 | \$16,746.25 | \$ 8,492 | \$2,341,940             | \$ 1,842,707           | \$ 3,995,379      |
| Oct-35 | \$ 3,995,379         | \$25,239 | \$16,781.70 | \$ 8,457 | \$2,358,686             | \$ 1,851,164           | \$ 3,978,597      |
| Nov-35 | \$ 3,978,597         | \$25,239 | \$16,817.22 | \$ 8,421 | \$2,375,468             | \$ 1,859,585           | \$ 3,961,780      |
| Dec-35 | \$ 3,961,780         | \$25,239 | \$16,852.81 | \$ 8,386 | \$2,392,285             | \$ 1,867,971           | \$ 3,944,927      |
| Jan-36 | \$ 3,944,927         | \$25,239 | \$16,888.48 | \$ 8,350 | \$2,409,138             | \$ 1,876,321           | \$ 3,928,038      |
| Feb-36 | \$ 3,928,038         | \$25,239 | \$16,924.23 | \$ 8,314 | \$2,426,027             | \$ 1,884,635           | \$ 3,911,114      |
| Mar-36 | \$ 3,911,114         | \$25,239 | \$16,960.06 | \$ 8,279 | \$2,442,951             | \$ 1,892,914           | \$ 3,894,154      |
| Apr-36 | \$ 3,894,154         | \$25,239 | \$16,995.95 | \$ 8,243 | \$2,459,911             | \$ 1,901,157           | \$ 3,877,158      |
| May-36 | \$ 3,877,158         | \$25,239 | \$17,031.93 | \$ 8,207 | \$2,476,907             | \$ 1,909,363           | \$ 3,860,126      |
| Jun-36 | \$ 3,860,126         | \$25,239 | \$17,067.98 | \$ 8,171 | \$2,493,939             | \$ 1,917,534           | \$ 3,843,058      |
| Jul-36 | \$ 3,843,058         | \$25,239 | \$17,104.11 | \$ 8,134 | \$2,511,007             | \$ 1,925,668           | \$ 3,825,954      |
| Aug-36 | \$ 3,825,954         | \$25,239 | \$17,140.31 | \$ 8,098 | \$2,528,111             | \$ 1,933,767           | \$ 3,808,814      |
| Sep-36 | \$ 3,808,814         | \$25,239 | \$17,176.59 | \$ 8,062 | \$2,545,251             | \$ 1,941,829           | \$ 3,791,637      |
| Oct-36 | \$ 3,791,637         | \$25,239 | \$17,212.95 | \$ 8,026 | \$2,562,428             | \$ 1,949,854           | \$ 3,774,424      |
| Nov-36 | \$ 3,774,424         | \$25,239 | \$17,249.38 | \$ 7,989 | \$2,579,641             | \$ 1,957,843           | \$ 3,757,175      |
| Dec-36 | \$ 3,757,175         | \$25,239 | \$17,285.89 | \$ 7,953 | \$2,596,890             | \$ 1,965,796           | \$ 3,739,889      |
| Jan-37 | \$ 3,739,889         | \$25,239 | \$17,322.48 | \$ 7,916 | \$2,614,176             | \$ 1,973,712           | \$ 3,722,566      |
| Feb-37 | \$ 3,722,566         | \$25,239 | \$17,359.15 | \$ 7,879 | \$2,631,498             | \$ 1,981,592           | \$ 3,705,207      |
| Mar-37 | \$ 3,705,207         | \$25,239 | \$17,395.89 | \$ 7,843 | \$2,648,858             | \$ 1,989,434           | \$ 3,687,811      |
| Apr-37 | \$ 3,687,811         | \$25,239 | \$17,432.71 | \$ 7,806 | \$2,666,254             | \$ 1,997,240           | \$ 3,670,379      |
| May-37 | \$ 3,670,379         | \$25,239 | \$17,469.61 | \$ 7,769 | \$2,683,686             | \$ 2,005,009           | \$ 3,652,909      |
| Jun-37 | \$ 3,652,909         | \$25,239 | \$17,506.59 | \$ 7,732 | \$2,701,156             | \$ 2,012,741           | \$ 3,635,403      |
| Jul-37 | \$ 3,635,403         | \$25,239 | \$17,543.64 | \$ 7,695 | \$2,718,662             | \$ 2,020,436           | \$ 3,617,859      |
| Aug-37 | \$ 3,617,859         | \$25,239 | \$17,580.78 | \$ 7,658 | \$2,736,206             | \$ 2,028,094           | \$ 3,600,278      |
| Sep-37 | \$ 3,600,278         | \$25,239 | \$17,617.99 | \$ 7,621 | \$2,753,787             | \$ 2,035,715           | \$ 3,582,660      |
| Oct-37 | \$ 3,582,660         | \$25,239 | \$17,655.28 | \$ 7,583 | \$2,771,405             | \$ 2,043,298           | \$ 3,565,005      |
| Nov-37 | \$ 3,565,005         | \$25,239 | \$17,692.65 | \$ 7,546 | \$2,789,060             | \$ 2,050,844           | \$ 3,547,312      |
| Dec-37 | \$ 3,547,312         | \$25,239 | \$17,730.10 | \$ 7,508 | \$2,806,753             | \$ 2,058,352           | \$ 3,529,582      |
| Jan-38 | \$ 3,529,582         | \$25,239 | \$17,767.63 | \$ 7,471 | \$2,824,483             | \$ 2,065,823           | \$ 3,511,814      |
| Feb-38 | \$ 3,511,814         | \$25,239 | \$17,805.24 | \$ 7,433 | \$2,842,251             | \$ 2,073,257           | \$ 3,494,009      |
| Mar-38 | \$ 3,494,009         | \$25,239 | \$17,842.93 | \$ 7,396 | \$2,860,056             | \$ 2,080,652           | \$ 3,476,166      |
| Apr-38 | \$ 3,476,166         | \$25,239 | \$17,880.69 | \$ 7,358 | \$2,877,899             | \$ 2,088,010           | \$ 3,458,286      |
| May-38 | \$ 3,458,286         | \$25,239 | \$17,918.54 | \$ 7,320 | \$2,895,779             | \$ 2,095,330           | \$ 3,440,367      |
| Jun-38 | \$ 3,440,367         | \$25,239 | \$17,956.47 | \$ 7,282 | \$2,913,698             | \$ 2,102,612           | \$ 3,422,411      |
| Jul-38 | \$ 3,422,411         | \$25,239 | \$17,994.48 | \$ 7,244 | \$2,931,654             | \$ 2,109,856           | \$ 3,404,416      |
| Aug-38 | \$ 3,404,416         | \$25,239 | \$18,032.57 | \$ 7,206 | \$2,949,649             | \$ 2,117,062           | \$ 3,386,384      |
| Sep-38 | \$ 3,386,384         | \$25,239 | \$18,070.73 | \$ 7,168 | \$2,967,681             | \$ 2,124,230           | \$ 3,368,313      |
| Oct-38 | \$ 3,368,313         | \$25,239 | \$18,108.98 | \$ 7,130 | \$2,985,752             | \$ 2,131,360           | \$ 3,350,204      |
| Nov-38 | \$ 3,350,204         | \$25,239 | \$18,147.32 | \$ 7,091 | \$3,003,861             | \$ 2,138,451           | \$ 3,332,057      |

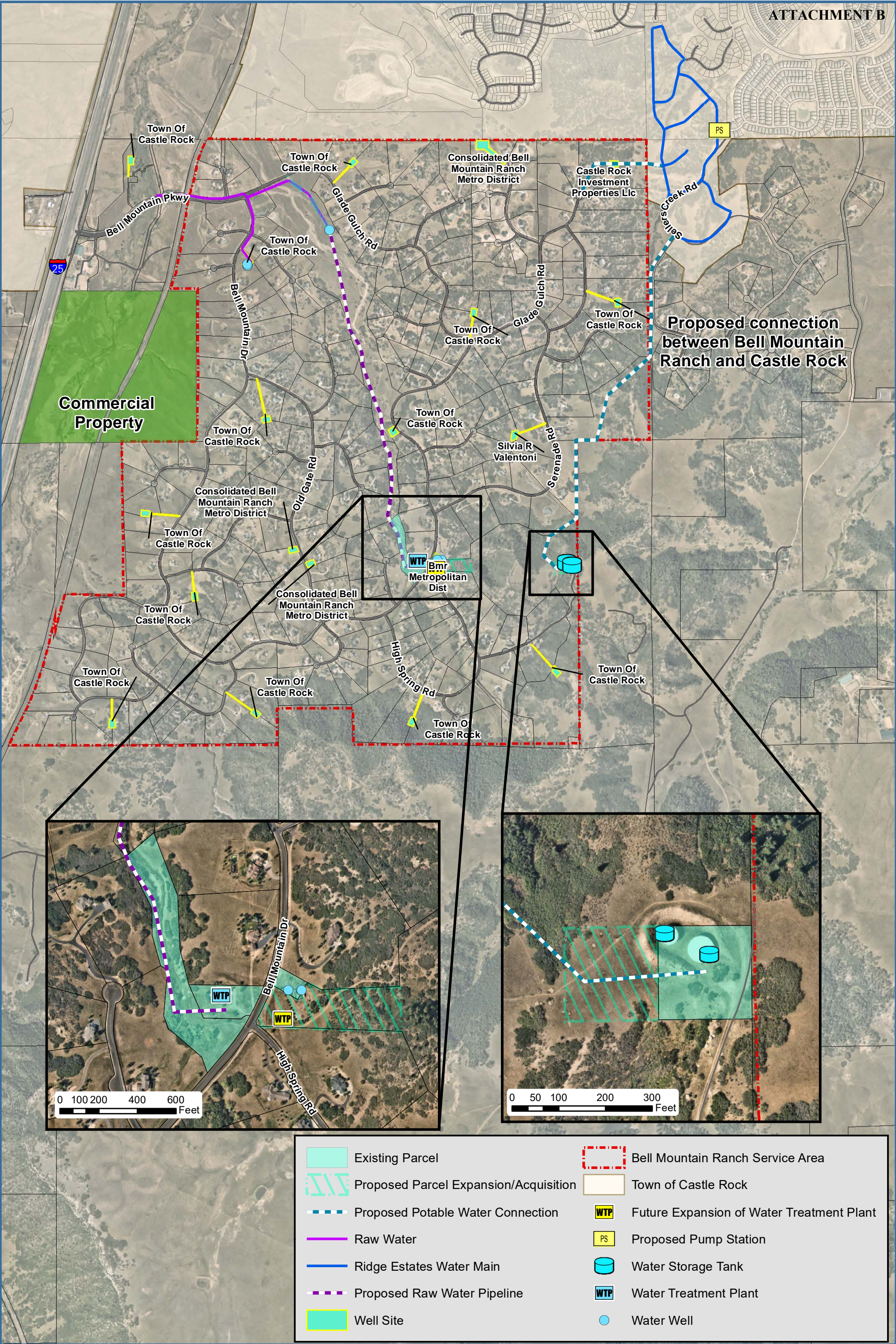
| Period | Beginning<br>Balance | Payment  | Principal   | Interest | Cumulative<br>Principal | Cumulative<br>Interest | Ending<br>Balance |
|--------|----------------------|----------|-------------|----------|-------------------------|------------------------|-------------------|
| Dec-38 | \$ 3,332,057         | \$25,239 | \$18,185.73 | \$ 7,053 | \$3,022,008             | \$ 2,145,504           | \$ 3,313,871      |
| Jan-39 | \$ 3,313,871         | \$25,239 | \$18,224.22 | \$ 7,014 | \$3,040,194             | \$ 2,152,518           | \$ 3,295,647      |
| Feb-39 | \$ 3,295,647         | \$25,239 | \$18,262.79 | \$ 6,976 | \$3,058,418             | \$ 2,159,494           | \$ 3,277,384      |
| Mar-39 | \$ 3,277,384         | \$25,239 | \$18,301.45 | \$ 6,937 | \$3,076,681             | \$ 2,166,431           | \$ 3,259,082      |
| Apr-39 | \$ 3,259,082         | \$25,239 | \$18,340.19 | \$ 6,898 | \$3,094,983             | \$ 2,173,330           | \$ 3,240,742      |
| May-39 | \$ 3,240,742         | \$25,239 | \$18,379.01 | \$ 6,860 | \$3,113,323             | \$ 2,180,189           | \$ 3,222,363      |
| Jun-39 | \$ 3,222,363         | \$25,239 | \$18,417.91 | \$ 6,821 | \$3,131,702             | \$ 2,187,010           | \$ 3,203,945      |
| Jul-39 | \$ 3,203,945         | \$25,239 | \$18,456.90 | \$ 6,782 | \$3,150,120             | \$ 2,193,791           | \$ 3,185,488      |
| Aug-39 | \$ 3,185,488         | \$25,239 | \$18,495.96 | \$ 6,743 | \$3,168,577             | \$ 2,200,534           | \$ 3,166,992      |
| Aug-39 | \$ 3,166,992         | \$25,239 | \$18,535.11 | \$ 6,703 | \$3,187,073             | \$ 2,207,238           | \$ 3,148,457      |
| Sep-39 | \$ 3,148,457         | \$25,239 | \$18,574.35 | \$ 6,664 | \$3,205,608             | \$ 2,213,902           | \$ 3,129,883      |
| Oct-39 | \$ 3,129,883         | \$25,239 | \$18,613.66 | \$ 6,625 | \$3,224,182             | \$ 2,220,527           | \$ 3,111,269      |
| Nov-39 | \$ 3,111,269         | \$25,239 | \$18,653.06 | \$ 6,586 | \$3,242,796             | \$ 2,227,112           | \$ 3,092,616      |
| Dec-39 | \$ 3,092,616         | \$25,239 | \$18,692.54 | \$ 6,546 | \$3,261,449             | \$ 2,233,658           | \$ 3,073,924      |
| Jan-40 | \$ 3,073,924         | \$25,239 | \$18,732.11 | \$ 6,506 | \$3,280,141             | \$ 2,240,165           | \$ 3,055,192      |
| Feb-40 | \$ 3,055,192         | \$25,239 | \$18,771.76 | \$ 6,467 | \$3,298,873             | \$ 2,246,632           | \$ 3,036,420      |
| Mar-40 | \$ 3,036,420         | \$25,239 | \$18,811.49 | \$ 6,427 | \$3,317,645             | \$ 2,253,059           | \$ 3,017,608      |
| Apr-40 | \$ 3,017,608         | \$25,239 | \$18,851.31 | \$ 6,387 | \$3,336,457             | \$ 2,259,446           | \$ 2,998,757      |
| May-40 | \$ 2,998,757         | \$25,239 | \$18,891.21 | \$ 6,347 | \$3,355,308             | \$ 2,265,793           | \$ 2,979,866      |
| Jun-40 | \$ 2,979,866         | \$25,239 | \$18,931.20 | \$ 6,307 | \$3,374,199             | \$ 2,272,101           | \$ 2,960,935      |
| Jul-40 | \$ 2,960,935         | \$25,239 | \$18,971.27 | \$ 6,267 | \$3,393,130             | \$ 2,278,368           | \$ 2,941,963      |
| Aug-40 | \$ 2,941,963         | \$25,239 | \$19,011.42 | \$ 6,227 | \$3,412,102             | \$ 2,284,595           | \$ 2,922,952      |
| Sep-40 | \$ 2,922,952         | \$25,239 | \$19,051.67 | \$ 6,187 | \$3,431,113             | \$ 2,290,782           | \$ 2,903,900      |
| Oct-40 | \$ 2,903,900         | \$25,239 | \$19,091.99 | \$ 6,147 | \$3,450,165             | \$ 2,296,929           | \$ 2,884,808      |
| Nov-40 | \$ 2,884,808         | \$25,239 | \$19,132.40 | \$ 6,106 | \$3,469,257             | \$ 2,303,035           | \$ 2,865,676      |
| Dec-40 | \$ 2,865,676         | \$25,239 | \$19,172.90 | \$ 6,066 | \$3,488,389             | \$ 2,309,100           | \$ 2,846,503      |
| Jan-41 | \$ 2,846,503         | \$25,239 | \$19,213.48 | \$ 6,025 | \$3,507,562             | \$ 2,315,126           | \$ 2,827,289      |
| Feb-41 | \$ 2,827,289         | \$25,239 | \$19,254.15 | \$ 5,984 | \$3,526,776             | \$ 2,321,110           | \$ 2,808,035      |
| Mar-41 | \$ 2,808,035         | \$25,239 | \$19,294.91 | \$ 5,944 | \$3,546,030             | \$ 2,327,054           | \$ 2,788,740      |
| Apr-41 | \$ 2,788,740         | \$25,239 | \$19,335.75 | \$ 5,903 | \$3,565,325             | \$ 2,332,957           | \$ 2,769,405      |
| May-41 | \$ 2,769,405         | \$25,239 | \$19,376.67 | \$ 5,862 | \$3,584,660             | \$ 2,338,818           | \$ 2,750,028      |
| Jun-41 | \$ 2,750,028         | \$25,239 | \$19,417.69 | \$ 5,821 | \$3,604,037             | \$ 2,344,639           | \$ 2,730,610      |
| Jul-41 | \$ 2,730,610         | \$25,239 | \$19,458.79 | \$ 5,780 | \$3,623,455             | \$ 2,350,419           | \$ 2,711,151      |
| Aug-41 | \$ 2,711,151         | \$25,239 | \$19,499.98 | \$ 5,739 | \$3,642,914             | \$ 2,356,158           | \$ 2,691,651      |
| Sep-41 | \$ 2,691,651         | \$25,239 | \$19,541.25 | \$ 5,697 | \$3,662,413             | \$ 2,361,855           | \$ 2,672,110      |
| Oct-41 | \$ 2,672,110         | \$25,239 | \$19,582.61 | \$ 5,656 | \$3,681,955             | \$ 2,367,511           | \$ 2,652,528      |
| Nov-41 | \$ 2,652,528         | \$25,239 | \$19,624.06 | \$ 5,615 | \$3,701,537             | \$ 2,373,126           | \$ 2,632,904      |
| Dec-41 | \$ 2,632,904         | \$25,239 | \$19,665.60 | \$ 5,573 | \$3,721,161             | \$ 2,378,699           | \$ 2,613,238      |
| Jan-42 | \$ 2,613,238         | \$25,239 | \$19,707.23 | \$ 5,531 | \$3,740,827             | \$ 2,384,230           | \$ 2,593,531      |
| Feb-42 | \$ 2,593,531         | \$25,239 | \$19,748.94 | \$ 5,490 | \$3,760,534             | \$ 2,389,719           | \$ 2,573,782      |
| Mar-42 | \$ 2,573,782         | \$25,239 | \$19,790.74 | \$ 5,448 | \$3,780,283             | \$ 2,395,167           | \$ 2,553,991      |
| Apr-42 | \$ 2,553,991         | \$25,239 | \$19,832.63 | \$ 5,406 | \$3,800,074             | \$ 2,400,573           | \$ 2,534,158      |
| May-42 | \$ 2,534,158         | \$25,239 | \$19,874.61 | \$ 5,364 | \$3,819,907             | \$ 2,405,937           | \$ 2,514,284      |
| Jun-42 | \$ 2,514,284         | \$25,239 | \$19,916.68 | \$ 5,322 | \$3,839,781             | \$ 2,411,259           | \$ 2,494,367      |
| Jul-42 | \$ 2,494,367         | \$25,239 | \$19,958.84 | \$ 5,280 | \$3,859,698             | \$ 2,416,539           | \$ 2,474,408      |
| Aug-42 | \$ 2,474,408         | \$25,239 | \$20,001.08 | \$ 5,238 | \$3,879,657             | \$ 2,421,776           | \$ 2,454,407      |
| Sep-42 | \$ 2,454,407         | \$25,239 | \$20,043.42 | \$ 5,195 | \$3,899,658             | \$ 2,426,972           | \$ 2,434,364      |
| Oct-42 | \$ 2,434,364         | \$25,239 | \$20,085.84 | \$ 5,153 | \$3,919,701             | \$ 2,432,124           | \$ 2,414,278      |
| Nov-42 | \$ 2,414,278         | \$25,239 | \$20,128.36 | \$ 5,110 | \$3,939,787             | \$ 2,437,235           | \$ 2,394,150      |
| Dec-42 | \$ 2,394,150         | \$25,239 | \$20,170.96 | \$ 5,068 | \$3,959,915             | \$ 2,442,302           | \$ 2,373,979      |
| Jan-43 | \$ 2,373,979         | \$25,239 | \$20,213.66 | \$ 5,025 | \$3,980,086             | \$ 2,447,327           | \$ 2,353,765      |
| Feb-43 | \$ 2,353,765         | \$25,239 | \$20,256.44 | \$ 4,982 | \$4,000,300             | \$ 2,452,309           | \$ 2,333,509      |
| Mar-43 | \$ 2,333,509         | \$25,239 | \$20,299.32 | \$ 4,939 | \$4,020,556             | \$ 2,457,248           | \$ 2,313,209      |
| Apr-43 | \$ 2,313,209         | \$25,239 | \$20,342.29 | \$ 4,896 | \$4,040,856             | \$ 2,462,145           | \$ 2,292,867      |



| Period | Beginning<br>Balance | Payment  | Principal   | Interest | Cumulative<br>Principal | Cumulative<br>Interest | Ending<br>Balance |
|--------|----------------------|----------|-------------|----------|-------------------------|------------------------|-------------------|
| May-43 | \$ 2,292,867         | \$25,239 | \$20,385.35 | \$ 4,853 | \$4,061,198             | \$ 2,466,998           | \$ 2,272,482      |
| Jun-43 | \$ 2,272,482         | \$25,239 | \$20,428.49 | \$ 4,810 | \$4,081,583             | \$ 2,471,808           | \$ 2,252,053      |
| Jul-43 | \$ 2,252,053         | \$25,239 | \$20,471.73 | \$ 4,767 | \$4,102,012             | \$ 2,476,575           | \$ 2,231,581      |
| Aug-43 | \$ 2,231,581         | \$25,239 | \$20,515.07 | \$ 4,724 | \$4,122,484             | \$ 2,481,298           | \$ 2,211,066      |
| Sep-43 | \$ 2,211,066         | \$25,239 | \$20,558.49 | \$ 4,680 | \$4,142,999             | \$ 2,485,979           | \$ 2,190,508      |
| Oct-43 | \$ 2,190,508         | \$25,239 | \$20,602.01 | \$ 4,637 | \$4,163,557             | \$ 2,490,615           | \$ 2,169,906      |
| Nov-43 | \$ 2,169,906         | \$25,239 | \$20,645.61 | \$ 4,593 | \$4,184,159             | \$ 2,495,208           | \$ 2,149,260      |
| Dec-43 | \$ 2,149,260         | \$25,239 | \$20,689.31 | \$ 4,549 | \$4,204,805             | \$ 2,499,757           | \$ 2,128,571      |
| Jan-44 | \$ 2,128,571         | \$25,239 | \$20,733.11 | \$ 4,505 | \$4,225,494             | \$ 2,504,263           | \$ 2,107,838      |
| Feb-44 | \$ 2,107,838         | \$25,239 | \$20,776.99 | \$ 4,462 | \$4,246,227             | \$ 2,508,724           | \$ 2,087,061      |
| Mar-44 | \$ 2,087,061         | \$25,239 | \$20,820.97 | \$ 4,418 | \$4,267,004             | \$ 2,513,142           | \$ 2,066,240      |
| Apr-44 | \$ 2,066,240         | \$25,239 | \$20,865.04 | \$ 4,374 | \$4,287,825             | \$ 2,517,516           | \$ 2,045,375      |
| May-44 | \$ 2,045,375         | \$25,239 | \$20,909.20 | \$ 4,329 | \$4,308,690             | \$ 2,521,845           | \$ 2,024,466      |
| Jun-44 | \$ 2,024,466         | \$25,239 | \$20,953.46 | \$ 4,285 | \$4,329,599             | \$ 2,526,130           | \$ 2,003,512      |
| Jul-44 | \$ 2,003,512         | \$25,239 | \$20,997.81 | \$ 4,241 | \$4,350,553             | \$ 2,530,371           | \$ 1,982,514      |
| Aug-44 | \$ 1,982,514         | \$25,239 | \$21,042.26 | \$ 4,196 | \$4,371,551             | \$ 2,534,567           | \$ 1,961,472      |
| Sep-44 | \$ 1,961,472         | \$25,239 | \$21,086.80 | \$ 4,152 | \$4,392,593             | \$ 2,538,719           | \$ 1,940,385      |
| Oct-44 | \$ 1,940,385         | \$25,239 | \$21,131.43 | \$ 4,107 | \$4,413,680             | \$ 2,542,826           | \$ 1,919,254      |
| Nov-44 | \$ 1,919,254         | \$25,239 | \$21,176.16 | \$ 4,062 | \$4,434,811             | \$ 2,546,888           | \$ 1,898,078      |
| Dec-44 | \$ 1,898,078         | \$25,239 | \$21,220.98 | \$ 4,018 | \$4,455,987             | \$ 2,550,906           | \$ 1,876,857      |
| Jan-45 | \$ 1,876,857         | \$25,239 | \$21,265.90 | \$ 3,973 | \$4,477,208             | \$ 2,554,879           | \$ 1,855,591      |
| Jan-45 | \$ 1,855,591         | \$25,239 | \$21,310.91 | \$ 3,928 | \$4,498,474             | \$ 2,558,806           | \$ 1,834,280      |
| Mar-45 | \$ 1,834,280         | \$25,239 | \$21,356.02 | \$ 3,883 | \$4,519,785             | \$ 2,562,689           | \$ 1,812,924      |
| Apr-45 | \$ 1,812,924         | \$25,239 | \$21,401.22 | \$ 3,837 | \$4,541,141             | \$ 2,566,526           | \$ 1,791,523      |
| May-45 | \$ 1,791,523         | \$25,239 | \$21,446.52 | \$ 3,792 | \$4,562,542             | \$ 2,570,318           | \$ 1,770,076      |
| May-45 | \$ 1,770,076         | \$25,239 | \$21,491.92 | \$ 3,747 | \$4,583,989             | \$ 2,574,065           | \$ 1,748,584      |
| Jun-45 | \$ 1,748,584         | \$25,239 | \$21,537.41 | \$ 3,701 | \$4,605,481             | \$ 2,577,766           | \$ 1,727,047      |
| Jul-45 | \$ 1,727,047         | \$25,239 | \$21,583.00 | \$ 3,656 | \$4,627,018             | \$ 2,581,422           | \$ 1,705,464      |
| Aug-45 | \$ 1,705,464         | \$25,239 | \$21,628.68 | \$ 3,610 | \$4,648,601             | \$ 2,585,032           | \$ 1,683,835      |
| Sep-45 | \$ 1,683,835         | \$25,239 | \$21,674.46 | \$ 3,564 | \$4,670,230             | \$ 2,588,596           | \$ 1,662,161      |
| Oct-45 | \$ 1,662,161         | \$25,239 | \$21,720.34 | \$ 3,518 | \$4,691,904             | \$ 2,592,114           | \$ 1,640,440      |
| Nov-45 | \$ 1,640,440         | \$25,239 | \$21,766.31 | \$ 3,472 | \$4,713,625             | \$ 2,595,586           | \$ 1,618,674      |
| Dec-45 | \$ 1,618,674         | \$25,239 | \$21,812.39 | \$ 3,426 | \$4,735,391             | \$ 2,599,013           | \$ 1,596,862      |
| Jan-46 | \$ 1,596,862         | \$25,239 | \$21,858.56 | \$ 3,380 | \$4,757,203             | \$ 2,602,393           | \$ 1,575,003      |
| Feb-46 | \$ 1,575,003         | \$25,239 | \$21,904.82 | \$ 3,334 | \$4,779,062             | \$ 2,605,726           | \$ 1,553,098      |
| Mar-46 | \$ 1,553,098         | \$25,239 | \$21,951.19 | \$ 3,287 | \$4,800,967             | \$ 2,609,014           | \$ 1,531,147      |
| Apr-46 | \$ 1,531,147         | \$25,239 | \$21,997.65 | \$ 3,241 | \$4,822,918             | \$ 2,612,255           | \$ 1,509,149      |
| May-46 | \$ 1,509,149         | \$25,239 | \$22,044.21 | \$ 3,194 | \$4,844,916             | \$ 2,615,449           | \$ 1,487,105      |
| Jun-46 | \$ 1,487,105         | \$25,239 | \$22,090.87 | \$ 3,148 | \$4,866,960             | \$ 2,618,597           | \$ 1,465,014      |
| Jul-46 | \$ 1,465,014         | \$25,239 | \$22,137.63 | \$ 3,101 | \$4,889,051             | \$ 2,621,698           | \$ 1,442,877      |
| Aug-46 | \$ 1,442,877         | \$25,239 | \$22,184.49 | \$ 3,054 | \$4,911,188             | \$ 2,624,752           | \$ 1,420,692      |
| Sep-46 | \$ 1,420,692         | \$25,239 | \$22,231.45 | \$ 3,007 | \$4,933,373             | \$ 2,627,759           | \$ 1,398,461      |
| Oct-46 | \$ 1,398,461         | \$25,239 | \$22,278.50 | \$ 2,960 | \$4,955,604             | \$ 2,630,719           | \$ 1,376,182      |
| Nov-46 | \$ 1,376,182         | \$25,239 | \$22,325.66 | \$ 2,913 | \$4,977,883             | \$ 2,633,632           | \$ 1,353,857      |
| Dec-46 | \$ 1,353,857         | \$25,239 | \$22,372.92 | \$ 2,866 | \$5,000,208             | \$ 2,636,498           | \$ 1,331,484      |
| Jan-47 | \$ 1,331,484         | \$25,239 | \$22,420.27 | \$ 2,818 | \$5,022,581             | \$ 2,639,316           | \$ 1,309,063      |
| Feb-47 | \$ 1,309,063         | \$25,239 | \$22,467.73 | \$ 2,771 | \$5,045,002             | \$ 2,642,087           | \$ 1,286,596      |
| Mar-47 | \$ 1,286,596         | \$25,239 | \$22,515.29 | \$ 2,723 | \$5,067,469             | \$ 2,644,810           | \$ 1,264,080      |
| Apr-47 | \$ 1,264,080         | \$25,239 | \$22,562.94 | \$ 2,676 | \$5,089,985             | \$ 2,647,486           | \$ 1,241,517      |
| May-47 | \$ 1,241,517         | \$25,239 | \$22,610.70 | \$ 2,628 | \$5,112,548             | \$ 2,650,114           | \$ 1,218,907      |
| Jun-47 | \$ 1,218,907         | \$25,239 | \$22,658.56 | \$ 2,580 | \$5,135,158             | \$ 2,652,694           | \$ 1,196,248      |
| Jul-47 | \$ 1,196,248         | \$25,239 | \$22,706.52 | \$ 2,532 | \$5,157,817             | \$ 2,655,226           | \$ 1,173,542      |
| Aug-47 | \$ 1,173,542         | \$25,239 | \$22,754.58 | \$ 2,484 | \$5,180,523             | \$ 2,657,710           | \$ 1,150,787      |
| Sep-47 | \$ 1,150,787         | \$25,239 | \$22,802.75 | \$ 2,436 | \$5,203,278             | \$ 2,660,145           | \$ 1,127,984      |

| Period | Beginning<br>Balance | Payment     | Principal   | Interest    | Cumulative<br>Principal | Cumulative<br>Interest | Ending<br>Balance |
|--------|----------------------|-------------|-------------|-------------|-------------------------|------------------------|-------------------|
| Oct-47 | \$ 1,127,984         | \$25,239    | \$22,851.01 | \$ 2,388    | \$5,226,081             | \$ 2,662,533           | \$ 1,105,133      |
| Nov-47 | \$ 1,105,133         | \$25,239    | \$22,899.38 | \$ 2,339    | \$5,248,932             | \$ 2,664,872           | \$ 1,082,234      |
| Dec-47 | \$ 1,082,234         | \$25,239    | \$22,947.85 | \$ 2,291    | \$5,271,831             | \$ 2,667,163           | \$ 1,059,286      |
| Jan-48 | \$ 1,059,286         | \$25,239    | \$22,996.42 | \$ 2,242    | \$5,294,779             | \$ 2,669,405           | \$ 1,036,290      |
| Feb-48 | \$ 1,036,290         | \$25,239    | \$23,045.10 | \$ 2,193    | \$5,317,775             | \$ 2,671,599           | \$ 1,013,245      |
| Mar-48 | \$ 1,013,245         | \$25,239    | \$23,093.88 | \$ 2,145    | \$5,340,820             | \$ 2,673,743           | \$ 990,151        |
| Apr-48 | \$ 990,151           | \$25,239    | \$23,142.76 | \$ 2,096    | \$5,363,914             | \$ 2,675,839           | \$ 967,008        |
| May-48 | \$ 967,008           | \$25,239    | \$23,191.75 | \$ 2,047    | \$5,387,057             | \$ 2,677,886           | \$ 943,816        |
| Jun-48 | \$ 943,816           | \$25,239    | \$23,240.84 | \$ 1,998    | \$5,410,249             | \$ 2,679,884           | \$ 920,575        |
| Jul-48 | \$ 920,575           | \$25,239    | \$23,290.03 | \$ 1,949    | \$5,433,490             | \$ 2,681,832           | \$ 897,285        |
| Aug-48 | \$ 897,285           | \$25,239    | \$23,339.33 | \$ 1,899    | \$5,456,780             | \$ 2,683,731           | \$ 873,946        |
| Sep-48 | \$ 873,946           | \$25,239    | \$23,388.73 | \$ 1,850    | \$5,480,119             | \$ 2,685,581           | \$ 850,557        |
| Oct-48 | \$ 850,557           | \$25,239    | \$23,438.23 | \$ 1,800    | \$5,503,508             | \$ 2,687,382           | \$ 827,119        |
| Nov-48 | \$ 827,119           | \$25,239    | \$23,487.84 | \$ 1,751    | \$5,526,946             | \$ 2,689,132           | \$ 803,631        |
| Dec-48 | \$ 803,631           | \$25,239    | \$23,537.56 | \$ 1,701    | \$5,550,434             | \$ 2,690,833           | \$ 780,094        |
| Jan-49 | \$ 780,094           | \$25,239    | \$23,587.38 | \$ 1,651    | \$5,573,971             | \$ 2,692,485           | \$ 756,506        |
| Feb-49 | \$ 756,506           | \$25,239    | \$23,637.31 | \$ 1,601    | \$5,597,559             | \$ 2,694,086           | \$ 732,869        |
| Mar-49 | \$ 732,869           | \$25,239    | \$23,687.34 | \$ 1,551    | \$5,621,196             | \$ 2,695,637           | \$ 709,182        |
| Apr-49 | \$ 709,182           | \$25,239    | \$23,737.48 | \$ 1,501    | \$5,644,883             | \$ 2,697,138           | \$ 685,444        |
| May-49 | \$ 685,444           | \$25,239    | \$23,787.72 | \$ 1,451    | \$5,668,621             | \$ 2,698,589           | \$ 661,656        |
| Jun-49 | \$ 661,656           | \$25,239    | \$23,838.07 | \$ 1,401    | \$5,692,409             | \$ 2,699,990           | \$ 637,818        |
| Jul-49 | \$ 637,818           | \$25,239    | \$23,888.53 | \$ 1,350    | \$5,716,247             | \$ 2,701,340           | \$ 613,930        |
| Aug-49 | \$ 613,930           | \$25,239    | \$23,939.10 | \$ 1,299    | \$5,740,135             | \$ 2,702,639           | \$ 589,991        |
| Sep-49 | \$ 589,991           | \$25,239    | \$23,989.77 | \$ 1,249    | \$5,764,074             | \$ 2,703,888           | \$ 566,001        |
| Oct-49 | \$ 566,001           | \$25,239    | \$24,040.54 | \$ 1,198    | \$5,788,064             | \$ 2,705,086           | \$ 541,960        |
| Nov-49 | \$ 541,960           | \$25,239    | \$24,091.43 | \$ 1,147    | \$5,812,105             | \$ 2,706,233           | \$ 517,869        |
| Dec-49 | \$ 517,869           | \$25,239    | \$24,142.42 | \$ 1,096    | \$5,836,196             | \$ 2,707,329           | \$ 493,726        |
| Jan-50 | \$ 493,726           | \$25,239    | \$24,193.53 | \$ 1,045    | \$5,860,338             | \$ 2,708,374           | \$ 469,533        |
| Feb-50 | \$ 469,533           | \$25,239    | \$24,244.74 | \$ 994      | \$5,884,532             | \$ 2,709,368           | \$ 445,288        |
| Mar-50 | \$ 445,288           | \$25,239    | \$24,296.05 | \$ 943      | \$5,908,777             | \$ 2,710,311           | \$ 420,992        |
| Apr-50 | \$ 420,992           | \$25,239    | \$24,347.48 | \$ 891      | \$5,933,073             | \$ 2,711,202           | \$ 396,645        |
| May-50 | \$ 396,645           | \$25,239    | \$24,399.02 | \$ 840      | \$5,957,420             | \$ 2,712,041           | \$ 372,246        |
| Jun-50 | \$ 372,246           | \$25,239    | \$24,450.66 | \$ 788      | \$5,981,819             | \$ 2,712,829           | \$ 347,795        |
| Jul-50 | \$ 347,795           | \$25,239    | \$24,502.41 | \$ 736      | \$6,006,270             | \$ 2,713,565           | \$ 323,293        |
| Aug-50 | \$ 323,293           | \$25,239    | \$24,554.28 | \$ 684      | \$6,030,772             | \$ 2,714,250           | \$ 298,738        |
| Sep-50 | \$ 298,738           | \$25,239    | \$24,606.25 | \$ 632      | \$6,055,327             | \$ 2,714,882           | \$ 274,132        |
| Oct-50 | \$ 274,132           | \$25,239    | \$24,658.33 | \$ 580      | \$6,079,933             | \$ 2,715,462           | \$ 249,474        |
| Nov-50 | \$ 249,474           | \$25,239    | \$24,710.53 | \$ 528      | \$6,104,591             | \$ 2,715,990           | \$ 224,763        |
| Dec-50 | \$ 224,763           | \$25,239    | \$24,762.83 | \$ 476      | \$6,129,302             | \$ 2,716,466           | \$ 200,000        |
| Dec-50 | \$ 200,000           | \$25,239    | \$24,815.25 | \$ 423      | \$6,154,065             | \$ 2,716,889           | \$ 175,185        |
| Jan-51 | \$ 175,185           | \$25,239    | \$24,867.77 | \$ 371      | \$6,178,880             | \$ 2,717,260           | \$ 150,317        |
| Mar-51 | \$ 150,317           | \$25,239    | \$24,920.41 | \$ 318      | \$6,203,748             | \$ 2,717,578           | \$ 125,397        |
| Mar-51 | \$ 125,397           | \$25,239    | \$24,973.16 | \$ 265      | \$6,228,668             | \$ 2,717,844           | \$ 100,424        |
| Apr-51 | \$ 100,424           | \$25,239    | \$25,026.02 | \$ 213      | \$6,253,641             | \$ 2,718,056           | \$ 75,398         |
| May-51 | \$ 75,398            | \$25,239    | \$25,078.99 | \$ 160      | \$6,278,667             | \$ 2,718,216           | \$ 50,319         |
| Jun-51 | \$ 50,319            | \$25,239    | \$25,132.07 | \$ 107      | \$6,303,746             | \$ 2,718,323           | \$ 25,187         |
| Jul-51 | \$ 25,187            | \$25,239    | \$25,185.27 | \$ 53       | \$6,328,878             | \$ 2,718,376           | \$ 1              |
| Totals |                      | \$9,085,889 | \$6,354,064 | \$2,731,825 |                         |                        |                   |










---

|          |                                                                   |       |                             |
|----------|-------------------------------------------------------------------|-------|-----------------------------|
| To:      | Tim Friday, Castle Rock Water<br>Anne Glassman, Castle Rock Water | From: | Carol Malesky<br>Siyuan Rao |
| Subject: | Independent Review of Retail Service<br>to Bell Mountain Ranch    | Date: | September 2, 2020           |

---

## Summary

Castle Rock Water (CRW) engaged Stantec Consulting Services Inc. (Stantec) to perform an independent review of rates and fees that would apply to customers of Bell Mountain Ranch (BMR) as CRW's retail customers beginning in 2021. During the independent review, Stantec considered the following information:

1. BMR customer characteristics from 2019 billing report
2. BMR Metropolitan District 2019 Financial Statement
3. System Development Fees (SDF) to be charged to BMR based on meter size
4. Monthly rates and fees to be applied to BMR customers

## Findings

### BMR Customer Characteristics

In the 2019 Consumption and Charges Report, BMR currently serves 304 residential customers and 3 irrigation customers. Residential customers exhibit demand characteristics similar to ¾" meter customers in CRW, while irrigation customers demonstrate much higher water demands in the summer. In discussions between CRW and BMR staff, these irrigation customers will be billed based on 1.5" meters. It is expected that 14 additional customers (residential ¾") will be added by 2021. Table 1 summarizes the number of customers by meter size expected for BMR.

**Table 1 BMR Count of Customers by Meter Size**

| Customer Class | Meter Size | Count of Customers |
|----------------|------------|--------------------|
| Residential    | ¾"         | 318                |
| Irrigation     | 1.5"       | 3                  |
| <b>Total</b>   |            | <b>321</b>         |

### BMR Net Costs

#### *System Development Fees*

SDFs are one-time fees charged by CRW for new customers for the right to access system capacity. BMR customers will be connecting to CRW's water and renewable water system, the water and renewable water SDFs will be applied to these customers based on meter size. CRW's current SDF schedule is published online for 2020. Effective 1/1/2021, a 10% increase in water SDF and a 5% increase in renewable water SDF have been proposed to Town Council. To calculate the total SDFs (water and renewable water) required from BMR,



# ATTACHMENT C



therefore, proposed 2021 SDFs are applied to all BMR customers by meter size. Table 2 summarizes the 2021 SDF schedule and the total SDF charges calculated.

**Table 2 System Development Fee Summary**

| Meter Size   | SFE (Single Family Equivalency) | Water 2021 | Renewable Water 2021 | Count of Customers | Count of SFEs | Total SDF Charges  |
|--------------|---------------------------------|------------|----------------------|--------------------|---------------|--------------------|
| 3/4"         | 1                               | \$4,030    | \$18,504             | 318                | 318           | \$7,165,987        |
| 1.5"         | 3.33                            | \$13,421   | \$61,633             | 3                  | 10            | \$225,162          |
| <b>Total</b> |                                 |            |                      | <b>321</b>         | <b>328</b>    | <b>\$7,391,149</b> |

## **Fixed Asset Valuation**

Based on the BMR Metropolitan District 2019 financial statement, BMR's existing water fixed asset value (net of depreciation) is \$2.3 million (M). CRW also estimated BMR's water rights value at \$367,500, which is based on \$2,500/ acre foot (AF) for 147 AF of water rights. The total BMR water system value is estimated to be \$2.7M. To allow for the benefit of the existing BMR system, the water system value is credited against the total SDF charges required from BMR customers. Table 3 summarizes the BMR water system fixed assets valuation.

**Table 3 Fixed Assets Valuation**

| Customer Class | Net Fixed Assets   |
|----------------|--------------------|
| Water System   | \$2,359,043        |
| Water Rights   | \$367,500          |
| <b>Total</b>   | <b>\$2,726,543</b> |

## **Existing and Projected Debt**

BMR currently has one outstanding Colorado Water Resources and Power Development Authority (CWRPDA) loan. As of the beginning of 2021, the outstanding principal amount for the existing loan is projected to be \$619,629, and the total interest payments are \$163,834, as disclosed in BMR's 2018 financial statement. In addition to the existing loan, CRW is also projecting a new loan of \$2.3M for construction of a pump station and water lines to connect BMR customers to CRW's infrastructure. Assuming a 2% interest rate for 30 years, the projected total interest payment on this loan is \$760,449. The total loan payments (principal + interest) for these two loans are expected to total \$3.8M. Table 4 summarizes the projected debt obligation of BMR customers.

**Table 4 Summary of Debt Obligation**

| Debt          | Principal          | Interest         | Total              |
|---------------|--------------------|------------------|--------------------|
| Existing Loan | \$619,629          | \$163,834        | \$783,463          |
| Future Loan   | \$2,300,000        | \$760,449        | \$3,060,449        |
| <b>Total</b>  | <b>\$2,919,629</b> | <b>\$924,283</b> | <b>\$3,843,912</b> |

## **Net Costs**

In summary, the net costs calculated to connect BMR customers to CRW's water system are \$8.5M. Table 5 summarizes the net connection costs calculated for BMR customers.

# ATTACHMENT C



Table 5 Net Connection Costs Summary

| Description            | Amount             |
|------------------------|--------------------|
| System Development Fee | \$7,391,149        |
| Less: Net Fixed Assets | (\$2,726,543)      |
| Projected Debt         | \$3,843,912        |
| <b>Total</b>           | <b>\$8,508,518</b> |

## Monthly Rates and Fees

Rather than requiring BMR to pay the net connection costs upfront, CRW evaluated scenarios where BMR customers would pay a monthly fixed charge based on a repayment schedule with a 3% interest rate. Stantec recommends a 30-year repayment period that mirrors a typical mortgage term for new customers in CRW. Given the long payback period, it is important for CRW to track the repayments associated with each address to ensure the full amounts will be collected if there is a change in home ownership. Table below summarizes the monthly payment for 1 SFE, assuming a 30-year payback period. Based on CRW's SDF schedule, one 1.5" meter customer has a single-family equivalency of 3.3. Irrigation customers' monthly payment is calculated to be 3.3x more than the ¾" residential customers.

Table 6 Monthly Connection Cost Repayment Schedule

| Description                      | Repayment       |
|----------------------------------|-----------------|
| Year                             | 30 years        |
| Month                            | 360             |
| Interest Rate                    | 3%              |
| Total Monthly Repayment          | \$35,872        |
| Total SFEs                       | 328             |
| <b>Monthly Repayment per SFE</b> | <b>\$109.37</b> |
| <b>Summary</b>                   |                 |
| Monthly Repayment Residential    | \$109.37        |
| Monthly Repayment Irrigation     | \$360.92        |

Stantec also reviewed the bill impacts for a typical residential customer for 12 months under CRW's 2021 rate schedule for water and water resource services. CRW is evaluating a series of scenarios to apply an extraterritorial surcharge to BMR customers to compensate CRW customers for the risks assumed by owners of the water system.

## Conclusion

Through the independent review process, Stantec has worked with CRW staff to review source data provided by BMR, validate the integrity of calculated rates and fees, and refine certain assumptions applied in this analysis. Overall, Stantec agrees with the approach CRW proposes to recover the costs of connecting BMR customers as retail customers.

Date: 8/24/2020

To: Walt Schwarz, PE

From: Jason Schaefer, PE

Subject: Bell Mountain Ranch Water Treatment Study: 1.3 MGD

The Town of Castle Rock (Town) contracted Burns & McDonnell Engineering Company, Inc. (Burns & McDonnell) to develop a planning-level design for the expansion of the existing Bell Mountain Ranch Water Treatment Plant (WTP), solids handling system, and transmission/distribution system to the Bell Mountain Ranch (BMR) development. This memorandum summarizes the various design aspects of the proposed expansion and includes conceptual cost estimates for each aspect of the design.

### **Background**

The current WTP is capable of treating 504 gallons per minute (roughly 0.75 MGD) via eight (8) parallel ion exchange units to remove iron and manganese. The water treated by ion exchange is dosed with sodium hypochlorite and caustic soda prior to entering the unbaffled clearwell. Four (4) existing high service pumps deliver water to the two BMR's two (2) storage tanks. The waste from the ion exchange, which is high in salt and contains radium, is currently discharged directly to the Glade Gulch.

In order to develop a planning-level design for the expansion of the WTP, Burns & McDonnell reviewed existing documentation provided by the Town – including previous studies, property information, and water quality data. A tour of the existing facility was conducted on May 14 with Burns & McDonnell and Town staff. Additionally, a kick-off meeting was held on May 21 that established a target finished water flowrate of 4 MGD for the WTP expansion. However, the scope of an expansion of this size did not correspond with current goals for the Town. Therefore, on August 7 the Town established a goal of 1.3 MGD from the WTP. This target flowrate was chosen based on the maximum flowrate achievable without significant expansion, and the ability to use the existing high service pump station without alterations.

### **Raw Water Sources**

Currently, the WTP is served by two existing wells, each capable of providing 500 gpm (0.72 MGD). In order to expand finished water treatment to 1.3 MGD, the Town will need to expand the raw water sources by 480 gpm (0.7 MGD). Burns & McDonnell suggests expanding the raw water supply to have redundant sources, but expansion of the raw water supply is not included in this report.

### **Treatment Options**

The existing ion exchange treatment process is proposed to be replaced with pressurized greensand filtration vessels. The proposed treatment train is shown in the Process Flow Diagram



# ATTACHMENT D

in Figure 1 and generally consists of pressurized greensand filtration vessels in a pre-engineered metal building addition. Sodium hypochlorite and sodium permanganate are proposed as pre-oxidants to aid the greensand filters in the removal of iron, manganese, and radium from the raw water. Sodium hypochlorite will also be used as the primary disinfectant, with caustic soda for pH adjustment and a liquid ammonium sulfate (LAS) system to produce chloramine residuals in the distribution system. A backwash waste tank is proposed as a part of the new solids handling process. The Design Criteria in Figure 2 provides detail on the quantities and capacities associated with the proposed expansion.

The existing WTP's clearwell and high service pump station will be reused without alteration, and the existing building will house the air compressors, receive and the expanded chemical systems. The existing clearwell, a 30,000-gallon, unbaffled steel tank, was built with the original plant. Colorado Department of Public Health and Environment (CDPHE) requires groundwater systems to maintain a 0.2 mg/L residual, measurable at the entrance and furthest extent of a distribution system. Due to the existing clearwell's lack of baffles and potential to short circuit, it will not provide 4-log virus inactivation.

If there is measurable microbial activity, the groundwater system must be taken offline until the issues have been corrected and the system can be put back online. As the BMR distribution system will be connected to the Town's system, if there are any issues in the BMR WTP or distribution system and the WTP must be shut off, water can be delivered to the BMR area from the Town via the new pump station and pipeline discussed below.

## **Backwash Residuals System**

A backwash residual system is proposed in addition to the pressurized greensand vessels. Backwash waste from the greensand filters will be dosed with alum to thicken solids prior to entering the backwash waste tank. The backwash waste tank will provide settling and thickening for solids before the solids are pumped to a tanker truck for hauling to the Town's Plum Creek Water Purification Facility (PCWPF) for processing. To decrease water waste, the backwash waste tank will also include a pumped backwash recover line to recycle decanted backwash waste to the greensand filters vessels.

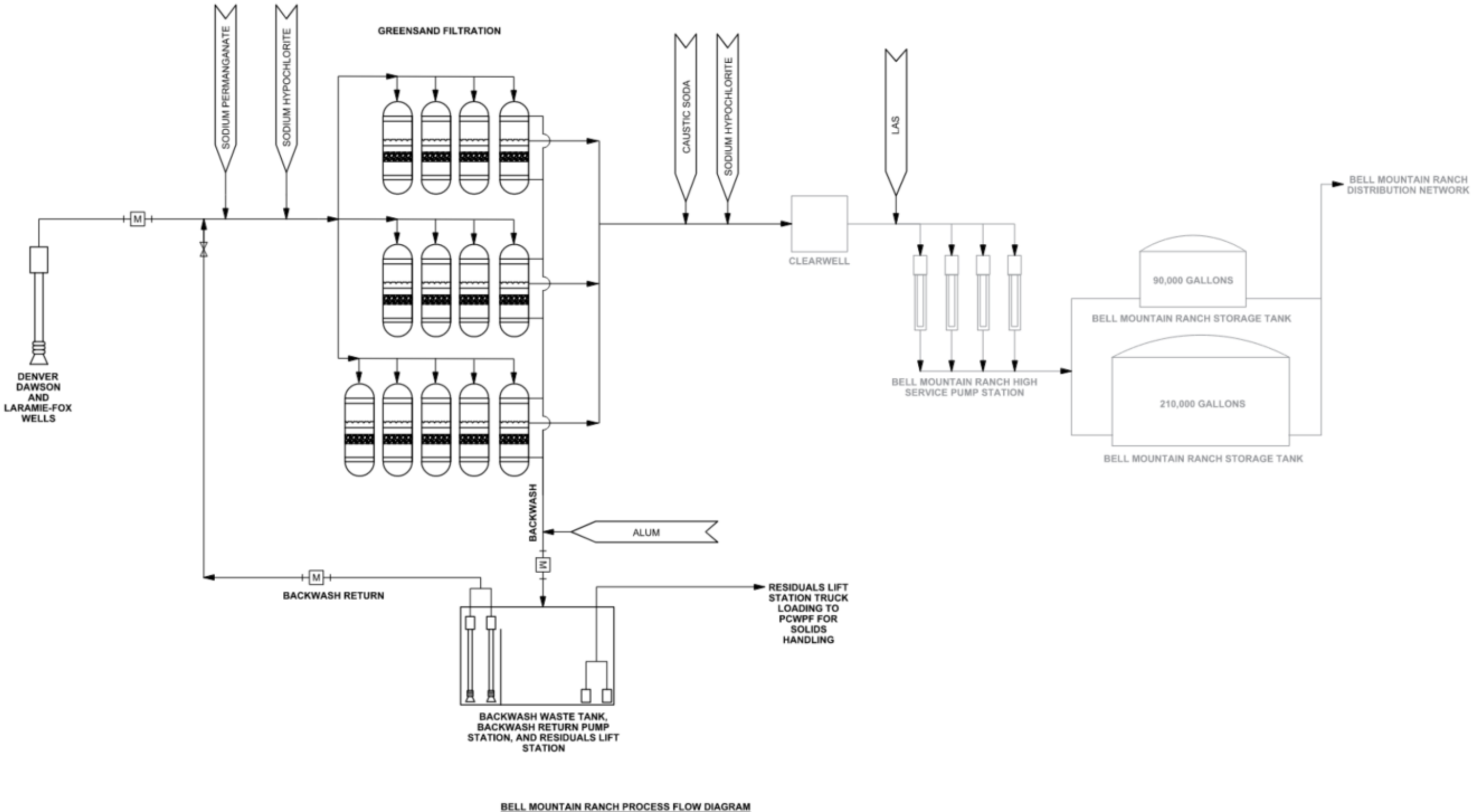
## **Distribution**


The high service pump station (HSPS) consists of two (2) 475 gpm pumps, and two (2) 180 gpm pumps, for a total installed capacity of 1.88 MGD (1,310 gpm) with no redundancy. The HSPS pumps finished water from the clearwell to the two BMR storage tanks. The water then flows by gravity into BMR's high-pressure zone via a network of 8- and 12-inch pipes. The water will move by gravity from the BMR (HGL 6940) area to the Town's Green Zone (HGL 6805).

## ATTACHMENT D


The 8-inch connection piping as designed by Wright Water Engineers will have a maximum delivery capacity of 1 MGD. This piping will need to be increased to 10-inches if the Town would like to receive 1.3 MGD from the BMR WTP.

Burns & McDonnell included a pump station and 10-inch pipe that can deliver water from the Town into the BMR high-pressure zone. This connection allows the Town to provide water to the BMR area in the event that the BMR WTP is temporarily taken offline. See Figure 4 for a proposed location of the pump station and 10-inch pipe from the Town to BMR.

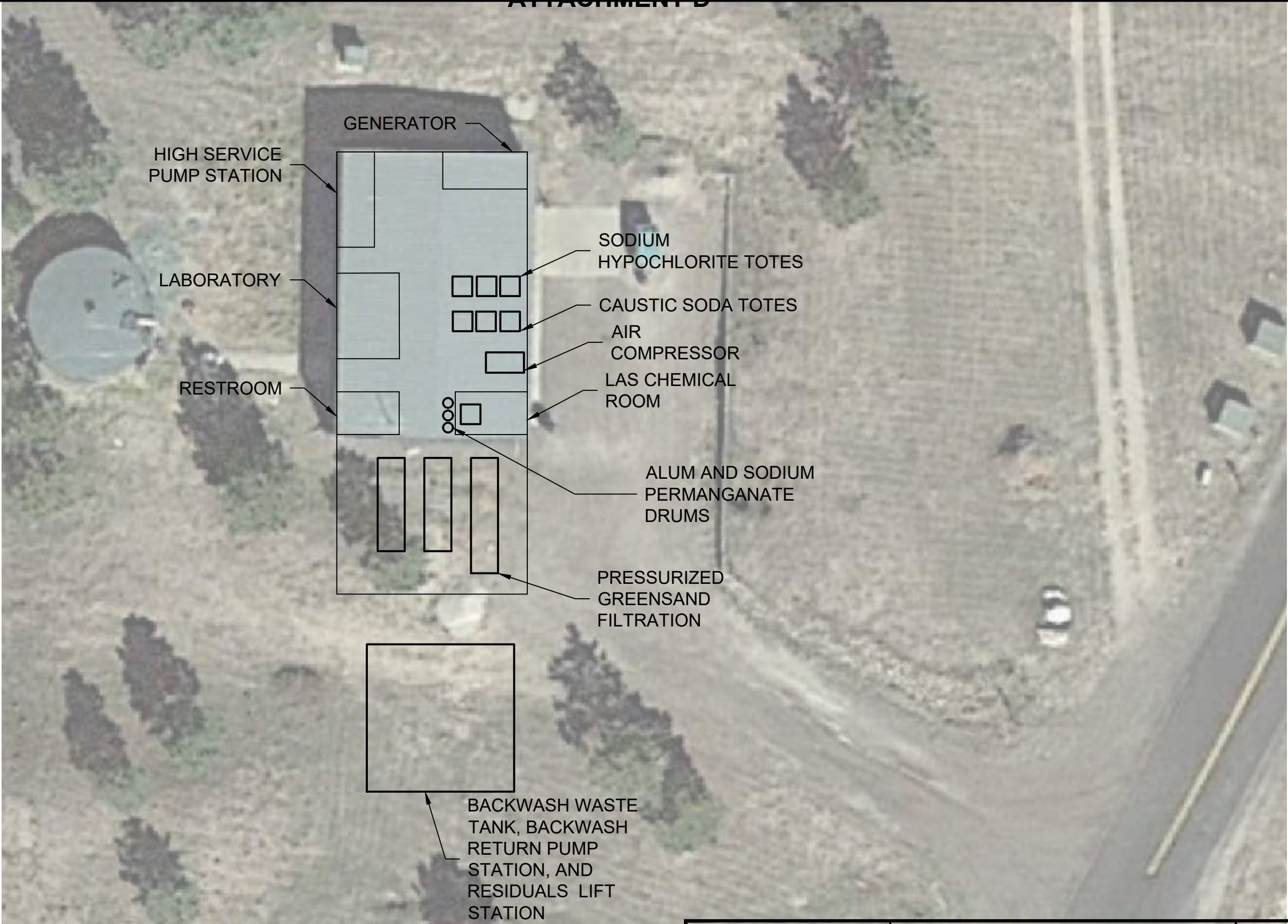


|                                                                                       |                                             |  |          |
|---------------------------------------------------------------------------------------|---------------------------------------------|--|----------|
|  | BELL MOUNTAIN RANCH<br>PROCESS FLOW DIAGRAM |  | project  |
|                                                                                       | FIGURE 1                                    |  | contract |
|                                                                                       | date 8/14/2020                              |  | -        |
|                                                                                       | designed B. YAFFE                           |  | SK -     |

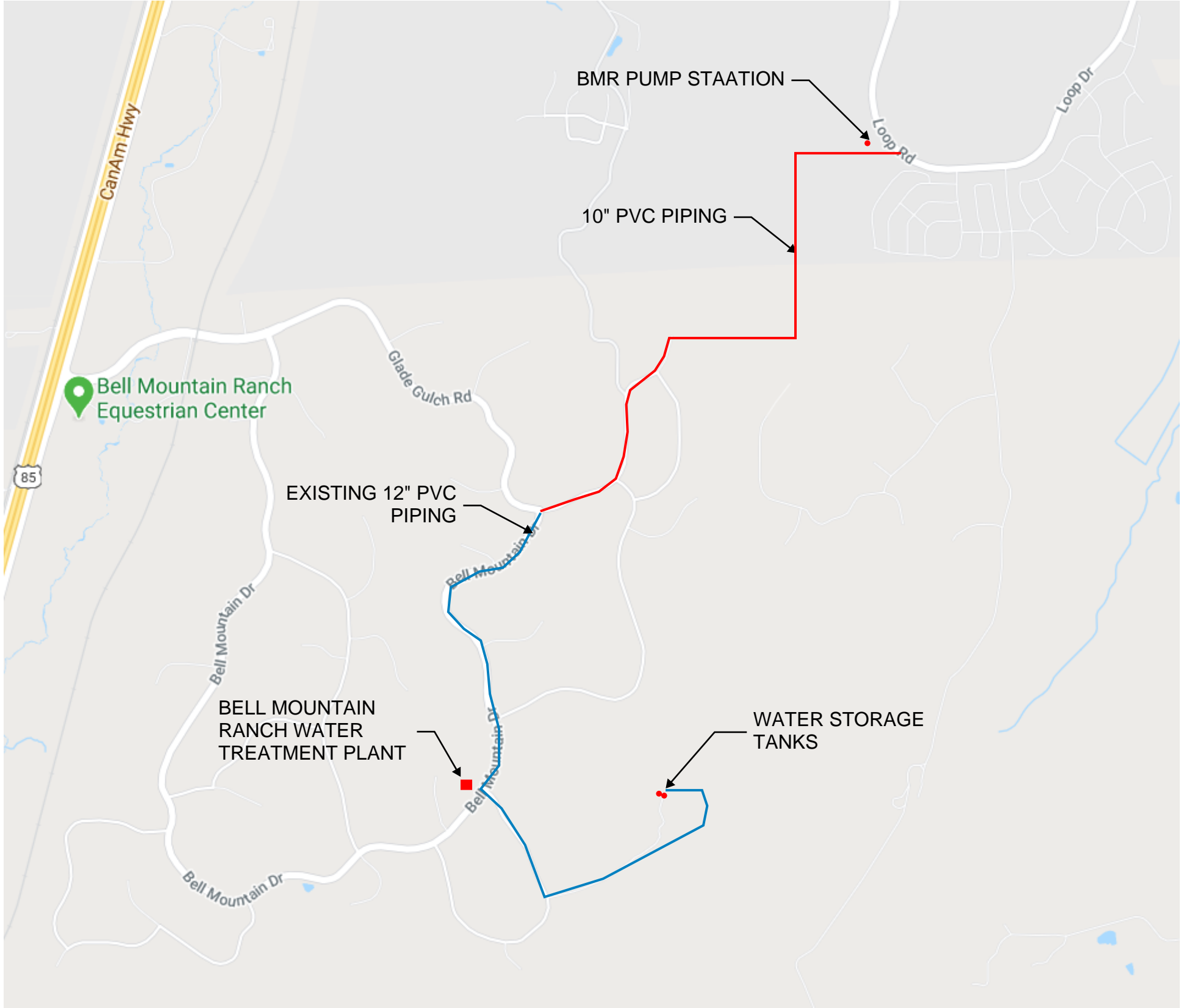
| BELL MOUNTAIN RANCH WATER TREATMENT PLANT EXPANSION |      |                                    |                           |                                           |                       |
|-----------------------------------------------------|------|------------------------------------|---------------------------|-------------------------------------------|-----------------------|
| Raw Water                                           |      | Chemical Feed System               |                           | Clearwell (Existing)                      |                       |
| Maximum Capacity (MGD)                              | 1.3  | Sodium Hypochlorite                | Preoxidant & Disinfection | Volume (gal)                              | 30,000                |
|                                                     |      | Solution Concentration (%)         | 12.5                      |                                           |                       |
| Greensand Filter                                    |      | Storage Weight (gal)               | 900                       | High Service Pump Station (Existing)      |                       |
| Maximum Capacity (MGD)                              | 1.3  | Number of Feed Pumps               | 2+1                       | Pumps                                     | 3+1                   |
| Loading Rate (gpm/ft2)                              | 5    | Maximum Dosage Preoxidant (mg/L)   | 2.5                       | Type                                      | Vertical Turbine Pump |
| Backwash Rate (gpm/ft2)                             | 12   | Maximum Dosage Disinfection (mg/L) | 2.5                       | Capacity (gpm/pump)                       | 475 (2), 180 (2)      |
| Number of Filter Units                              | 12+1 |                                    |                           | Installed Capacity (gpm/MGD)              | 1,310 / 1.88          |
|                                                     |      | Sodium Permanganate                | Preoxidant                |                                           |                       |
|                                                     |      | Solution Concentration (%)         | 20                        | Backwash Waste Water Tank                 |                       |
|                                                     |      | Storage Volume (gal)               | 55                        | Volume (gal)                              | 30,000                |
|                                                     |      | Number of Feed Pumps               | 1                         | Residuals Pumps                           | 2                     |
|                                                     |      | Maximum Dosage (mg/L)              | 0.15                      | Residuals Pumps Capacity (gpm/pump)       | 50                    |
|                                                     |      |                                    |                           | Backwash Return Pumps                     | 2                     |
|                                                     |      | Alum                               | Water Treatment Residuals | Backwash Return Pumps Capacity (gpm/pump) | 100                   |
|                                                     |      | Solution Concentration (%)         | 48.5                      |                                           |                       |
|                                                     |      | Storage Volume (gal)               | 110                       |                                           |                       |
|                                                     |      | Number of Feed Pumps               | 2                         |                                           |                       |
|                                                     |      | Maximum Dosage (mg/L)              | 2                         |                                           |                       |
|                                                     |      |                                    |                           |                                           |                       |
|                                                     |      | Caustic Soda                       | pH Adjustment             |                                           |                       |
|                                                     |      | Solution Concentration (%)         | 50                        |                                           |                       |
|                                                     |      | Storage Volume (gal)               | 900                       |                                           |                       |
|                                                     |      | Number of Feed Pumps               | 2                         |                                           |                       |
|                                                     |      | Maximum Dosage (mg/L)              | 30                        |                                           |                       |
|                                                     |      |                                    |                           |                                           |                       |
|                                                     |      | Liquid Ammonium Sulfate            | Chloramine Residual       |                                           |                       |
|                                                     |      | Solution Concentration (%)         | 38                        |                                           |                       |
|                                                     |      | Storage Volume (gal)               | 300                       |                                           |                       |
|                                                     |      | Number of Feed Pumps               | 2                         |                                           |                       |
|                                                     |      | Maximum Dosage (mg/L)              | 2                         |                                           |                       |

|                                                                                       |                                        |          |
|---------------------------------------------------------------------------------------|----------------------------------------|----------|
|  | BELL MOUNTAIN RANCH<br>DESIGN CRITERIA | project  |
|                                                                                       |                                        | contract |
|                                                                                       |                                        | -        |
|                                                                                       |                                        | SK -     |
| date 8/14/2020                                                                        | FIGURE 5                               |          |
| designed B. YAFFE                                                                     |                                        |          |





|                                                                                                                                                       |                                                                                                         |               |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|---------------|
| <div></div> <div>date8/13/2020</div> <div>designedB. YAFFE</div> | <div>TOWN OF CASTLE ROCK</div> <div>MODIFIED BELL MOUNTAIN RANCH</div> <div>WATER TREATMENT PLANT</div> | project125295 |
|                                                                                                                                                       |                                                                                                         | contract      |
|                                                                                                                                                       |                                                                                                         | SK -202       |



LINEAR FEET OF 10-INCH PVC = 8,000

|                                                                                                                                                                                 |                                            |          |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------|----------|
| <div><div><div><div></div><div>BURNS</div><div>MCDONNELL</div></div></div><div><div>date</div><div>8/14/2020</div></div><div><div>designed</div><div>B. YAFFE</div></div></div> | BELL MOUNTAIN RANCH<br>DISTRIBUTION PIPING | project  |
|                                                                                                                                                                                 |                                            | contract |
|                                                                                                                                                                                 |                                            | SK -     |



# ATTACHMENT D

## Cost Estimate

Table 1 summarizes the estimated total project construction costs with a detailed estimate attached to this memorandum. These costs include contractor general conditions, contractor overhead and profit, contingency, and engineering costs. This cost estimate is in line with Association for the Advancement of Cost Engineering (AACE) Class 4, which have an expected accuracy range of -15% to -30% on the low side and +20% to +50% on the high side. Projected project costs assume an escalation rate of 3.5%.

**Table 1: Estimated project cost summary**

| <b>Project Component</b>                  | <b>Total Cost</b>   |
|-------------------------------------------|---------------------|
| WTP Expansion (Including Solids Handling) | \$4,164,000         |
| Distribution Pipeline and Pump Station    | \$5,25,000          |
| <b>Total 2020 Project Cost:</b>           | <b>\$9,689,000</b>  |
| <b>Total 2021 Project Cost:</b>           | <b>\$10,028,000</b> |
| <b>Total 2022 Project Cost:</b>           | <b>\$10,379,000</b> |
| <b>Total 2023 Project Cost:</b>           | <b>\$10,742,000</b> |
| <b>Total 2024 Project Cost:</b>           | <b>\$11,118,000</b> |
| <b>Total 2025 Project Cost:</b>           | <b>\$11,507,000</b> |

These conceptual opinions of probable construction costs rely primarily on Burns & McDonnell's experience and judgements as professional consultants combined with information from past experience, vendors, and published sources.

The construction industry has experienced dramatic cost changes in materials in the past decade. Material costs for concrete, steel, copper, and other metals continue to fluctuate. Recent government and banking industry issues have contributed to even more overall economic uncertainty. The instability of fuel prices affects nearly all material costs. Many other items can also influence the local bidding environment. Burns & McDonnell has no control over weather, cost and availability of labor, material and equipment, labor productivity, construction contractor's procedures and methods, unavoidable delays, construction contractor's methods of determining prices, economic conditions, government regulations and laws (including the interpretation thereof), competitive bidding or market conditions and other factors affecting such opinions or projections; consequently, the final costs may vary from the opinions of costs presented here. Moreover, the cost opinions presented here are only conceptual in nature and can vary significantly as design and detail is added to the project. Project budgets should continue to be carefully reviewed at regular intervals to assist in the decision-making process.

# ATTACHMENT D

## Conclusion

In order to address treatment goals and allow for planned future water supply expansion near the BMR development, Burns & McDonnell proposes the following project components to expand the WTP:

- Expansion of the WTP to include greensand filtration
- Backwash recovery system
- Residuals tank and lift station for trucking thickened solids to Plum Creek Water Purification Facility for solids handling
- 10-inch distribution pipeline to connect the BMR distribution network to the Town's network
- Pump Station to deliver water from the Town to the BMR distribution network

The estimated cost for this project in 2020 dollars is \$9.7 million.

JJS/bgmy

Attachment:  
Conceptual Design Cost Estimate



# ATTACHMENT D

| <b>OPINION OF PROBABLE CONSTRUCTION COST</b><br><b>Bell Mountain Ranch Expansion</b><br><b>Town of Castle Rock, CO</b> |      |          |                   |                     |
|------------------------------------------------------------------------------------------------------------------------|------|----------|-------------------|---------------------|
| BMCD - 125295                                                                                                          |      |          |                   |                     |
| Treatment Plant Expansion                                                                                              |      |          |                   |                     |
| Description                                                                                                            | Unit | Quantity | Unit Cost         | Total Cost          |
| <b>Site/Facility Work</b>                                                                                              |      |          |                   |                     |
| Demolition                                                                                                             | LS   | 1        | \$50,000          | \$50,000            |
| Backwash Recovery Tank (30,000 gallons)                                                                                | LS   | 1        | \$400,000         | \$400,000           |
| Treatment Building                                                                                                     | SF   | 900      | \$500             | \$450,000           |
| Electrical                                                                                                             | LS   | 1        | \$284,000         | \$284,000           |
| Sitework                                                                                                               | LS   | 1        | \$400,000         | \$400,000           |
| <b>Equipment</b>                                                                                                       |      |          |                   |                     |
| Greensand Filtration                                                                                                   | LS   | 1        | \$285,000         | \$285,000           |
| Sodium Hypochlorite System (Feed Equipment and Containment)                                                            | LS   | 1        | \$35,000          | \$35,000            |
| Alum System (Feed Equipment and Containment)                                                                           | LS   | 1        | \$20,000          | \$20,000            |
| Caustic Soda System (Feed Equipment and Containment)                                                                   | LS   | 1        | \$20,000          | \$20,000            |
| Ammonia System (Feed Equipment and Containment)                                                                        | LS   | 1        | \$20,000          | \$20,000            |
| Solids Lift Station Pumps                                                                                              | EA   | 2        | \$35,000          | \$70,000            |
| Backwash Water Decant Pumps                                                                                            | EA   | 2        | \$35,000          | \$70,000            |
| Sub Total Equipment                                                                                                    |      |          | \$450,000         |                     |
| Pipe & Valves                                                                                                          |      | 20%      |                   | \$90,000            |
| Installation                                                                                                           |      | 40%      |                   | \$180,000           |
| <b>Material and Labor Subtotal</b>                                                                                     |      |          |                   | <b>\$2,374,000</b>  |
| Contractor's General Conditions (12%)                                                                                  |      |          |                   | \$285,000           |
| <b>Material and Labor plus General Conditions</b>                                                                      |      |          |                   | <b>\$2,659,000</b>  |
| Contractor Overhead and Profit (15%)                                                                                   |      |          |                   | \$399,000           |
| Contingency (20%)                                                                                                      |      |          |                   | \$532,000           |
| Engineering (16%)                                                                                                      |      |          |                   | \$574,000           |
|                                                                                                                        |      |          | <b>Total Cost</b> | <b>\$4,164,000</b>  |
| Distribution Pipeline and Pump Station                                                                                 |      |          |                   |                     |
| Description                                                                                                            | Unit | Quantity | Unit Cost         | Total Cost          |
| Packaged Pump Station                                                                                                  | LS   | 1        | \$1,250,000       | \$1,250,000         |
| Electrical                                                                                                             | LS   | 1        | \$525,000         | \$525,000           |
| Site Improvements                                                                                                      | LS   | 1        | \$175,000         | \$175,000           |
| Distribution 10" PVC Pipe                                                                                              | LF   | 8,000    | \$150             | \$1,200,000         |
| <b>Material and Labor Subtotal</b>                                                                                     |      |          |                   | <b>\$3,150,000</b>  |
| Contractor's General Conditions (12%)                                                                                  |      |          |                   | \$378,000           |
| <b>Subtotal</b>                                                                                                        |      |          |                   | <b>\$3,528,000</b>  |
| Contractor Overhead and Profit (15%)                                                                                   |      |          |                   | \$529,000           |
| Contingency (20%)                                                                                                      |      |          |                   | \$706,000           |
| Engineering (16%)                                                                                                      |      |          |                   | \$762,000           |
|                                                                                                                        |      |          | <b>Total Cost</b> | <b>\$5,525,000</b>  |
| Overall Project Costs*                                                                                                 |      |          |                   |                     |
| <b>Total Project Cost 2020</b>                                                                                         |      |          |                   | <b>\$9,689,000</b>  |
| <b>Total Project Cost 2021</b>                                                                                         |      |          |                   | <b>\$10,028,000</b> |
| <b>Total Project Cost 2022</b>                                                                                         |      |          |                   | <b>\$10,379,000</b> |
| <b>Total Project Cost 2023</b>                                                                                         |      |          |                   | <b>\$10,742,000</b> |
| <b>Total Project Cost 2024</b>                                                                                         |      |          |                   | <b>\$11,118,000</b> |
| <b>Total Project Cost 2025</b>                                                                                         |      |          |                   | <b>\$11,507,000</b> |
| *Assumes 3.5% escalation in cost per year                                                                              |      |          |                   |                     |

## AGREEMENT AND PLAN OF DISSOLUTION

**THIS AGREEMENT AND PLAN OF DISSOLUTION** (“Dissolution Agreement”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_ 2021, by and among the **CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT** (“CBMR”), a quasi-municipal corporation and political subdivision of the State of Colorado, and **BMR METROPOLITAN DISTRICT** (“BMR”), a quasi-municipal corporation and political subdivision of the State of Colorado, (f/k/a BELL MOUNTAIN RANCH MASTER METROPOLITAN DISTRICT), and BMR, acting by and through its **Water Activity Enterprise** (“Enterprise”). CBMR, BMR, and the Enterprise are hereinafter sometimes collectively referred to as the “Parties” or “Districts”, and singularly as a “Party” or “District”.

### RECITALS

**WHEREAS**, the BMR and CBMR are quasi-municipal corporations and political subdivisions of the State of Colorado organized and operating pursuant to Article 1 of Title 32 of the Colorado Revised Statutes and both have the powers, duties and responsibilities, and are subject to the conditions and limitations, provided in said law and in the Constitution and other laws of the State of Colorado; and

**WHEREAS**, CBMR has statutory and service plan authority to fund, construct, operate, maintain and improve a potable and non-potable water system both within and without its boundaries; and

**WHEREAS**, BMR has statutory and service plan authority to fund, construct, operate, maintain and improve a potable and non-potable water system both within and without its boundaries including its service area that includes the area within CBMR; and

**WHEREAS**, the Enterprise has statutory authority to fund, construct, operate, maintain and improve a potable and non-potable water system within its service area which includes the area within CBMR; and

**WHEREAS**, the Enterprise owns, operates and maintains a water distribution and treatment system (“Water System”) and provides potable water within the boundaries of CBMR for the benefit of the residents and properties located within Bell Mountain Ranch Filings 1-A, 1-B, and Bell Mountain Ranch Filing No. 2, Douglas County, Colorado (“Bell Mountain Ranch Subdivision”); and

**WHEREAS**, BMR acting by and through its Enterprise provides water service and facilities for the benefit of persons and property located within the Bell Mountain Ranch Subdivision pursuant to a Regional Facilities Agreement entered into between CBMR and BMR acting by and through its Enterprise, on or about December 8, 1988 as amended by

a Restated and Amended Regional Facilities Agreement dated January 13, 2009 (the “Regional Facilities Agreement”); and

**WHEREAS**, the Board of Directors of CBMR, BMR and the Enterprise have determined that it is in the best interests of the residents and property owners within the Bell Mountain Ranch Subdivision for BMR and its Enterprise to dissolve, and in connection therewith to transfer the Water System and assets of BMR along with its service responsibilities and functions to CBMR so that CBMR can continue to provide water service to the Bell Mountain Ranch Subdivision; and

**WHEREAS**, for the purpose of continuing water service to the Bell Mountain Ranch Subdivision, CBMR intends to transfer the Water System to the Town of Castle Rock (“Town”) and concurrent therewith, enter into a permanent Water Service Agreement with the Town, whereby Town will provide water service to the Bell Mountain Ranch Subdivision at a level equivalent to or better than the level of service provided by BMR prior to dissolution; and

**WHEREAS**, Article XIV, Section 18.2(a) of the Colorado Constitution and Section 29-1-203, C.R.S., permit and encourage political subdivisions of the State to make an efficient and effective use of their powers and responsibilities by cooperating and contracting with each other.

## **AGREEMENT**

**NOW, THEREFORE**, in consideration of the mutual covenants and obligations herein expressed, it is agreed by and between the Parties hereto as follows:

### **ARTICLE I**

#### **PURPOSE AND CONDITIONS**

1.1 **Purpose of Agreement.** The purpose of this Dissolution Agreement is to set forth the procedure by which: (a) the duties, functions and assets of BMR and its Enterprise (hereinafter collectively “BMR”) are transferred to CBMR; (b) CBMR continues equivalent water service to the Bell Mountain Ranch Subdivision by entering into a permanent Water Service Agreement with the Town; and (c) BMR is dissolved in accordance with and as defined by the laws of the State of Colorado.

1.2 **Conditions Subsequent.** To the extent that the dissolution of BMR: (a) requires further approval through judicial or electoral processes under the provisions of Part 7, Article 1 of Title 32, C.R.S.; and (b) implementation of the Plan of Dissolution described in Article II below is dependent upon the Town and CBMR entering into a perpetual water Service Agreement (“Water Service Agreement”), this Dissolution Agreement is expressly contingent upon such approvals being obtained and such Water

Service Agreement being entered into and the Closing contemplated thereunder occurring (hereinafter collectively referred to as the “Conditions Subsequent”).

1.3 **Effect of Conditions Subsequent.** Except for the payment of costs as set forth in Section 2.4.1 and 2.4.2 below, this Dissolution Agreement shall, at the option of either Party, terminate and be of no further force and effect if the Conditions Subsequent are not fully satisfied on or before May 1, 2022. By way of explanation and not limitation for the Conditions Subsequent to be fully satisfied, the electors of BMR must vote “Yes” on the question of the dissolution of BMR and CBMR and the Town must successfully negotiate and enter into a Water Service Agreement and the Douglas County District Court must enter an order dissolving BMR.

## **ARTICLE II**

### **PLAN OF DISSOLUTION**

2.1 **Agreement Constitutes the Plan.** The Parties agree that this Dissolution Agreement constitutes a plan of dissolution (“Plan of Dissolution”) as required by § 32-1-702, C.R.S., of the Special District Act, and that the Plan provides for the disposition of BMR’s assets, payment of its liabilities, and transfer of its service responsibilities and functions to CBMR in a way that continues water service to the Bell Mountain Ranch Subdivision pursuant to a Water Service Agreement with the Town that is acceptable to BMR and CBMR.

2.2 **Dissolution of BMR.** As soon as is reasonably practical after this Dissolution Agreement is executed by the Parties, and concurrent with CBMR entering into a Water Service Agreement with the Town to be effective upon BMR’s dissolution, the Board of Directors of BMR shall adopt a Resolution calling for BMR’s dissolution. Thereafter, the Board of Directors of BMR shall petition and request an order from the Douglas County District Court for dissolution of BMR pursuant to Part 7 of the Special District Act, requiring a public hearing and an election of the eligible electors of BMR on the question of BMR’s dissolution. This process carried to completion shall hereinafter be referred to as the “Dissolution”.

2.3 **Continuation of Water Service.** The Board of Directors of CBMR shall exercise its best efforts to finalize and enter into a Water Service Agreement with the Town, in substantially the form attached hereto as **Exhibit A**, that provides for water service to be provided to the Bell Mountain Ranch Subdivisions effective upon the transfer of the Water System to the Town which shall occur at the time of closing under the Water Service Agreement (“Closing”). Closing shall occur within the time period provided for in section 3.1.1 below. The process of negotiating and executing the Water Service Agreement carried to completion shall hereinafter be referred to as “Continuation of Water Service”.



## **2.4 Documentation and Prosecution.**

2.4.1 **Dissolution.** BMR shall, with the cooperation of CBMR, but at BMR's sole cost and expense produce the documentation necessary or desirable in the opinion of BMR for its Dissolution including agreements, resolutions, notices, election materials and property transfer documents, and shall be principally responsible for the prosecution of the Dissolution. Where necessary, BMR and CBMR shall execute such documents, provide such authorizations, and take such actions as will further assist the efforts of BMR in its prosecution of the procedures contemplated hereby.

2.4.2 **Continuation of Water Service.** CBMR shall, with the cooperation of BMR, and at CBMR's expense, produce the documentation necessary or desirable to finalize a Water Service Agreement that is acceptable to the Town, CBMR and BMR, including the drafting of the Water Service Agreement in cooperation with the Town. Where necessary, BMR and CBMR shall execute such documents, provide such authorizations, and take such actions as will further assist CBMR in finalizing the Water Service Agreement and providing for the Continuation of Water Service to the Bell Mountain Ranch Subdivision.

2.5 **Access to Public Records.** Both BMR and CBMR shall provide to each other and the Town unlimited access to their public records including, but not limited to, attorney files and all accounting records, if any, maintained by either BMR or CBMR, or any of their consultants, officers, directors, agents or employees. Where necessary, BMR and CBMR, or appropriate individuals connected therewith, shall execute such documents, provide such authorizations, and take such actions as are required to allow the full and unrestricted access contemplated by this section.

## **2.6 Timetable.**

2.6.1 **Dissolution.** The following timetable for Dissolution shall, as nearly as practical, be followed by the Parties:

(a) This Agreement is adopted by the Parties on or about November 2, 2021, or as soon thereafter as possible, both Parties shall adopt this Agreement and the Water Service Agreement.

(b) On or about November 17, 2021, or as soon thereafter as possible, BMR shall adopt a Resolution authorizing dissolution proceeding and approving a plan for dissolution.

(c) Petition and plan for dissolution of BMR is filed with the Douglas County District Court on or about November 23, 2021.

(d) Within thirty (30) days of the adoption of the Agreement by both Parties, BMR provides to CBMR an inventory.

(e) Within sixty (60) days of the adoption of the Agreement by both Parties, CBMR completes inspection.

(f) On or about January 12, 2022, the Douglas County District Court conducts a hearing on Petition and on Plan for Dissolution and sets a Dissolution election for on or about April 5, 2022, appoints designated election official and designates the polling location, and approves the ballot question.

(g) The ballot question is certified for the Dissolution election on or before February 4, 2022.

(h) No later than February 9, 2022, the designated election official shall have on file at the principal office of BMR or the designated election official office a plan for the conduct of a mail ballot election.

(i) No later than February 18, 2022, the Designated election official shall mail absentee ballots to those eligible electors who are designed as a “covered voter” under the Uniform and Overseas Citizens Absentee Voting Act.

(j) February 24, 2022 is the last day for the Designated election official to order the voter registration and property owner lists.

(k) March 4, 2022, the Designated election official shall have available printed ballots.

(l) March 14, 2022, the Designated election official may begin mailing to each eligible elector a mail ballot package.

(m) No later than March 16, 2022, Designated election official shall publish notice of the election, and post notice in the office of the Designated election official.

(n) March 21, 2022, is the last day to mail the mail ballot package to the electors.

(o) April 5, 2022, election day

(p) April 13, 2022, last day to receive voted absentee ballots from eligible electors.

(q) April 20, 2022, Canvas Board shall certify the official abstract of votes cast at the election.

(r) April 26, 2022, file a Motion and proposed Order with the Douglas County District Court requesting the Court issue an Order dissolving the District.

(s) No later than May 15, 2022, obtain certified copies of the Order of Dissolution, record certified copies in Douglas County, Colorado and file copies of the Order of Dissolution with the Division of Local Government, and Douglas County, Colorado.

(t) Closing to transfer all assets from BMR to CBMR to occur within twenty (20) days of Douglas County Order of Dissolution.

(u) Post Dissolution Order deliveries completed within thirty (30) days of Closing including recordation of the Dissolution Order.

(v) Water Service under the IGA with the Town becomes effective at such time as the Water System is transferred to the Town, which is contemplated to occur at Closing.

The above timetable is recognized as aggressive, and the Parties acknowledge that certain events are out of their control, such as the timing of court orders or approvals, and the above schedule may vary.

**2.6.2 Continuation of Water Service.** The following timetable for negotiation and execution of a Water Service Agreement shall, as nearly practical, be followed by the Parties but, in particular, CBMR:

(a) The Water Service Agreement is presented to the Town Council for approval on or before November 2, 2021.

(b) The Water Service Agreement is executed by both Parties concurrent with BMR and CBMR's signing of the Dissolution Agreement.

### **ARTICLE III**

#### **PLAN FOR DISPOSITION/ TRANSFERS OF ASSETS**

**3.1 Inventory.** Within thirty (30) days from the date this Agreement is executed by both parties, BMR shall provide to CBMR and the Town a written inventory of all BMR Property, both tangible and intangible. By way of explanation and not limitation, the inventory shall include those matters set forth below, as well as a list of all BMR liabilities, both short and long term.

**3.1.1 Real Property, Easements and Water Rights.** BMR shall provide CBMR and the Town with a list of its real property, including easements and water rights, if any. For each parcel of real property, including each deeded easement owned by BMR, BMR shall provide a title insurance commitment issued by a reputable title insurance company acceptable to CBMR in an amount not less than \$25,000, and which may reissue to the Town in accordance with the Water Service Agreement. BMR shall cause the title

insurance company to deliver a policy of title insurance in accordance with each title insurance commitment to CBMR as soon as practical after Closing which will shall occur after the entry of an Order dissolving BMR by the Douglas County District Court (“Dissolution Order”), but prior to the recordation of said Order. Each commitment shall be brought current to a date that is within thirty (30) days following the date of the election of BMR’s dissolution. BMR shall, upon request by CBMR, remove any encumbrances, title defects or obtain acceptable title insurance endorsements to cover such items, as is acceptable to CBMR. CBMR shall be provided, at BMR’s expense, such written evidence of all property rights as may be necessary to ensure continuation of all existing access to BMR’s real property parcels, as well as access to and use of BMR’s easements, as is necessary for the operation, maintenance, repair and replacement of the Water System.

3.1.2 **Equipment.** BMR shall provide CBMR with an inventory of all major pieces of BMR equipment including, but not limited to, a description of all pumps, motors, generators, tanks, etc., which are part of or in use in connection with the Water System.

3.1.3 **Contracts.** BMR shall provide a list to CBMR and the Town of all contracts entered into between BMR and any other party, including all intergovernmental agreements (“BMR Contracts”). Except for those contracts that CBMR desires to, and can assume, and except for those contractual obligations that run with the land, such as may be contained in recorded easements or deeds, BMR shall provide written notice to any and all of its public and private contractors of the cancellation of such contracts, effective as of the date of the Dissolution Order. Should the terms of any contract between BMR and third parties not permit cancellation or be such that CBMR has no desire to assume them, BMR shall have the option to terminate this Agreement. Nothing contained in this Agreement shall be deemed or construed as an assumption by CBMR of any outstanding liability, contractual or otherwise, of BMR and any such assumption by CBMR shall be at the sole discretion of CBMR and accomplished only through specific affirmative action by the Board of Directors of CBMR at a regular or special meeting.

3.1.4 **Tap Permits.** BMR shall provide CBMR and the Town with a written list of all taps and/or water tap permits issued by BMR, which list specifies the property address, current property owner’s name and the size of the tap for which the permit was issued. To the extent available, the list shall be accompanied by the original tap permits or photocopies thereof.

3.1.5 **Financial Accounts.** BMR shall provide CBMR and the Town with a list of all financial accounts, including bank accounts, maintained by BMR and the balance in said accounts, together with a copy of the most recent statement.

3.1.6 **Customer Confirmations.** BMR shall provide CBMR and Town with a written list of all BMR customers that receive water service from BMR, together with each customer’s property address, mailing address and water service connection and meter size.



3.1.7 **Discharge Permits.** BMR shall provide to CBMR and the Town a copy of any and all discharge permits and other documents relating to the operation of BMR's water treatment plant including any Compliance Orders that have been entered into with the Colorado Water Quality Control Division.

3.1.8 **Audits.** BMR shall provide CBMR and the Town with copies of the last two (2) years audits and/or exemptions from audits, as well as copies of BMR's audited financial statements for the last two (2) years ending December 31, 2020.

3.1.9 **Insurance.** BMR shall provide CBMR and the Town with a copy of BMR's property, liability and public officials liability insurance policies in effect for the last two (2) calendar years and the current calendar year.

3.1.10 **Water System.** BMR shall provide CBMR and the Town with a narrative description of all pipes, pipe sizes, valves, valve boxes, pumps, tanks, and other facilities and equipment that comprise BMR's Water System, and any drawings, reports, operation and maintenance manuals, and any other pertinent technical information about the water system.

3.1.11 **List Accounts Receivable.** BMR shall provide CBMR and the Town with a list of BMR's accounts receivable, including a list that identifies each BMR customer, the amount the customer currently owes, and the customer's address and contact information.

3.1.12 **List of Liabilities.** BMR shall provide CBMR and the Town with a list of BMR's current and long-term accounts payable and other financial obligations which list shall identify the amount that is owed by BMR and the payee's address and contact information.

3.2 **Inspections.** BMR shall allow the employees or other representatives of CBMR and the Town to make such inspections as CBMR and/or the Town may deem necessary or appropriate of BMR property, assets and liabilities including, but not limited to, BMR's Water System, including equipment, records, accounts, technical drawings and maps, and customer lists (collectively hereinafter referred to as "BMR Property"). Unless otherwise agreed, BMR shall, at its sole cost and expense, correct any defects in any BMR Property identified by CBMR or Town within a time period specified by CBMR, but in no event later than the date of the election on BMR's Dissolution. If CBMR and the Town do not notify BMR of defects in BMR Property that either the Town or CBMR want corrected within sixty (60) days of the date of this Agreement, BMR Property shall be deemed acceptable to both CBMR and the Town. It shall be a condition precedent to BMR proceeding with the Dissolution that both CBMR and the Town are satisfied with the BMR Property and the condition thereof including, but not limited to, the Water System and that CBMR agrees to accept the same and that CBMR and the Town have come to agreement to the final terms and conditions of a Water Service Agreement. If CBMR or the Town are

not satisfied for any or no reason with any of the BMR Property, including, but not limited to, its Water System, and either CBMR or The Town have so provided notice to BMR in accordance with the terms of this Agreement, CBMR may terminate this Agreement and withdraw from the Dissolution.

**3.3 Ownership and Transfer of BMR Property.** Except as to any property or asset that CBMR, in consultation with the Town does not want to accept from BMR, the Parties agree that at the time of Closing, but in no event later than the recordation of the Dissolution Order, CBMR shall become the successor-in-interest and owner of all property of whatsoever kind or nature owned by BMR as of the date of the Dissolution Order, and the Dissolution Order shall so provide. To facilitate CBMR's tracking and management of BMR property, the Parties agree to follow the procedure set forth in this Article III, but any failure to do so with respect to any item or items of property shall not in any way defeat or divest CBMR's ownership thereof.

**3.3.1 Conveyance of Real Property Interests and Water Rights, If Any.** At Closing, BMR shall execute and deliver to CBMR a Bargain and Sale Deed in form attached hereto as **Exhibit B** conveying to CBMR all real property interests owned by BMR and water rights, if any, including, but not limited to, all water pipeline easements, as listed on BMR's written inventory. Such real property interests shall be conveyed free and clear of all liens and encumbrances, except for easements, rights-of-way and restrictions of record as disclosed to CBMR by BMR in writing. In the event it is discovered there is any defect in title to any BMR real property interest, including any encroachment upon any easements, BMR agrees to cooperate in correcting such defect or eliminating such encroachment prior to the recordation of the Dissolution Order.

**3.3.2 Transfer of Personal Property.** At Closing, BMR shall execute an appropriate Bill of Sale transferring to CBMR all of BMR's tangible and intangible property, except contract rights, including, but not limited to, water pipes, valves, equipment, storage tanks, books, records, minutes, bank accounts, etc., using the form of Bill of Sale attached hereto as **Exhibit C**, or such other transfer document as is acceptable to and approved in advance by CBMR.

Certain BMR files may be stored at the offices of CliftonLarsonAllen ("Manager") and other files may be stored at BMR's accountant's office, Simmons and Wheeler. It is agreed that unless demand is made for their possession, said files may remain in storage at CliftonLarsonAllen and Simmons and Wheeler at no cost to CBMR until such time as CBMR requests such files, which request shall be made no later than the date the Dissolution Order is recorded. Upon the entry of the Order of Dissolution, BMR shall notify both CliftonLarsonAllen and Simmons and Wheeler that CBMR is the successor-in-interest to BMR and is entitled to receive any and all documents that CBMR may, from time to time, upon request.

3.3.3. **Assignment of Contracts.** CBMR shall assume and agree to perform all BMR contractual obligations that will not be terminated or treated as being terminated on or before the date of Closing. At Closing, BMR shall assign to CBMR, using the form of Assignment and Assumption Agreement attached hereto as **Exhibit D** all of BMR's contracts listed on the contract inventory provided to CBMR pursuant to section 3.2.3 above.

3.3.3.1 **Cancellation of Certain Agreements.** BMR shall provide to CBMR at Closing, written evidence that BMR contracts that are not assignable have been canceled by BMR.

3.3.4 **Financial Accounts.** At Closing, BMR shall execute and deliver to CBMR all documentation necessary to transfer ownership of all BMR bank and other financial accounts to CBMR.

### 3.5 **Post Dissolution Order Deliveries.**

3.5.1 **Billing Confirmations.** No later than twenty (20) days after the Closing under the Water Service Agreement, BMR as authorized in the Dissolution Order, BMR shall provide CBMR and the Town with written evidence that all third-parties that received services from BMR or from whom BMR has the right to receive payment, have been billed for service provided up to and including the date of Closing, and that said receivables have been collected by BMR in full; provided, however, that if any receivables have not been collected, BMR shall prepare a list of the outstanding receivables identifying the party billed by name and address and stating the amount owed, the date said amount was due, and providing CBMR with an estimate as to when the receivable will be paid and/or the likelihood that the receivable will be paid. All receivables, that are paid from and after the date of Closing shall become the property of CBMR.

3.5.2 **Audit and Financial Information.** At the time of Closing, BMR shall provide CBMR and the Town with written evidence that BMR has engaged an auditor to audit the books, records and financial affairs of BMR for calendar year 2021 and 2022 up to the date of Closing. The auditor shall deliver the completed audit to CBMR and to the State Auditor's Office as required by law. At Closing, if not already in the possession of the auditor, BMR shall deliver to CBMR, with copies to the Town, all financial books, records and documents required by an auditor to conduct an audit of BMR's financial statements and affairs for calendar year 2021, up to and including its date of dissolution.

3.5.3 **Notification to Customers.** Immediately following Closing, BMR, in consultation with CBMR and the Town, shall notify all of its customers of its dissolution, and specifically inform its customers that going forward they will be receiving water service bills from the Town and that payment should be remitted directly to the Town.

3.5.4 **Insurance Policies and Coverage.** At Closing, BMR shall assign and transfer to CBMR, all of BMR's right, title and interest, in and to BMR's existing property and liability insurance policies.

3.5.5 **Authorization – Clerk of the Court.** Should BMR fail or refuse to execute any documents necessary to record appropriately the transfer of any item or property, whether real or personal, the Clerk of the Douglas County District Court shall be authorized by the Dissolution Order to act as an attorney-in-fact for BMR and execute any such documents upon a request by CBMR.

## **ARTICLE IV**

### **CONTINUATION OF WATER SERVICE**

4.1 **Water Service Agreement.** If an Order dissolving BMR is entered by the Douglas County District Court, Water Service to the Bell Mountain Ranch Subdivision shall be continued as required by § 32-1-702(4)(b)(I), C.R.S., by the Town in accordance with the Water Service Agreement, which Agreement by this reference is incorporated into this Plan of Dissolution. Pursuant to the Water Service Agreement, water service shall be provided by the Town as of the date of Closing. As of said date, water service to the Bell Mountain Ranch Subdivision (the area previously served by BMR) will be continued by CBMR and Town in accordance with the Water Service Agreement and such service shall be substantially similar and equivalent to, if not better than, the level of water service provided by BMR prior to its dissolution.

The Water System is not currently connected to the Town's water distribution system and as more particularly described in the Water Service Agreement, the Town shall design and cause to be constructed the pipeline and related facilities ("Improvements") necessary to connect the Town's distribution system to the Water System. It is expected that construction of the Improvements will not be completed until on or about March 1, 2023. Accordingly, from and after the date the Dissolution Order is recorded, and as more particularly set forth in the Water Service Agreement, the Town shall own, operate, maintain and repair the Water System as it is currently configured with the understanding that the Water System will be improved by the Town and caused to be connected to the Town's water distribution system as soon as is reasonably practicable.

4.2 **CBMR Not a Water Provider.** It is recognized by BMR and CBMR that CBMR is not a provider of water and that it will be conveying all of its water rights and water system to the Town for the purpose of enabling the Town to provide water service to the Bell Mountain Ranch Subdivision. Unless caused by a material failure of CBMR to perform its obligations under the Water Service Agreement, the failure of the Town to provide water service will not result in any liability or obligation on behalf of CBMR to those persons and property previously served by BMR. CBMR recognizes, however, the



need for continuity for water service and covenants and agrees to use its best efforts to provide for such continuity of service.

## **ARTICLE V**

### **PLAN FOR PAYMENT OF FINANCIAL OBLIGATIONS**

5.1 **Payment of Financial Obligations.** BMR entered into a loan agreement with the Colorado Resources and Power Development Authority (“CWRPDA”) on October 22, 2010, in the original principal amount of \$1,034,840.00. The principal outstanding balance under the loan agreement is as of November 1, 2021 is \$568,735.77 which will be prepaid in full upon thirty (30) days advance notice to CWRPDA.

As soon as practical after this Dissolution Agreement has been executed by all parties, BMR shall notify CWRPDA of BMR’s intention to prepay the outstanding balance in full and thereafter, in accordance with such notice, BMR shall fully pay and discharge the loan agreement and obtain a statement or certification from CWRPDA that the loan has been paid in full and BMR’s promissory note given in connection with said loan has been cancelled.

5.2 **Payment of Current Financial Obligations.** It is agreed and represented by BMR that currently it has no bonded indebtedness or other financial obligations of any kind or nature other than the loan to the CWRPDA, the payment of which will extend beyond the date of Closing. BMR agrees that all BMR financial obligations of whatsoever kind or nature shall be paid and satisfied in full by BMR as soon as possible after entry of an Order of Dissolution but in all events prior to the date the Dissolution Order is recorded in the public records of Douglas County, Colorado.

5.3 **Remaining Funds.** To the extent not needed to pay and fully discharge any and all of BMR’s financial obligations and debt specified herein or discovered in the administration hereof, all remaining funds of BMR shall be transferred to CBMR and accounted for separately for a period of one year. Such funds shall be applied by CBMR, first to pay to any BMR liabilities or financial obligations that through inadvertence were not paid or discovered prior to the recordation of the Dissolution Order or that the parties agree are post-closing obligations of CBMR that are to be paid from said funds. Any remaining BMR Funds thereafter shall be used by CBMR to reduce the balance then owed to the Town under the Water Service Agreement and recoverable from the surcharge to be billed to customers receiving water service under the Water Service Agreement.

5.4 **Authority to Assess Fees.** If, subsequent to the date of BMR’s Dissolution, any claim, demand, cause of action or liability of any kind whatsoever is asserted, discovered or imposed against CBMR as a result of, or that in anyway arises out of, any contract, act or omission of BMR that occurred prior to BMR’s dissolution (hereinafter “Liability”), CBMR shall have the right in the reasonable exercise of its discretion to settle,

discharge or satisfy the Liability and to treat the funds advanced for that purpose including, but not limited to, court costs and reasonable attorney fees, as additional dissolution costs under this Agreement. CBMR shall have the right to recover such additional dissolution costs through a surcharge or fee that CBMR may bill annually or in such installments as it determines appropriate, to the persons and property who receive water service under the Water Service Agreement. The authority of CBMR to impose such a surcharge or fee shall terminate at such time as the Liability has been paid in full.

## **ARTICLE VI**

### **REPRESENTATIONS, WARRANTIES AND COVENANTS**

6.1 **Representations and Warranties.** BMR, acting by and through its Board of Directors in their official capacity and to the best of said Board's actual knowledge, information and belief, and without undertaking any independent investigation, represents as follows:

6.2 **Inventory.** The inventory and contract list that will be provided to CBMR will be full and complete and list all known BMR property including, but not limited to, all easements, contracts, bank accounts, accounts receivable, and known liabilities. With respect to any operating or other documents kept in the normal course of business, such as technical documents, maps, tap permits, and correspondence relating to BMR water distribution system, said list and said documents that are to be delivered to CBMR pursuant to section 3.2 above shall be complete and accurate and shall be delivered to CBMR no later than thirty (30) days after the date of the Dissolution Order.

6.3 **Tap List.** By way of explanation and not limitation, the tap list that will be provided to CBMR will list all water taps issued and connected to BMR water distribution system, as reflected upon the records of BMR, and, insofar as BMR is aware, accurately specifies as to each tap, the property address served, the owner's name, and the size of the water tap issued.

6.4 **Absence of Undisclosed Liabilities.** No known liabilities or claims exist, or have been asserted against BMR, as of the date of this Agreement, except to the extent disclosed to CBMR in accordance with this Agreement, which includes a potential liability to the Colorado Department of Public Health and Environment under BMR's Water Treatment Plan Discharge Permit. If the Colorado Department of Public and Environment asserts any liability against CBMR for events that occurred during the time that BMR was the holder of the Permit, CBMR shall have the remedies available to it set forth in section 5.4 above.

6.5 **No Litigation.** BMR is not a party to any litigation or other legal or administrative action and is unaware of any potential claim or litigation that may be brought against it in the future.

6.6. **Duly Appointed Board.** The members of the Board of Directors of BMR have been duly elected and they represent that the officers executing this Agreement are duly constituted to do so.

6.7 **No Known System Failures.** There are no known material failures or deficiencies in BMR water distribution system as of the date of this Agreement. What about the Arapahoe well – I think that needs to be acknowledged here]

6.8 **No Indebtedness.** Except as otherwise identified herein, BMR has no indebtedness including, but not limited to, any outstanding general obligation or revenue bonds.

6.9 **No Unauthorized Taps.** BMR represents that there are no known unauthorized taps or other violations of BMR's Rules and Regulations, or of BMR Total Service Contract, of which BMR is aware.

## **ARTICLE VII**

### **MISCELLANEOUS**

7.1 **Right to Terminate.** Notwithstanding any other provision contained in this Agreement to the contrary, each Party shall have the right to unilaterally terminate this Agreement and withdraw from the Dissolution proceeding at any time, if the terminating Party reasonably determines that the Dissolution does not promote the health, welfare and safety of the terminating Party's residents and/or property owners.

7.2. **BMR Directors Not to Remain in Office.** Within sixty (60) days after the entry of the Dissolution Order, but not prior to the time BMR has performed all obligations required to be performed following entry of such Dissolution Order, but prior to recordation of the Dissolution Order, and pursuant to a prior resolution of the Board of Directors, all Directors of BMR shall resign from their office as Directors of BMR and no Directors of BMR shall remain in office on behalf of BMR. Said resignation shall be filed with the Douglas County District Court with a copy delivered to CBMR.

7.3 **Entire Agreement.** This Agreement supersedes any former agreement executed between the Parties hereto and constitutes the entire agreement of the Parties.

7.4 **Amendments.** This Agreement may be amended only by a writing duly signed by the Parties hereto.

7.5 **Severability.** Invalidity of any of the provisions of this Agreement or any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstance shall not affect the validity of the remainder of this Agreement.

7.6 **No Waiver**. No waiver by any Party to this Agreement, of any covenant, term, condition or agreement contained herein shall be deemed or construed as a waiver of any other covenant, term, condition or agreement; nor shall a waiver of any breach thereof be deemed to constitute a waiver of any subsequent breach, whether of the same or a different provision of this Agreement.

**ADOPTED AND APPROVED** by the Board of Directors of BMR and CBMR by resolution and said Boards have authorized the execution of this Agreement by the persons named and whose signature below.

**IN WITNESS WHEREOF**, the Parties have executed this Agreement as of the day and year first above written.

**BMR DISTRICT**

By: \_\_\_\_\_  
Russell Grant, President

Attest:

\_\_\_\_\_  
Frank Strand, Secretary

**CONSOLIDATED BELL MOUNTAIN  
RANCH METROPOLITAN DISTRICT**

By: \_\_\_\_\_  
Russell Grant, President

Attest:

\_\_\_\_\_  
Frank Strand, Secretary



## **EXHIBIT A**

(Without Exhibits)

### **INTERGOVERNMENTAL AGREEMENT BETWEEN THE TOWN OF CASTLE ROCK AND THE CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT FOR WATER SERVICE AND IMPROVEMENTS**

**THIS INTERGOVERNMENTAL AGREEMENT** (the “IGA”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2021 to be effective as of the \_\_\_\_ day of \_\_\_\_\_, 2021 (“Effective Date”), by and between the **TOWN OF CASTLE ROCK**, a home rule municipal corporation of the State of Colorado, acting by and through the Town of Castle Rock Water Enterprise (the “Town”) and the **CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (“CBMRMD”) (each individually a “Party” and collectively, the “Parties”).

#### **WITNESSETH**

**WHEREAS**, the Town operates an integrated municipal water supply system (the “Town’s Water System”), providing potable water service within the Town’s corporate limits, and to certain extraterritorial properties; and

**WHEREAS**, CBMRMD is a quasi-municipal corporation and political subdivision of the State of Colorado, organized and operating pursuant to Article 1 of Title 32 of the Colorado Revised Statutes; and

**WHEREAS**, CBMRMD has the powers, duties and responsibilities, and is subject to the conditions and limitations provided in said Article and in the Constitution and other laws of the State of Colorado; and

**WHEREAS**, CBMRMD has statutory and service plan authority to fund, construct, operate, maintain, repair, and improve a potable water system, both within and without its boundaries that are coterminous with Bell Mountain Ranch Filings 1A and 1B, and Bell Mountain Ranch Filing No. 2, Douglas County, Colorado (collectively the “Bell Mountain Ranch Subdivisions” or “Service Area”); and

**WHEREAS**, currently water service is provided within the Bell Mountain Ranch Subdivisions by the BMR Metropolitan District (“BMRMD”) pursuant to that certain Restated and Amended Regional Facilities Agreement dated January 13, 2009, between CBMRMD and BMRMD; and

**WHEREAS**, due to the passage of time, and changed circumstances, and for the purpose of achieving economies of scale, BMRMD intends to dissolve and transfer its assets, service function and responsibilities to CBMRMD; and

**WHEREAS**, concurrent with BMRMD' s dissolution, the Town will acquire from CBMRMD, among other assets, the water treatment plant, water storage tanks and distribution system previously owned by BMRMD in exchange for the Town's perpetual commitment to provide water service to the Bell Mountain Ranch Subdivisions in accordance with this IGA; and

**WHEREAS**, it is a principal purpose of this IGA to provide the Bell Mountain Ranch Subdivisions with a long-term renewable water supply and, for that purpose, the Town has purchased one thousand (1,000') acre-feet of additional Water Infrastructure Supply Efficiency ("WISE") renewable water, part of which was previously reserved for other areas of unincorporated Douglas County, which water will be supplied, subject to availability, to help meet the Service Area's annual water demand of approximately one hundred forty-four (144') acre-feet; and

**WHEREAS**, pursuant to this IGA, the Town will acquire from CBMRMD sufficient Denver Basin water rights and related property including the Water System, as hereinafter defined, and sufficient additional customer revenue, which combined with the WISE water and the Town's other water resources, will enable the Town to operate the Water System and subsequently construct additional water facilities and related improvements ("Improvements") necessary to connect the Water System to the Town's Water Facilities; and

**WHEREAS**, pursuant to this IGA, the Bell Mountain Ranch Subdivisions will receive Water Service from the Town in the same manner and to the same service level standards as properties within the municipal limits of the Town, subject to a ten percent (10%) extraterritorial surcharge on all fees and charges, except as herein provided; and

**WHEREAS**, the Town's provision of Water Service to the Bell Mountain Ranch Subdivisions is premised on the Town's comprehensive water service and management regulations, as the same now exist and may hereafter be amended from time to time, being applicable to and fully enforceable within the Bell Mountain Ranch Subdivisions; and

**WHEREAS**, CBMRMD will assist, if necessary, the Town in the enforcement of the Town's Water Service Regulations, and further, if necessary, CBMRMD will adopt and enforce the same rules and regulations within the Bell Mountain Ranch Subdivisions; and

**WHEREAS**, CBMRMD is entering into this IGA with the understanding that the residents and customers within the Bell Mountain Ranch Subdivisions will enjoy the same privileges and responsibilities with respect to Water Service as the Town's residents and customers, subject only to such exceptions as are authorized by this IGA; and

**WHEREAS**, the Bell Mountain Ranch Subdivisions abut the Town's municipal boundaries and are in relatively close proximity to existing and planned Town Water Facilities; and

**WHEREAS**, accordingly, the Parties have determined that it is mutually advantageous for the Town to provide Water Service to the Bell Mountain Ranch Subdivisions in accordance with the terms and conditions contained in this IGA upon the transfer of the Water System, Water Rights, and other property described herein to the Town; and

**WHEREAS**, the constitution and laws of the State of Colorado permit and encourage cooperative efforts by local governments to make the most efficient and effective use of their powers, responsibilities and resources and to enter into cooperative agreements on such matters as are addressed in this IGA.

**NOW, THEREFORE**, in reliance on the matters set forth above and in consideration of the mutual promises contained in this IGA, the Parties agree and covenant as follows:

## **ARTICLE I DEFINITIONS**

**1.01 Defined Terms.** The following words when capitalized in the text, shall have the meanings indicated:

- A. Board: the Board of Directors of CBMRMD.
- B. BMRMD: the BMR Metropolitan District
- C. Bell Mountain Ranch Subdivisions: means the Property as defined in subparagraph S below.
- D. CBMRMD: the Consolidated Bell Mountain Ranch Metropolitan District.
- E. CBMRMD Regulations: the Water Regulations adopted by CBMRMD.
- F. Charter: the Home Rule Charter of the Town, as amended.
- G. Code: the Castle Rock Municipal Code, as amended.
- H. Conservation Regulations: those Water Regulations of the Town that address water use and conservation, including limits on the amount, frequency and duration of lawn irrigation and the installation of irrigated turf, and the prescription of water savings measures and devices. Reference to Conservation Regulations shall mean the Conservation Regulations in effect at the time of application of the term under this IGA.
- I. C.R.S.: the Colorado Revised Statutes, as amended.
- J. Council: the Castle Rock Town Council, the governing body of the Town.
- K. Development Plan: the land use development plans and regulations approved for the Property by Douglas County, inclusive of the following recorded documents in the records:
  - i. Bell Mountain Ranch Subdivision Filing No. 1A, Douglas County

- Reception No. DC9601921;
- ii. Bell Mountain Ranch Subdivision Filing No. 1A, 1<sup>st</sup> Amendment, Reception No. 01032383;
  - iii. Bell Mountain Ranch Subdivision Filing No. 1A, 2<sup>nd</sup> Amendment, Reception No. DC00044248;
  - iv. Bell Mountain Ranch Subdivision Filing No. 1B, 2<sup>nd</sup> Amendment, Reception No. DC9829016;
  - v. Bell Mountain Ranch Subdivision Filing No. 1B, 1<sup>st</sup> Amendment, Reception No. DC00026662; and
  - vi. Bell Mountain Ranch Filing No. 2 (a.k.a. Stevens Ranch), Reception No. 2018022022 in the records of Douglas County, Colorado.
- L. Dissolution Agreement: the Agreement and Plan for Dissolution entered into between CBMRMD and BMRMD dated on or about November 2, 2021.
  - M. Facilities: the water production, treatment, storage, transmission and distribution infrastructure required to serve the Property.
  - N. Facilities Plan: the plan attached as **Exhibit A** depicting the location of certain existing and future Town Facilities.
  - O. Fees: the capital recovery and connection fees and charges imposed under the Town Regulations from time to time as a condition to connection to the Town's Water System, including System Development Fees and Renewable Water Resource Fees.
  - P. Final Finance Charge: means the monthly payments as calculated in accordance with Section 9.04 (e) of this IGA.
  - Q. Interim Finance Charge: means the monthly payments as calculated in accordance with Section 9.04 (a) of this IGA.
  - R. IGA: this Intergovernmental Agreement between the Town of Castle Rock and CBMRMD for Water Service and any amendments and supplements thereto.
  - S. Owner: means the record owner(s) of any lot or other parcel of ground located within the Property.
  - T. Property: means the Bell Mountain Ranch Filings 1A and 1B and Bell Mountain Ranch Filing No. 2
  - U. Records: the public records maintained by the Douglas County Clerk and Recorder.
  - V. Renewable Water Resource Fees: the capital recovery fees imposed under the Town Regulations from time to time for development of additional renewable water resources, currently codified in 4.04.150 of the Code.
  - W. Service Area: The area within the Bell Mountain Ranch subdivisions previously served by BMRMD and CBMRMD, which area is coterminous with the area in the Development Plan to be served by the Town as specified in this Agreement.



- X. Service Charges: the periodic charges imposed on customers under the Water Regulations for water service, including surcharges for payment delinquencies and violation of Conservation Regulations.
- Y. SFE: an acronym for single-family-equivalent, a standard measure of the water use by a single-family residence established under the Code, generally used to assess the relative water demand attributable to various land uses.
- Z. Streetscape: pedestrian and landscape improvements in the right-of-way generally between the curb and right-of-way line, including sidewalks, street trees, medians and irrigation.
- AA. System Development Fees: the charges imposed under Town Regulations from time to time as a condition to the right to connect to the municipal water system, currently codified in section 13.12.080 of the Code.
- BB. Town: the Town of Castle Rock, a home rule municipal corporation.
- CC. Town Water Facilities: the Water Facilities developed and financed by the Town from the System Development Fees, and which comprise and are part of the Town's Water System, as the same now exists or hereafter be enlarged from time to time, including, but not limited to water production, treatment, storage, transmission and distribution facilities.
- DD. Town Regulations: the Charter, ordinances, resolutions, rules and regulations of the Town, including the Code and the provisions of all public works and building codes, as the same may be amended from time to time. Reference to Town Regulations shall mean the Town Regulations in effect at the time of application of the term under this IGA.
- EE. Water Dedication Requirements: the requirements under the Code prescribing dedication of water rights to the Town as a condition to obtaining the right to connect to the municipal water system.
- FF. Water Improvements: the water line that will connect the Town Water Facilities to the CBMRMD Water System, and which consists of approximately 7,400 linear feet of twelve-inch (12") line and related pump station all as more particularly described in the Water Improvements Description provided as **Exhibit B** and which will be described in more detail in Construction Plans to be prepared by the Town's design engineer and approved by the Town and CBMRMD.
- GG. Water Regulations: the comprehensive regulatory scheme in the Town Regulations governing all aspects of the provision of municipal water service, including Fees, Service Charges, Public Works Regulations inclusive of infrastructure permitting, construction, inspection and acceptance, backflow prevention, water use management practices and Conservation Regulations. Reference to the Water Regulations shall mean the Water Regulations in effect during the term of this IGA.
- HH. Water Rights: those rights to the Denver Basin water generally underlying the Service

Area and acquired by the Town through this IGA and more particularly described on **Exhibit C**.

- II. Water Service: the provision of potable water service for domestic use, inclusive of fire flows and irrigation.
- JJ. Water System: the BMRMD water system acquired by CBMRMD, including all pipes, pumps, tanks, treatment plants, valves, hydrants, meters, wells, other infrastructure, land, personal property and any other components comprising the complete water system used to provide water service to customers within the Service Area.

Certain other terms are defined in the text of this IGA and shall have the meaning indicated therein.

**1.02 Cross-Reference.** Any reference in the text to a section or article number, with or without further description shall mean such section or article in this IGA.

## **ARTICLE II GENERAL PROVISIONS**

**2.01 Interpretation and Construction.** This IGA shall be applied and interpreted to further the following fundamental concepts, unless expressly provided to the contrary in the text:

(a) the Bell Mountain Ranch Subdivisions, hereinafter referred to as the “Service Area”, shall receive Water Service to the same level and standards and subject to the same requirements as properties and customers within the Town except for a ten-percent (10%) extraterritorial surcharge on all fees and charges and any other exceptions specifically set forth in this IGA:

(b) the provision of Water Service will be governed by the Water Regulations as they evolve during the term of this IGA; provided, however, that the Water Regulations shall at all times be applied to the Service Area and properties within the municipal limits of the Town on a uniform and in a non-discriminatory manner; and

(c) to the extent necessary, CBMRMD will promptly adopt and enforce the Water Regulations within its territorial boundaries which includes the Service Area, as a separate regulatory scheme of CBMRMD.

**2.02 Service Commitment.** This IGA is entered into for the express and intended purpose of committing the Town to furnish permanent Water Service and all of the Water Improvements, as hereinafter defined, necessary to serve existing development within the Service Area, which currently consists of 321 single-family residential connections, two irrigation connections, and up to a one-inch (1”) connection reserved for a future community

center. In reliance upon and to enable the Town to perform the Town's service commitment to CBMRMD within the Service Area ("Service Commitment"), CBMRMD will, at Closing convey and transfer to the Town, the Water System and all of CBMRMD's other property described in Article III that is necessary for the operation and maintenance of the Water System.

The Town shall provide Water Rights and Water Service sufficient to serve the existing lots within the Service Area, and any future development thereof, as currently configured, and in addition thereto shall make available, if necessary, in the future, up to five (5) one-inch single family equivalent water taps, subject to payment of all applicable Town System Development, Renewable Water Resource, and other applicable fees including a ten-percent (10%) extraterritorial surcharge based on the current fees at the time Water Service is requested. By way of explanation and not limitation, the preceding sentence means that except for the water taps hereby reserved for the Service Area, no additional connections will be provided to serve existing lots within the Service Area that are subdivided in the future, without the prior express written consent of the Town, which may be withheld in the sole discretion of the Town.

**2.03 Reservation of Powers.** Except as provided in this IGA or as necessary to give effect to the intent and purpose of this IGA, Town and CBMRMD reserve all of their respective powers and authority as independent governmental entities; provided, however, that nothing in this IGA shall preclude, impair, or subordinate the Town's right of enforcement of the Water Regulations or collection of the Fees and Service Charges.

**2.04 Limited Purpose.** The Town's Water Service obligation hereunder is subject to, and shall be performed in accordance with the Water Regulations component of the Town Regulations and is limited to the Service Commitment and Service Area as defined herein. Except for those fire and emergency medical services provided by the Town on behalf of the Castle Rock Fire Protection District to a portion of the Service Area, the Town will not provide other municipal services to the Service Area, nor is CBMRMD or any Owner subject to other Town Regulations or the payment of other fees, charges and exactions the Town imposes on development within its municipal limits.

**2.05 Water Dedication Requirement.** The Town's Water Dedication Requirement for the Service Area will be satisfied by the conveyance of the Water Rights to the Town as set forth in Article III below.

**2.06 Effective Date.** The Town's Service Commitment shall become effective as of the date of Closing; provided, however, that either Party shall have the option prior to Closing to terminate and cancel this IGA if the estimated cost of constructing the Water Improvements exceeds \$2,500,000.00, or if as of May 1, 2022 the Douglas County District Court has not issued the BMRMD Dissolution Order as hereinafter defined.

### ARTICLE III TRANSFER OF WATER SYSTEM AND CBMRMD PROPERTY

**3.01 CBMRMD Property Defined.** As used in this IGA, CBMRMD Property means collectively the parcels of real property identified below as the CBMRMD Tracts, the easements identified below as the CBMRMD Easements, the water rights identified below as the CBMRMD Water Rights, the buildings, structures, equipment including pipes, valves and related appurtenances identified below as the CBMRMD Infrastructure, and the tangible and intangible assets identified below as the CBMRMD Miscellaneous Property.

**A. CBMRMD Tracts.** CBMRMD Tracts means the real property Tracts, both existing and future as legally described on **Exhibit D** attached hereto and incorporated herein by this reference, together with CBMRMD's interest in all reversions, remainders, easements, rights-of-way, hereditaments, appertaining to or otherwise benefitting or used in connection with said Tracts.

**B. CBMRMD Easements.** CBMRMD Easements means the permanent easements, both existing and future as described on **Exhibit E** attached hereto and incorporated herein by this reference.

**C. CBMRMD Water Rights.** CBMRMD Water Rights means all of the water and water rights in and to the ground water underlying the Bell Mountain Ranch Subdivisions owned by CBMRMD described on **Exhibit C** as attached hereto and incorporated herein by this reference.

**D. CBMRMD Infrastructure.** CBMRMD Infrastructure means, to the extent not described above, all buildings, structures, improvements, pipes, valves, and related appurtenances located on or within any CBMRMD Tracts or on or within any of the CBMRMD Easements now owned by CBMRMD and previously owned and used by BMRMD for the purpose of providing Water Service to the Service Area as more particularly described on **Exhibit F** as attached hereto and incorporated herein by this reference.

**E. CBMRMD Miscellaneous Property.** CBMRMD Miscellaneous Property means to the extent not described above, and excluding any bank accounts, cash or cash equivalents, all CBMRMD personal property, tangible or intangible, including to the extent assignable, all contracts, including all rights and obligations thereunder, used in connection with the operation and maintenance of the Water System, water treatment plant discharge permit rights and obligations, licenses, well permits, well permit approvals, water court decrees and any other permit, approval, or authorizations whether granted by the state or any other governmental agency used in connection with the operation and maintenance of the Water System, as more particularly described on **Exhibit G**, as attached hereto and incorporated herein by this reference.

Whether or not specifically identified in this Section 3.01, it is the intention of the Parties that the Town shall succeed to any and all rights and shall assume any and all



obligations of CBMRMD and its predecessor BMRMD related to or in any way arising out of the provision of Water Service within the Service Area whether heretofore, now or hereafter arising, and if necessary, both Parties agree to execute any and all further documents necessary to effectuate their intention as stated herein.

**3.02 Transfer and Conveyance of CBMRMD Property.** The transfer and conveyance of CBMRMD Property shall occur on a date and at a time that is mutually agreed upon by the Town and CBMRMD (“Closing”), but in no event earlier than the date an Order is entered by the Douglas County District Court dissolving BMRMD (“BMRMD Dissolution Order”), but not later than the date the BMRMD Dissolution Order is recorded upon the real estate records of Douglas County, Colorado. The Closing will be held at the offices of the Title Company as hereinafter defined, or at such other location as mutually agreed upon by the Town and CBMRMD or if the Parties so agree, by means of an escrow-type Closing with the Title Company acting as the closing agent.

**3.03 Actions At and Before Closing.** At least five (5) days before Closing, an execution copy of the closing instructions (“Closing Instructions”) and other documents listed below shall be exchanged by the Parties for final review and approval. The following actions will occur at Closing in a sequence described in the Closing Instructions that will be mutually agreed upon by the Town and CBMRMD at least three (3) days before the Closing:

(a) CBMRMD shall execute and deliver to the Town one or more special warranty deed(s), in the form attached hereto as **Exhibit H** conveying the CBMRMD Tracts to the Town, free and clear of all liens and encumbrances, except for Permitted Exceptions.

(b) CBMRMD shall execute and deliver to the Town one or more Assignment of Easements in the form attached hereto as **Exhibit I**, conveying the CBMRMD Easements to the Town, free and clear of all liens and encumbrances, except for Permitted Exceptions.

(c) CBMRMD shall execute and deliver to the Town a special warranty deed, in the form attached hereto as **Exhibit J**, conveying the CBMRMD Water Rights to the Town, free and clear of all liens and encumbrances, except for Permitted Exceptions and except for the Water Rights that CBMRMD acquired by Quitclaim Deed referred to in paragraph 3 of **Exhibit C**, which Water Rights underlie the real property now known as Bell Mountain Ranch Filing No. 2 and which will be conveyed to the Town by Quitclaim Deed in the form attached hereto as **Exhibit J-1**.

(d) CBMRMD and the Town shall execute a Bill of Sale, Assignment and Assumption Agreement in the form attached hereto as **Exhibit K** transferring and conveying the CBMRMD Infrastructure and the CBMRMD Miscellaneous Property to the Town, and all rights and obligations thereunder, to the extent assignable, free and clear of all liens and encumbrances, except for Permitted Exceptions.

(e) CBMRMD shall deliver a fully-executed No Statements of Opposition Agreement in the form attached hereto as **Exhibit L**.

(f) The Parties shall have received documentation acceptable to each Party which verifies that any and all claims that may arise against either the Board of Directors of CBMRMD or BMRMD will be covered by a public official's liability insurance policy in existence as of the Closing Date covering any and all claims up to and including the Closing Date. The cost of any such insurance shall be paid by CBMRMD and/or BMRMD as such districts shall decide.

(g) CBMRMD and the Town will each execute and deliver to the Title Company an appropriate Settlement Statement.

(h) Each Party will deliver to the other Party and the Title Company such agreements, assignments, conveyances, consents, licenses, instruments, affidavits, certificates and other documents as may be reasonably required by either Party or the Title Company to consummate the transfer and conveyance of the CBMRMD Property in accordance with the terms of this IGA and the Title Commitments.

**3.04 Title Insurance.** Prior to the execution of this IGA, CBMRMD furnished to the Town a commitment for title insurance issued by Fidelity National Title Insurance Company ("Title Company") File No. 100-N0033568-010-TO2 attached hereto as **Exhibit M** (the commitment and the amount thereof is acceptable to the Town), committing to insure the Town's title to the CBMRMD Tracts ("Title Commitment"). The CBMRMD Tracts insured under the Title Commitment are hereinafter collectively referred to as the "Insured Property". CBMRMD will cause the Title Company to deliver to the Town promptly after the Closing an owner's title insurance policy issued by the Title Company insuring the Town's title to the Insured Property in accordance with the Title Commitment ("Title Policy"). CBMRMD will pay the premium for the Title Policy at Closing. The Title Commitment will not contain owner's extended coverage. The Town, at its discretion, and its sole expense, may obtain owner's extended coverage and any additional endorsements to the Title Commitment and establish a greater amount of insurance for the Insured Property, the additional cost of which shall be paid entirely by the Town at Closing.

(a) **Water Rights Opinion.** In addition to the Title Commitments, CBMRMD shall obtain at its expense a Water Rights opinion from a water rights attorney acceptable to the Town and CBMRMD, stating that CBMRMD has marketable title to the Water Rights that CBMRMD will convey to the Town in accordance with the terms and provisions of this IGA.

**3.05 Changes to Title.** The Town will have ten (10) business days after the Town's receipt of any amendment to the Title Commitment or the Title Opinion to notify CBMRMD of any objections to any items identified in the amended Title Commitment or amended Title Opinion ("Title Objection Notice"). Any exceptions noted in the amended Title Commitment

or any items impacting marketable title to CBMRMD's Water Rights that are not objected to within such ten (10) business day period will be deemed approved by the Town and will become Permitted Exceptions. CBMRMD will have until thirty (30) business days after receipt of the Town's Title Objection Notice ("CBMRMD's Cure Period") to elect, at its sole option and discretion to: (a) cure any or all items to which the Town has objected; (b) cause such items to be modified in a manner satisfactory to the Town; or (c) elect not to cure any or all such items. If, during CBMRMD's Cure Period, CBMRMD fails to cure to the satisfaction of the Town any title objection in the Title Objection Notice, or elects not to cure, then the Town may elect, as its exclusive remedy with respect to the objections in the Title Objection Notice, either to (a) waive the objections by written notice to CBMRMD and proceed to Closing, or (b) terminate this IGA by giving written notice to CBMRMD within three (3) business days after CBMRMD's Cure Period, in which case the Parties will have no further rights and will be released from all obligations hereunder other than those rights and obligations that expressly survive termination of this IGA. If the Town fails to give timely notice of termination or if the Town proceeds to Closing, the Town will be deemed to have elected to waive all objections and accepted all of the Exceptions to Title including the Permitted Exceptions. The Closing Date established in Section 3.02 shall be extended as reasonably necessary and mutually agreed upon by the Parties to accommodate the notice and cure time periods outlined in this Section 3.05.

**3.06 Inspection of Insured Property.** The Town acknowledges that the Town and the Town's agents, contractors, employees and permittees (collectively, "Town Permittees") were granted access to all of the CBMRMD Property, including but not limited to the Insured Property prior to the Effective Date, and at any time after the Effective Date continue to have access to the CBMRMD Property including having the right to enter upon the Insured Property for the purpose of inspecting the Insured Property, including making surveys, reports and investigations, conducting soils, water availability and other tests, conducting environmental audits, and undertaking such other investigations of the CBMRMD Property including the Insured Property as the Town shall deem necessary for its intended use of the CBMRMD Property. The Town has not made and will not make any permanent modifications to any CBMRMD Property and will leave the CBMRMD Property in substantially the same condition as existed at the time of entry upon the Insured Property, and/or accessing any of the other CBMRMD Property by the Town or the Town Permittees. The Town's access to the CBMRMD Property including entry on the Insured Property shall be at the sole risk, cost and expense of the Town. The Town shall pay when due all costs and expenses incurred in the performance of any such inspection or conducting such tests and investigations and shall reimburse and hold harmless CBMRMD from any loss from mechanic's liens, claims for nonpayment of such charges or for damages or injuries arising out of the negligent acts, willful misconduct or omissions hereunder by the Town or the Town Permittees relating to the Insured Property and any and all inspections, investigations and testing conducted thereon. Notwithstanding any other provision of this IGA, the obligations of the Town under this Section 3.06 will survive the Closing or the termination of this IGA by the Town or CBMRMD for any reason.

**3.07 CBMRMD Documents.** The Town acknowledges that prior to and following the Effective Date, the Town has had complete access to, and CBMRMD has made available to the Town and its consultants and representatives, copies of its files and records related to CBMRMD Property including the following documents in the possession or control of CBMRMD: all documents relating to the Water Rights including, but not limited to, all documents conveying an interest in the Water Rights and/or related facilities, all water decrees, well permits, water rights engineering reports, water treatment plant discharge permit, general correspondence, diversion records, and any correspondence with local or state agencies concerning water rights or water supply issues, soils reports, mineral studies, oil, gas and mineral leases, environmental reports and studies, environmental notices received by CBMRMD, plats, permits, development agreements, topographical and other maps, engineering plans and reports, easement agreements, and all other information and documentation pertaining to the CBMRMD Property in the possession of or known to CBMRMD (collectively, the “Property Documents”). The Town acknowledges and agrees that all Property Documents delivered or made available by CBMRMD to the Town are for the Town’s information and use only, and CBMRMD makes no representation or warranty as to the accuracy or completeness of any such Property Documents or the Town’s ability to use any of such Property Documents. The Town acknowledges that it shall be solely responsible for verifying all information contained in the Property Documents, including the completeness, accuracy and applicability of the Property Documents.

**3.08 Credit Against Final Finance Charge.** In exchange for the CBMRMD Property that CBMRMD will transfer to the Town pursuant to Section 3 or elsewhere in this IGA, CBMRMD will be given a credit against the Final Finance Charge described in Section 9.04 (e), equal to the value of CBMRMD Property transferred to the Town which as to the CBMRMD Tracts and CBMRMD Easements will be based upon an appraisal, and which as to the Water System shall be based upon the depreciated value of the Water System fixed assets as published in CBMRMD’s Financial Statements for calendar year 2021, plus the cost of any Water System Improvements that occurred subsequent to 2020, plus the value of Denver Basin groundwater rights in excess of 364 acre-feet (AF) at \$2,500/AF as shown in **Exhibit N** (“Financial Summary”). The credit will be used to offset the cost of System Development Fees, Renewable Water Resource Fees and Total Construction Costs for the Water Improvements and other construction costs to be paid to the Town by CBMRMD as described in Section 9. The Total Construction Costs for the Water Improvements will be determined by the Parties as set forth in Section 9, a preliminary estimate of which is set forth in **Exhibit O** as attached hereto. If CBMRMD initially transfers an easement to the Town for certain Facilities, but later conveys fee title to the Easement Area, the value of the credit will be updated to include the value of the fee title of the land that is transferred to the Town, as determined by an appraisal agreed to by Town and CBMRMD, and said amount shall be applied to and reduce the total amount owed to the Town under this IGA by the residents and property owners of CBMRMD.

**3.09 Conveyance of Future Property.** In addition to the CBMRMD Property transferred at Closing and after compliance with applicable Douglas County Subdivision



Regulations, CBMRMD shall cause to be conveyed to the Town, for no additional consideration, the following: (i) fee title to an expanded water tank site and expanded water treatment plant site as more particularly described in **Exhibit D**; (ii) a pipeline easement from Town's existing well for a water pipeline that will extend from the well to the Water Treatment Plant as more particularly described in paragraph 2 of **Exhibit E**; and (iii) an easement for the pipeline in any locations where it crosses CBMRMD property associated with the connection to be built between the Town and Bell Mountain Ranch. In addition to the above described property and easements, CBMRMD shall cause to be conveyed to the Town in consideration for a credit equivalent to the fair market value of the property being conveyed if requested by the Town in the future, either fee title to or an easement for the alternate well sites for the extraction of groundwater as decreed in Water Court Case No. 80CW158 and 84CW385 and being more particularly identified as Alternate Well Sites AW-3, AW-8 and AW-9 in that certain Bell Mountain Ranch settlement agreement ("Settlement Agreement") by and between numerous parties including CBMRMD, BMRMD and the Town's predecessor in interest to the groundwater decreed in Case No. 80CW158 and Case No. 84CW385, which Settlement Agreement was dated February 27, 2009 and recorded in the Douglas County real estate records on March 10, 2010 at Reception No. 2010015114.

In connection with the drilling and location of any and all additional wells within the Bell Mountain Ranch Subdivisions, the Town agrees that it shall comply with all terms and provisions of the Settlement Agreement and the Third Amended Declaration Creating Covenants, Conditions, Restrictions and Easements for the Bell Mountain Ranch Subdivisions attached as Exhibit L to the Settlement Agreement and separately recorded in the Douglas County records on March 10, 2010 at Reception No. 2010015229. The Town further agrees that all future water wells drilled within the Bell Mountain Subdivisions shall be at locations identified as Alternate Well Sites in the Settlement Agreement. The Town shall be entitled to drill up to four (4) wells on each Alternate Well Site.

Using legal descriptions and drawings prepared by the Town, at the Town's expense, such alternate well sites, if owned by CBMRMD shall be conveyed by CBMRMD to the Town for above or below ground facilities. Easements shall be conveyed to the Town by CBMRMD for any surface or subsurface infrastructure that will be installed as part of the Town Facilities on real property owned by CBMRMD. The standards and the nature and extent of the property that will be conveyed to the Town in the future are stated in the Facilities Plan, and generally shall be of the size and configuration reflecting parameters for similar public works constructed in the Town. Any easements and any alternate well sites conveyed in fee, that shall be conveyed in the future, the value of which is not included as a credit against the final Finance Charge as described in paragraph 9.04 (e), shall be applied against the Finance Charge at the time of conveyance to reduce the amount of the Finance Charge then outstanding.

Such property and any easements shall be conveyed to the Town by CBMRMD when reasonably requested by the Town in order to enable the Town to construct infrastructure on or within said property/easements. All property whether it is a fee title or easement interest

that is conveyed shall be conveyed with marketable title, free of liens, encumbrances, and taxes, except for Permitted Exceptions. The Town shall be provided title insurance at CBMRMD's expense in amounts reflecting the fair market value of the property and easements being conveyed. The Town shall pay any and all costs incurred by CBMRMD in complying with Douglas County Subdivision Regulations, as necessary, for purposes of conveying any property or easements as described in this Section 3.09 to the Town.

## **ARTICLE IV FEES AND SERVICE CHARGES**

**4.01 Applicability and Extraterritorial Surcharge.** For the water and Water Service provided by the Town hereunder, the users within the Service Area shall pay the Fees and Service Charges imposed by the Town within the Town limits under the Water Regulations, including the System Development Charges and Water Resource Fees, plus a ten percent (10%) surcharge ("Water Service Surcharge"). All references in this IGA to Fees and Service Charges applicable to the Service Area shall include the Water Service Surcharge without further reference to the Surcharge except that the Total Construction Cost for the Water Improvements referred to in Section 4.03 below shall not be subject to or include any ten-percent (10%) or other surcharge. The Town may modify the Fees and Charges imposed by the Water Regulations for the delivery of water to the Service Area (but not the Water Service Surcharge) provided the Town shall notify CBMRMD of any proposed increase in any Fees and Service Charges at least thirty (30) days prior to any Town action on such increase and provided further any increased Fees and Service Charges shall not become effective sooner than thirty (30) days after they have been adopted and shall only apply to water delivered by the Town from and after the date the Fees and Charges are effective.

**4.02 System Development/Renewable Water Resource Fees.** Each user of the water delivered by the Town within the Service Area shall pay to the Town a System Development Fee and a Renewable Water Resource Fee for each single-family equivalent tap which provides service to the user served in the Service Area as calculated in this Section 4.02. The System Development Fees and Renewable Water Resource Fees shall be fixed and assessed at the rate in effect on December 31, 2020. With respect to CBMRMD's 321 residential customers and the proposed community center, the System Development Fee and Renewable Water Resource Fee shall be calculated as if each connection has a ¾" meter (regardless of the size of the actual meter), and is equivalent to one single family equivalent water tap ("SFE") and shall be calculated as follows:

$$(322 \times \$21,287 = \$6,854,414)$$

With respect to CBMRMD's two (2) existing irrigation accounts, the System Development Fee and the Renewable Water Resource Fee shall be based on a 1.5" meter and a 3.33 SFE and shall be calculated as follows:

$$(2 \times \$70,899 = \$141,798)$$

The Water Service Surcharge of ten percent (10%) shall be assessed on the total amount of the System Development Fees and Renewable Water Resource Fees due and payable by CBMRMD as follows:

$$(\$6,996,312 + \$699,621.20 = \$7,696,833.20)$$

The System Development Fee and Renewable Water Resource Fee shall be payable through the Finance Charge over a 30-year period as more particularly described in Section 9.04 below.

**4.03 Rate Methodology.** The Town's rates for the water delivered within the Service Area shall be established and assessed in a manner that is in accordance with accepted standards and methods utilized in the industry, and that reasonably recover the cost to the Town of providing water service within the Service Area, plus the Water Service Surcharge referred to in Section 4.01 above. Costs recovered through the Interim and Final Finance Charge will not be included in the calculation of the revenue requirements for the Town for water service rates. The Total Construction Cost for the Water Improvements is specific to the Service Area and will not be considered in the establishment of Water Service Rates.

**4.04 Payment of Rates.** CBMRMD shall require the users within the Service Area to pay the Town's System Development Fee, Renewable Water Resource Fee, and Total Construction Cost for the Water Improvements as captured in the Interim and Final Finance Charges and Water Service Rates as set forth in the Town's Water Regulations. Unless otherwise provided in this IGA, the Town shall have the power to enforce and collect within the Service Area all such rates and charges in the same manner as it employs inside the Town.

## **ARTICLE V OTHER AGREEMENTS AND COVENANTS**

**5.01 No Statements of Opposition.** CBMRMD hereby agrees that it shall execute an agreement with the Town at Closing that it will not file a statement of opposition or otherwise participate as a party in existing or future water court applications filed by the Town. The terms of such agreement shall be as set forth in the form of agreement attached hereto as **Exhibit L** (the "No Statements of Opposition Agreement"). At Closing, CBMRMD will deliver the No Statements of Opposition Agreement to the Town.

**5.02. Post-Closing Assistance.** Following the Closing, CBMRMD will provide the Town with such assistance as the Town may reasonably request in the transition of administration and operation of the CBMRMD Property, as more particularly described in Section 8.02 below.

## ARTICLE VI WATER CONSERVATION

**6.01 Generally.** Except as provided in 6.03 below, all Town Water Conservation Regulations (“Conservation Regulations”) shall apply within the Service Area. The Town shall provide the Service Area with monitoring and enforcement of the Conservation Regulations at no additional cost to CBMRMD in the normal course of providing Water Service, in order to assure uniform application of the Conservation Regulations within the Service Area and properties within the Town. Streetscapes shall comply with applicable Conservation Regulations even though the approval for same is granted through Douglas County.

**6.02. Conservation Programs and Rebates.** The Town shall make available to all users within the Service Area all Town conservation programs and rebates subject to the same standards and requirements as properties and customers within the Town.

**6.03 Residential Turf Limitations.** Irrespective of any contrary provisions in the Water Regulations in effect during the term of this IGA, the Town acknowledges that the residential lots within the boundaries of the Service Area have been developed in accordance with applicable Douglas County rules, regulations, and policies. CBMRMD agrees, however, not to permit the installation of any additional turf on existing residential lots beyond that which is presently in place or permitted under the Town’s Rules and Regulations. CBMRMD acknowledges that for purposes of rates and especially setting of the water budget for each customer within CBMRMD, the Town will use the same method used for its customers within the Town. This is to say that no additional water budget or special consideration will be provided for additional turf existing within CBMRMD as of the date of this IGA.

In acknowledgement of the fact that the limitations on irrigated turf applicable within Town limits are more restrictive than the limitations currently imposed by CBMRMD with the Service Area, CBMRMD shall encourage residential owners within the Service Area to incorporate Real Time Evapo-transpiration based irrigation controllers on their automated irrigation systems and to utilize sub-surface irrigation for turf areas.

## ARTICLE VII BREACH AND REMEDIES

**7.01 Default Notice and Cure Rights.** In the event CBMRMD commits a material breach of this IGA and the Town gives CBMRMD written notice specifying the particular material breach, CBMRMD shall have such time as provided in the Notice, which time shall be reasonably sufficient to permit CBMRMD to cure the material breach, but in no event less than ninety (90) days. In the event CBMRMD fails to correct such breach within the time provided in the Notice, the Town, without obligation to CBMRMD, or any person or entity claiming by, through or under CBMRMD, may at the sole cost and expense of CBMRMD



take such actions as are reasonably necessary to cure the breach. CBMRMD agrees to reimburse the Town for all expenses incurred by the Town in correcting or curing any such material breach. The Notice provision of this paragraph shall not apply if the Town determines that the material breach may result in an immediate health hazard or harm to persons or property, in which case the Town may immediately cure the breach, upon hand delivery of written notice of material breach and description of the harm likely to result. The term “Material Breach” shall include unauthorized extensions of Water Service; and any other actions or inactions which could cause a health hazard or harm to persons or property.

**7.02 Specific Performance.** It is agreed that this IGA may be specifically enforced by either Party.

## **ARTICLE VIII OPERATIONS**

**8.01 Water Service – Equivalent Standard.** From and after the date of Closing, the Town shall own, operate, maintain, repair and replace the Water System and all related Facilities and appurtenances located within the Service Area to the same service level standards as the Town maintains with respect to the Town’s water system located within the Town’s municipal boundaries.

**8.02 Transition Period.** From and after the date of Closing, the Town shall take full ownership of and responsibility for the operation, maintenance, repair and replacement of the Water System even though it has not yet been physically connected to the Town Water Facilities. A Transition Plan is provided in **Exhibit P** which specifies the steps that CBMRMD and the Town will take in connection with transferring responsibility for the Water System to the Town.

**8.03 Operation of Water Treatment Plant.** From and after September 1, 2021, or soon thereafter as is reasonably practical, and for the purpose of not violating any of the Radium 226 and 228 limitations, as well as the Whole Effluent Toxicity test limitation in Discharge Permit No. C00048995 for the Water Treatment Plant, all water discharge effluent from the Water Treatment Plant has been and will continue to be captured onsite and hauled by truck to a location where the effluent is discharged into the Town’s Sanitary Sewer Collection System through a designated manhole. From and after the Closing Date, the Town will continue to operate the Water Treatment Plant in the same manner until the Town constructs the twelve-inch (12”) pipeline described in Section 9.02 and thereby connects the Town Water Facilities to the CBMRMD Water System as contemplated in Article IX. It is the intention of the Parties hereto that the twelve-inch (12”) pipeline and the connection to the Town Water Facilities to the CBMRMD Water System will occur no later than October 30, 2023.

At such time as the CBMRMD Water System is connected to the Town Water Facilities the Town at its option, but without any obligation to do so, may terminate Discharge Permit No. C00048995 for the Water Treatment Plant. Until the Town Water Facilities are

connected to the CBMRMD Water System, the Town may assess the cost of collecting and hauling the effluent from the Water Treatment Plant to CBMRMD customers on a per single family equivalent water tap basis. From and after the date the Town Water Facilities are connected to the Water System, the Town shall assess the cost of collecting and hauling any effluent from the Water Treatment Plant to an offsite discharge point among all users of the Town Water Facilities and shall not separately allocate those costs to customers of CBMRMD.

## **ARTICLE IX IMPROVEMENTS**

**9.01 Integrated System.** Once the Water System is conveyed to the Town, the Water System will become a part of the Town's Water System. The Town will be responsible for all Colorado Department of Public Health and Environment Regulations applicable to the Water System, and shall assume all obligations relating to the Water Treatment Plant Discharge Permit No. C00048995 including but not limited to: (i) the Town's public water system identification number for all purposes, including backflow and cross connection control, test monitoring, and reporting purposes; (ii) for compliance with and all testing and applicable reporting requirements under the Colorado Department of Public Health and Environment Discharge Permit for the water treatment plant previously owned and operated by BMRMD. CBMRMD shall have no responsibility for the quality of water delivered by or through the Water System or for testing or reporting of any kind, including, but not limited to, compliance with or reporting under the Colorado Department of Public Health and Environment Discharge Permit for the water treatment plant previously owned and operated by BMRMD.

**9.02 Water Improvements.** The Town and CBMRMD agree that the Water Improvements as more particularly described and depicted on **Exhibit B**, including, but not limited to a twelve-inch (12") water pipeline and related pump station, are necessary to connect the Water System to the Town's Water System ("Water Improvements") and that the total cost of designing and constructing the Water Improvements, less any costs allocated to the Ridge Estates Subdivision shall be paid by the water users ("Customers") within the Service Area together with the System Development Fees and Renewable Water Resource Fees described in Section 4.02. The Town and CBMRMD agree that the costs of the water line connecting the water distribution system in Ridge Estates to the water tank that will be built in the Service Area by the Town shall be allocated thirty-percent (30%) to the Ridge Estates Subdivision and seventy-percent (70%) to the customers within the Service Area as reflected on **Exhibit O**. The Town and CBMRMD further agree that the costs listed in **Exhibit N** combined with the System Development Fees and Renewable Water Resource Fees in Section 4.02 provide a fair basis for establishing the Interim Finance Charge to be paid by customers within the Service Area during construction of the Water Improvements and before final total construction costs can be determined. The actual monthly Interim Finance Charge is shown in the amortization schedule in **Exhibit Q**.

### **9.03 Construction of Water Improvements.**

(a) **Design.** The Town will retain a professional engineer licensed in the State of Colorado to design the Water Improvements and prepare construction plans, finalize cost estimates with contingencies, and prepare a set of general qualifications required of a construction contractor to perform the work of constructing the Water Improvements listed in **Exhibit B**. The Water Improvements will include any easement acquisition needed to construct the Water Improvements all as determined by the Town in the reasonable exercise of its discretion. CBMRMD shall have the right to review and approve the final design, construction plans, and any easements deemed necessary for the construction of the Water Improvements, which approval shall not be unreasonably withheld, conditioned or delayed.

(b) **Selection of Contractor.** The Town will select a pre-qualified contractor through a competitive bid selection process to construct the Water Improvements. CBMRMD and the Town shall have the right to review and approve the selected contractor.

(c) **Construction.** Once CBMRMD and the Town have approved the contractor, the Town will execute a contract with the selected contractor, issue a notice to proceed, and be responsible for construction of the Water Improvements to be constructed by the construction contractor.

**9.04 Final Finance Charge.** CBMRMD and the Town agree that the total actual costs incurred by the Town to construct the Water Improvements together with the System Development Fees and the Renewable Water Resource Fees as outlined in Section 4.02, less the credit provided in Section 3.08 provide a fair and reasonable basis for establishing the Final Finance Charge to be paid by customers within the Service Area over a thirty (30)-year repayment period. The total actual costs incurred by the Town to construct the Water Improvements together with the System Development Fees and Renewable Water Resource Fees as outlined in Section 4.02 shall include the costs of interest for financing provided by the Town to CBMRMD customers. The cost of interest shall be no greater than 2.54% charged on the aggregate unpaid principal balance owed by the Service Area water users for the total actual construction cost combined with Renewable Water Resource Fees and the System Development Fees as outlined in Section 4.02. If it becomes apparent during the public bidding process that the total actual construction cost shall exceed \$2,500,000.00, either party shall have the right to terminate this IGA under Section 2.06; provided, however, CBMRMD shall be responsible for paying any design and engineering costs for the Water Improvements incurred by the Town to that point up to a maximum of \$182,505. Once construction of the Water Improvements has been approved by both parties and construction has started, no further rights of termination are applicable.

(a) **Interim Finance Charge.** After execution of this IGA and until construction has been completed and total actual costs can be calculated, water users within the Service Area shall pay \$76.79 per account on a monthly basis (“Interim Finance Charge”) as shown on **Exhibit N**.

(b) **Actual Costs of Construction.** The total actual costs of construction of the Water Improvements will be the construction costs, including any easement acquisition costs and design costs.

(c) **Total Construction Costs.** Total construction costs shall mean all direct costs paid by the Town for designing, permitting, and constructing the Water Improvements, and acquiring any necessary easements for the Water Improvements. By way of explanation, construction costs shall include the direct purchase costs of contracted materials, labor, construction contract payments, and land acquisition costs.

(d) **Credit for Surplus Funds.** CBMRMD may pay to the Town at any time prior to calculation of the Final Finance Charge under paragraph (e) below, all or any portion of any surplus funds it may have available (“Reduction Payment”). The Town will apply any Reduction Payment to reduce the aggregate unpaid principal balance owed by CBMRMD customers within the Service Area for the total actual cost of construction.

(e) **Calculation of Final Finance Charge.** To determine the Final Finance Charge, the total actual cost of construction, calculated under Section 9.04 (c) above, shall be reduced by any Reduction Payment made under Section 9.04 (d) above, and by the total of all Interim Finance Charges paid under Section 9.04 (a) above and the Credit calculated in accordance with Section 3.08 (Credit Against Final Finance Charge). Reduction Payments in the total amount of all principal portions of the Interim Finance Charges and the credit shall be applied to the aggregate unpaid principal balance owed by CBMRMD customers within the Service Area for purposes of calculating the Final Finance Charge. After applying any Reduction Payments and other credits, the Town will divide the resulting amount by the number of licensed premises within the Service Area in order to create a uniform monthly payment (Final Finance Charge) by creating a final amortization schedule for the remainder of the repayment period which will be equal to thirty (30) years minus the time period under which the Interim Finance Charge was in place.

**9.05 Prepayment Without Penalty by CBMRMD.** Once the Final Finance Charge has been calculated under Section 9.04 (e) above, CBMRMD may prepay at any time all or any portion of the aggregate unpaid principal balance then owed by CBMRMD customers. Such prepayment shall not be subject to any penalties

**9.06 Prepayment Without Penalty by Customers.** Once the Final Finance Charge has been calculated under paragraph 9.04 (e) above, individual customers within the Service Area may elect to prepay at any time the entire unpaid principal balance applicable to their particular premises. Such prepayment shall not be subject to any penalties. Individual licensed premises that make a prepayment for the principal amount shall not be assessed any further finance charges for the Water Improvements.

**9.07 Collection of Interim and Final Finance Charges.** The Town will bill water users within CBMRMD’s Service Area for the Interim and Final Finance Charges as part of



the regular billing process for water delivered to each customer. The Town will be entitled to collect the Interim and Final Finance Charges in the same manner as it collects other water rates under Section 4.04. The Interim and Final Finance Charges shall be subject to the same delinquency charge as other water rates.

**9.08 Future Town Facilities.** At its sole expense, the Town shall construct Town Facilities as needed to ensure that water service to the Service Area may proceed unimpeded. The location, phasing and timing of the Town Facilities shall be in the absolute discretion of the Town; provided, however, that CBMRMD reserves the right to (i) approve site plans for any such facilities; (ii) require fencing to shield equipment from sight; and (iii) require compliance with CBMRMD architectural design standards and any well and water development standards as previously adopted by or agreed to by CBMRMD some of which are recorded covenants. The facilities plan depicting the points at which the Town's water system will connect to the facilities required by the Town pursuant to this IGA and the location of future improvements to the Town's Water System is conceptual and as such is subject to modification based upon later refinements to the engineering and phasing of such improvements to the Water System.

The Town is not obligated to construct any transmission or distribution mains internal to the Service Area unless such Facilities are constructed by the Town for purposes unrelated to the Town's commitment to provide water service. At its expense, the Town may develop wells and related infrastructure within the Service Area designated on the Facilities Plan, as it may later be refined for Town purposes unrelated to the Town's commitment to provide Water Service and principal well facilities. The well facilities shall be located at points that are approved by CBMRMD, which approval shall not be unreasonably withheld.

## **ARTICLE X MISCELLANEOUS**

**10.01 Notice.** All notices or other communications shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, postage prepaid, addressed as follows:

If to Town:                      Town of Castle Rock  
                                         Attn: Director of Castle Rock Water  
                                         175 Kellogg Court  
                                         Castle Rock, CO 80109

with copy to:                      Town of Castle Rock  
                                         Attn: Town Attorney  
                                         100 N. Wilcox Street  
                                         Castle Rock, CO 80104

If to CBMRMD: Consolidated Bell Mountain Ranch Metropolitan District  
c/o CliftonLarsonAllen LLP,  
8390 E. Crescent Parkway, Suite 300  
Greenwood Village, CO 80111

**10.02 Notice of Meetings.** CBMRMD shall submit a copy of a written notice of every regular or special meeting of CBMRMD to the Town Clerk at least three (3) days prior to such meeting.

**10.03 Assignment.** No transfer or assignment of this IGA or of any rights hereunder shall be made by either party, other than Town may assign this IGA to another governmental entity as part of the transfer of all of the Town's Water System to such entity. In the event of such transfer, the entity assuming responsibility for Water Service to the Property shall expressly assume the Town's responsibilities under this IGA

**10.04 Amendments.** This IGA may be amended only in writing upon consent of the parties. Amendments shall be approved by resolution of the Council and the resolution of the Board.

**10.05 No Waiver.** The waiver or delay of enforcement of one or more terms of this IGA shall not constitute a waiver of the remaining terms. The waiver or delay in enforcement regarding any breach of this IGA shall not constitute a waiver of any terms of this IGA.

**10.06 TABOR Compliance.** This IGA does not create indebtedness of any party within the meaning of any constitutional, home rule charter or statutory limitation or provision. The obligations of the parties under this IGA do not create a multiple fiscal year obligation under Article X, Section 20 of the Colorado Constitution.

**10.07 Entire Agreement.** This IGA contains the entire agreement of the Parties concerning the subject matter and supersedes all prior conversations, proposals, negotiations, understandings, and agreements, whether written or oral.

**CONSOLIDATED BELL MOUNTAIN  
RANCH METROPOLITAN DISTRICT**, a  
quasi-municipal corporation, and political  
subdivision of the State of Colorado

By: \_\_\_\_\_  
Name: Russell J. Grant, President

**Attest:**

By: \_\_\_\_\_  
Name: Frank Strand, Secretary

**TOWN OF CASTLE ROCK**, acting by and  
through the Town of Castle Rock Water  
Enterprise

By: \_\_\_\_\_  
Name: Jason Gray, Town Mayor

Attest:

By: \_\_\_\_\_  
Name: Lisa Anderson, Town Clerk

Approved as to Form:

By: \_\_\_\_\_  
Name: Michael J. Hyman, Town Attorney

Approved as to Content:

By: \_\_\_\_\_  
Name: Mark Marlowe, Director, Castle Rock Water

**EXHIBIT B**

**BARGAIN AND SALE DEED**

**THIS DEED**, is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2022, to be effective as of \_\_\_\_\_, by and between the **BMR METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (“Grantor”), whose address is c/o Josh Miller, CliftonLarsonAllen, LLP, 111 South Tejon Street, Suite 705, Colorado Springs, Colorado 80903 and the **CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (“Grantee”), whose address is c/o Josh Miller, CliftonLarsonAllen, LLP, 111 South Tejon Street, Suite 705, Colorado Springs, Colorado 80903.

**WITNESSETH:**

**WHEREAS**, Grantor is the owner of certain parcels of real property and easements as more particularly described on **Exhibit 1** as attached hereto and incorporated herein by reference; and

**WHEREAS**, Grantor and Grantee have entered into an Agreement and Plan for Dissolution dated \_\_\_\_\_, 2021 (“Dissolution Agreement”), providing, among other things, for the conveyance and transfer by Grantor to Grantee of all of the real property and interests in real property owned by Grantor.

**NOW, THEREFORE**, in consideration of the mutual promises and agreements contained in the Dissolution Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant, bargain, sell, and convey unto the Grantee, its successors and assigns forever, the real property, if any, and real property interests described on **Exhibit 1** as attached hereto and incorporated herein by this reference, with all appurtenances, subject to restrictions, easements, rights of way, and reservations of record, if any.

Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

GRANTOR:  
**BMR METROPOLITAN DISTRICT**

By: \_\_\_\_\_  
Russell J. Grant, President

**Attest:**

\_\_\_\_\_  
Frank Strand, Secretary



STATE OF COLORADO )  
 )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me by Russell J. Grant, as President of the BMR Metropolitan District this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

---

Notary Public

**ACCEPTED:**

The foregoing Bargain and Sale Deed is accepted by the Consolidated Bell Mountain Ranch Metropolitan District this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

# CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT

By: \_\_\_\_\_  
Russell J. Grant, President

**Attest:**

Frank Strand, Secretary

STATE OF COLORADO )  
 ) ss.  
COUNTY OF )

The foregoing instrument was acknowledged before me by Russell J. Grant, as President of the Consolidated Bell Mountain Ranch Metropolitan District, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

---

Notary Public

## **EXHIBIT 1**

List of certain BMR Metropolitan District parcels of real property and easements being conveyed to Consolidated Bell Mountain Ranch Metropolitan District.

1. Tract T, Bell Mountain Ranch Filing 1A, County of Douglas, State of Colorado
2. Tracts H, I, K and V, Bell Mountain Ranch Filing 1B, County of Douglas, State of Colorado.
3. All easement rights of the BMR Metropolitan District under the Subdivision Plats and related documents for Bell Mountain Ranch Filing 1A, Bell Mountain Ranch Filing 1B and Bell Mountain Ranch Filing No. 2, County of Douglas, State of Colorado (collectively the “Plats”), with respect to the operation, maintenance, repair, replacement and expansion of water distribution pipelines and related appurtenances, including but not limited to valves, valve boxes, vaults, fire hydrants, meters, meter pits, etc., whether or not located within utility easements identified on said Plats.
4. Any and all tributary, non-tributary and not non-tributary groundwater located beneath the above-described Tracts and owned by Grantor, if any.

## **EXHIBIT C**

### **BILL OF SALE**

**THIS BILL OF SALE**, is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2021, to be effective as of \_\_\_\_\_, by and between the **BMR METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (“BMR”), whose address is c/o: Josh Miller, CliftonLarsonAllen, LLP, 111 South Tejon Street, Suite 705, Colorado Springs, Colorado 80903 and the **CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT**, a quasi-municipal corporation and political subdivision of the State of Colorado (“CBMR”), whose address is c/o: Josh Miller, CliftonLarsonAllen, LLP, 111 South Tejon Street, Suite 705, Colorado Springs, Colorado 80903

### **RECITALS**

**WHEREAS**, BMR and CBMR have entered into an Agreement and Plan of Dissolution dated \_\_\_\_\_ 2021, (“Dissolution Agreement”), providing, among other things, for the transfer and conveyance by BMR to CBMR all of BMR’s tangible assets, including but not limited to, BMR’s water system. All capitalized terms not defined herein shall have the meanings ascribed in the Dissolution Agreement.

### **CONVEYANCE**

**KNOW ALL MEN BY THESE PRESENTS**, that BMR in consideration of the mutual promises and agreements contained in the Dissolution Agreement, and other good and valuable consideration, the receipt of which are hereby acknowledged, has bargained and sold, and by these Presents does grant, bargain, sell and convey unto CBMR, its successors and assigns, all right, title and interest of BMR in and to the following:

- A) All piping and equipment located in BMR’s Arapahoe well originally constructed in 2000, renovated in 2013, including the installation of a new well pump;
- B) All of BMR’s equipment in its Denver well originally constructed in 2012 with a replacement pump and other upgrades added in 2017;
- C) All of BMR’s water treatment, storage and distribution system (“Water System”), including but not limited to, all pipes, valves, fittings and related facilities, inventory, spare parts, supplies and other tangible personal property owned by BMR in connection with its Water System, including but not limited to, those items described on **Exhibit 1** as attached hereto (consisting of 1 page);





**ACCEPTED:**

The foregoing Bill of Sale is accepted by the Consolidated Bell Mountain Ranch Metropolitan District this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

# CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT

By: \_\_\_\_\_  
Russell J. Grant, President

**Attest:**

Frank Strand, Secretary

STATE OF COLORADO )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me by Russell J. Grant, as President of the Consolidated Bell Mountain Ranch Metropolitan District, this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

---

Notary Public

## **EXHIBIT 1**

(Water System pipes, valves, fittings etc.)

| <b><u>Item</u></b>                                                      | <b><u>Number</u></b> | <b><u>Units</u></b> | <b><u>Remarks</u></b>                          |
|-------------------------------------------------------------------------|----------------------|---------------------|------------------------------------------------|
| 12x16 reducer                                                           | 12                   | Ea                  |                                                |
| 8x6 reducer                                                             | 98                   | Ea                  |                                                |
| Fire Hydrants                                                           | 110                  | Ea                  |                                                |
| 6" Valve                                                                | 110                  | Ea                  |                                                |
| 6" PVC pipe                                                             | 2,365                | LF                  |                                                |
| 8" Valve                                                                | 89                   | Ea                  |                                                |
| 8" PVC pipe                                                             | 63,596               | LF                  |                                                |
| 12" Valve                                                               | 30                   | Ea                  |                                                |
| 12" PVC pipe                                                            | 12,668               | LF                  |                                                |
| Service Line*                                                           | 305                  | Ea                  | Privately owned and not being conveyed to CBMR |
| PRV w/vault                                                             | 7                    | Ea                  |                                                |
| Water meters                                                            | 320                  | Ea                  |                                                |
| Storage Tank 1                                                          | 210,000              | Gal                 |                                                |
| Storage Tank 2                                                          | 90,000               | Gal                 |                                                |
| Clearwell Tank                                                          | 30,000               | Gal                 |                                                |
| Building                                                                | 2,400                | Sf                  | 60' x 40'                                      |
| Process Equip                                                           | 1                    | LS                  | 8 Ea deionator tanks with piping & controls    |
|                                                                         |                      |                     |                                                |
| Generator                                                               | 2                    | Ea                  | 250 hp                                         |
| Booster Pump                                                            | 4                    | Ea                  | 25 hp & 50 hp                                  |
| * Service Line is connection from main to valve stop serving residents. |                      |                     |                                                |
| Notes: 1. Does not include Stevens Ranch parcel components.             |                      |                     |                                                |
| 2. Does not include the Arapahoe & Denver wells.                        |                      |                     |                                                |
| 3. List is not inclusive of all components.                             |                      |                     |                                                |

## **EXHIBIT D**

### **ASSIGNMENT AND ASSUMPTION AGREEMENT**

**THIS ASSIGNMENT AND ASSUMPTION AGREEMENT** (“Assignment”) is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2021, to be effective on the \_\_\_\_ day of \_\_\_\_\_, 2021 (“Assignment Date”), by and between the **BMR METROPOLITAN DISTRICT** (“BMR”), a quasi-municipal corporation and political subdivision of the State of Colorado, as Assignor, and the **CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT** (“CBMR”), a quasi-municipal corporation and political subdivision of the State of Colorado, as “Assignee”.

### **RECITALS**

**WHEREAS**, BMR and CBMR have entered into an Agreement and Plan of Dissolution dated \_\_\_\_\_ (“Dissolution Agreement”), providing, among other things, for the assignment by BMR to CBMR and the assumption by CBMR of all BMR contractual obligations that are not terminated on or before BMR’s dissolution. All capitalized terms not defined herein shall have the same meanings ascribed in the Dissolution Agreement.

**WHEREAS**, Assignee agrees to accept assignment of the agreements and to fully perform the duties and assume all obligations under the agreements which are more fully described below (“Agreements”).

**NOW THEREFORE**, Assignor and Assignee agree as follows:

1. As of the Assignment Date, Assignor hereby assigns to Assignee all of Assignor’s right, title and interest, and delegates all of its obligations and responsibilities under the Agreements listed on **Exhibit 1**.
2. As of the Assignment Date, Assignee hereby accepts assignment of all of Assignor’s obligations, responsibilities and duties under the Agreements, and all of Assignor’s right, title and interest in and to the Agreements.
3. Assignor and Assignee agree to cooperatively work with one another to effectuate the transfer of all BMR related information, records, or data as may be reasonably be requested by the Assignee in order to minimize any potential disruption in services or the performance of Assignee’s obligations under the Agreements being assigned.
4. Effective as of the Assignment Date, Assignee shall be substituted for Assignor under each of the Agreements listed on **Exhibit 1**. Assignee shall perform all of Assignor’s obligations under the Agreements as if it were the original contracting party.

5. This Assignment Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one in the same instrument.

**IN WITNESS WHEREOF**, the Parties have caused this Assignment and Assumption Agreement to be executed by their duly authorized representatives to be effective as of the Assignment Date.

**ASSIGNOR:**

**BMR METROPOLITAN DISTRICT**, a  
quasi-municipal corporation, and political  
subdivision of the State of Colorado

By: \_\_\_\_\_

Name: Russell J. Grant, President

Attest:

\_\_\_\_\_  
Frank Strand, Secretary

**ASSIGNEE:**

**CONSOLIDATED BELL MOUNTAIN  
RANCH METROPOLITAN DISTRICT**, a  
quasi-municipal corporation, and political  
subdivision of the State of Colorado

By: \_\_\_\_\_

Name: Russell J. Grant, President

Attest:

\_\_\_\_\_  
Frank Strand, Secretary



## **EXHIBIT 1**

# **RESOLUTION APPROVING AN IGA WITH THE CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT FOR WATER SERVICE AND IMPROVEMENTS**

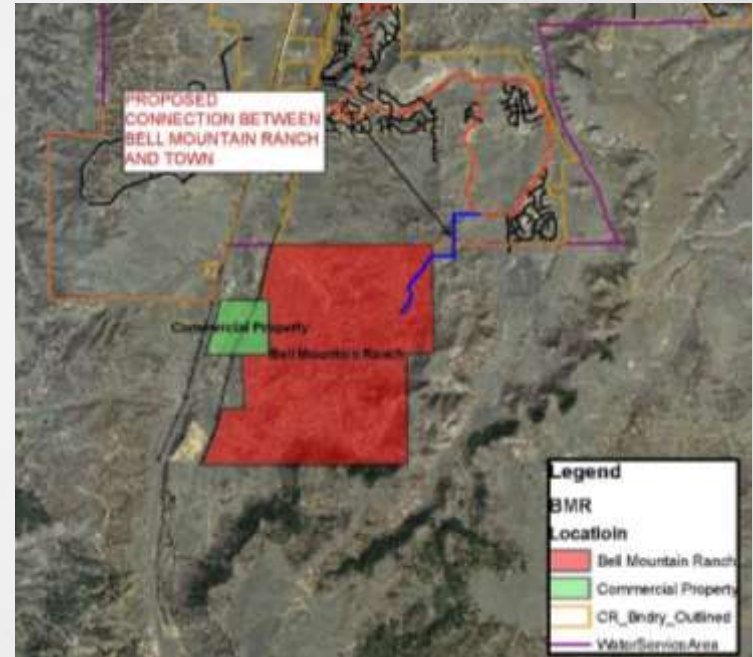
TOWN COUNCIL  
NOVEMBER 2, 2021



# BELL MOUNTAIN RANCH

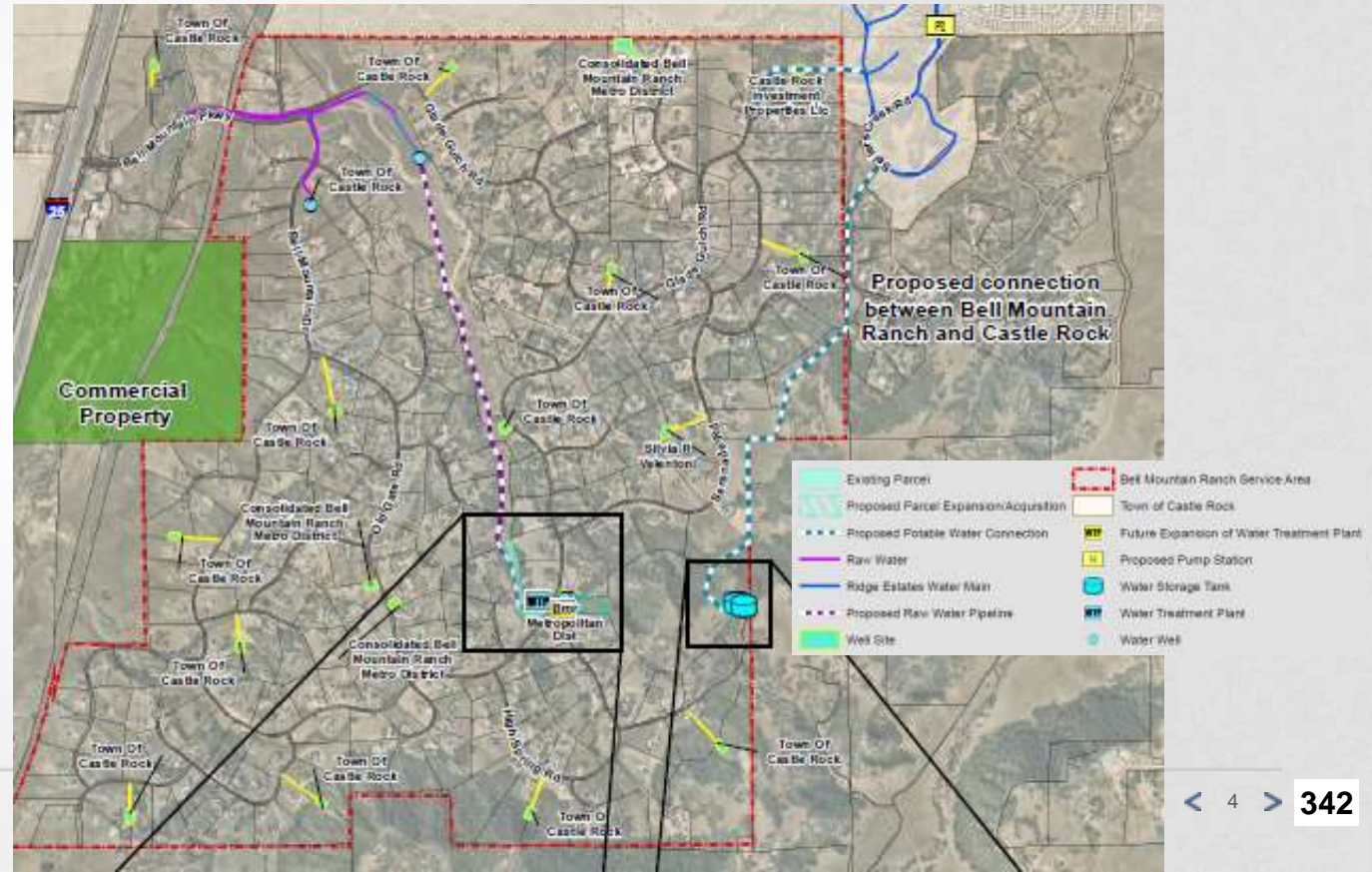
## OVERVIEW

- 321-home subdivision in Douglas County
- Separate community water system
- Relies on nonrenewable groundwater
- Unable to comply with State water quality requirements for discharge from WTP
- Needs a long-term, renewable water supply
- Has coordinated with Douglas County on solution
- BMR would pay for capital buy in and connection costs
- Would become CRW customers similar to Macanta (Canyons South)



# BELL MOUNTAIN RANCH

## FACILITIES PLAN





# BELL MOUNTAIN RANCH

## AGREEMENT TERMS

- Exclusive to BMR (321 homes, 2 irr. Taps, 6 reserved taps) / perpetual
- Subject to same rates and fees plus 10% extraterritorial surcharge
- System development fees (SDFs) recovered over 30 years / interest rate of 2.54%
- SDFs assessed at 2020 fees (Water and Water Resources)
- SDFs partially offset by depreciated value of contributed assets plus value of excess groundwater rights at \$2,500/acre foot (AF)
- Town will acquire additional property in BMR at fair market value for future expansion of the existing BMR WTP and for future raw water pipelines
- BMR would pay for connection to Town's system / cost rolled into debt
- Total monthly bills ~\$136 to \$271 average \$179 (\$77/mo. Interim finance charge)
- Rates & Fees adjusted annually based on CRW rates and fees as approved by Council

# BELL MOUNTAIN RANCH

## AGREEMENT TERMS CONT.

- All groundwater rights / fixed assets deeded to Town
- Town would take over system
- Subject to same rules and requirements including water conservation
- District would adopt CRW's rules and regulations, rates and fees on annual basis
- Water supplied to BMR would not be returned via sanitary sewer; hence, loss of use of large majority of water. Water rights to all irrigation and septic return flows retained by CRW
- Once agreement fully executed, CRW will immediately own and operate the system.
- CRW would have option to improve and expand WTP / develop additional wells

# BELL MOUNTAIN RANCH

## RECOMMENDATIONS

- Castle Rock Water Commission
- Staff
- **Questions?**



### **PROPOSED MOTION**

I MOVE TO APPROVE RESOLUTION NO. 2021-098  
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)."*





# Town of Castle Rock

## Agenda Memorandum

**Agenda Date:** 11/2/2021

---

**Item #:** 14. **File #:** RES 2021-099

---

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

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

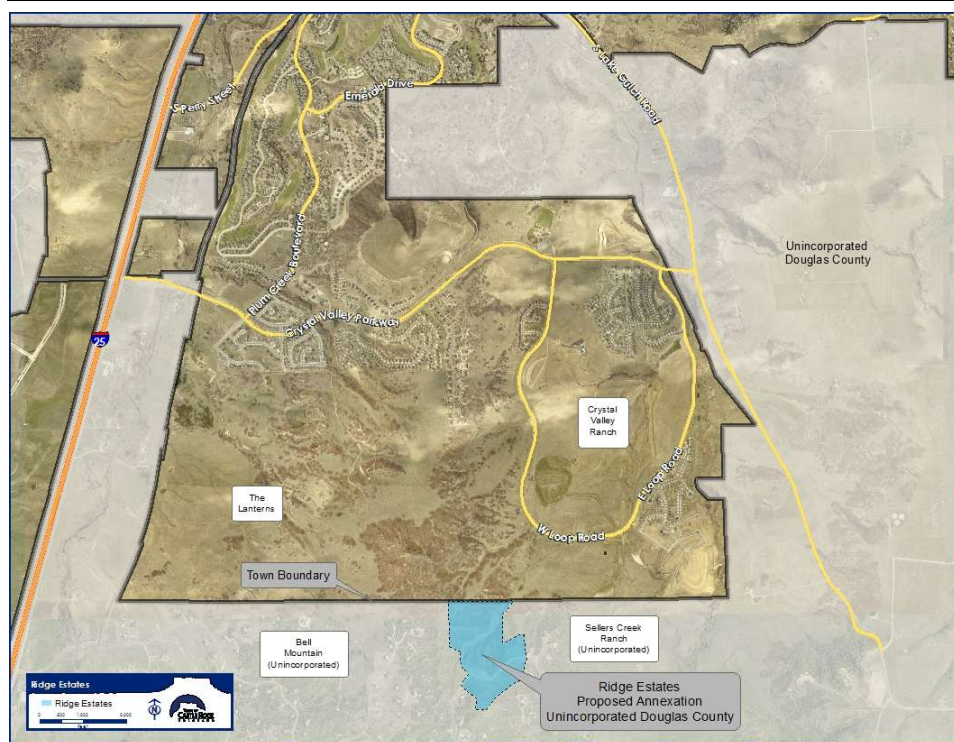
**From:** Mark Marlowe, P.E., Director of Castle Rock Water  
Tim Friday, P.E., Assistant Director of Castle Rock Water

**Resolution Approving the First Amendment to the Ridge Estates Annexation and Development Agreement** *[South of Crystal Valley Ranch, east of Bell Mountain Ranch and north of Sellers Creek Ranch]*

---

### **Executive Summary**

The Ridge at Crystal Valley (Figure 1) is a development comprised of property within the Crystal Valley Ranch Planned Development, 4th Amendment (Crystal Valley Ranch PD) and the Ridge Estates Planned Development (PD). The property is generally located in the southwest section of Crystal Valley Ranch, east of Bell Mountain Ranch and north of Sellers Creek Ranch. Maple Grove Land, LP, entered into an Annexation and Development Agreement (DA) for this property



that, among a number of other requirements, included a provision to construct Enhanced Water Improvements that would benefit the adjacent community of Bell Mountain Ranch if the Town were to commit to provide water service to Bell Mountain Ranch. Should the Town enter into such commitment, the property owner has agreed to enlarge or modify the water system improvements in order for the Town to provide said water service to Bell Mountain Ranch. Based on approval of the Water Service Agreement to serve Bell Mountain Ranch through an extraterritorial service agreement, staff recommends approval of the Resolution approving the First Amendment to the Ridge Estates Annexation and Development Agreement (see **Attachment A**). The cost for the Enhanced Water Improvements will be recovered by the Town from Bell Mountain Ranch through a water service agreement under the terms of that agreement.

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

On May 23, 2019, the original Annexation and Development Agreement was presented to Planning Commission. Planning Commission recommended approval by Town Council.

On July 16, 2019, Town Council approved the original Annexation and Development Agreement.

On October 27, 2021, the Annexation and Development Agreement Amendment was presented to Castle Rock Water (CRW) Commission, and the CRW Commission recommended Town Council approval as presented by staff.

### **Discussion**

Town Council approved annexation of this property in July 2019 and since that time the developer has worked with Castle Rock Water to agree to the terms outlined in the First Amendment to the

Annexation and Development Agreement. Specifically, this amendment addresses design and construction of shared water infrastructure (“Enhanced Water Improvements”) that will enable a water system connection to be extended through The Ridge into Bell Mountain Ranch. The Enhanced Water Improvements include a pump station and pipeline with adequate capacity to serve the needs of both The Ridge and Bell Mountain Ranch. The terms of the amendment are summarized as follows:

1. If the Town approves an intergovernmental agreement with Bell Mountain Ranch, the Enhanced Water Improvements will be constructed by the Town after design by Owner;
2. The design and construction costs of the Enhanced Water Improvements and any costs incurred in the acquisition of any easements associated therewith shall be allocated between Owner and Town as follows;

|              | Town for Bell Mountain Ranch | Owner |
|--------------|------------------------------|-------|
| Pump Station | 70%                          | 30%   |
| Pipeline     | 70%                          | 30%   |
| Water Tank   | 0%                           | 100%  |

3. Owner shall retain a professional engineer licensed in the State of Colorado to design the Enhanced Water Improvements (the “Design”). Upon completion, the Design shall be submitted to the Town and any other governmental agencies with jurisdiction over the Enhanced Water Improvements for approval;
4. After approval of design, construction of the Enhanced Water Improvements shall be competitively bid by the Town, using the Town’s normal bidding processes. Town shall select the “Lowest Qualified Bid” in accordance with the Town’s normal contracting procedures.
5. Prior to the commencement of construction of the Enhanced Water Improvements, pursuant to an escrow agreement containing customary terms and conditions, Town (for Bell Mountain Ranch) and Owner shall jointly fund into escrow their respective shares of the construction and easement acquisition costs in accordance with the cost allocation percentages identified above;
6. If Town proceeds with the Enhanced Water Improvements, then Town will release the existing easement on the Ridge that was dedicated in the original Development Agreement back to the Owner; and
7. If the Intergovernmental Agreement between the Town and Bell Mountain Ranch is terminated for any reason, then Owner shall have the right to build improvements just to serve the Ridge. As long as those improvements do not negate the ability of the Town to serve Bell Mountain Ranch in the future, the Town will release the existing easement on the Ridge that was dedicated in the original Development Agreement back to the Owner.

### **Budget Impact**

The proposed amendment to the Development Agreement includes \$1,392,000 in costs for water pumping and piping infrastructure that will be offset by revenues collected through the water service agreement between the Town and Bell Mountain Ranch. The estimated costs are shown on Exhibit 6 in **Attachment A**.

### **Recommendation**

Staff recommends approval of the resolution as presented.

### **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 Agreement  |
| Exhibit 4 to Exhibit 1: | Temporary Easement |
| Exhibit 6 to Exhibit 1: | Cost Allocations   |



## **RESOLUTION NO. 2021-**

### **A RESOLUTION APPROVING THE FIRST AMENDMENT TO THE RIDGE ESTATES ANNEXATION AND DEVELOPMENT AGREEMENT**

**WHEREAS**, the Town of Castle Rock (the “Town”), and Maple Grove Land Limited Partnership, Richard Putnam, Wayne E Brown Family, LLC, and Rock Cliff II, LLC, (collectively, the “Owner”) are parties to the Ridge Estates Annexation and Development Agreement dated June 16, 2020, and recorded in the public records of Douglas County on June 29, 2020, at Reception No. 2020056847 (the “Development Agreement”); and

**WHEREAS**, the Owner holds fee title to certain real property located within the Town immediately to the east of the Bell Mountain Ranch Subdivisions in unincorporated Douglas County, which property is to be developed as a residential neighborhood to be known as the Ridge at Crystal Valley (the “Property”); and

**WHEREAS**, Section 6.02 of the Development Agreement expressly acknowledges the possibility that the Town may enter into a commitment to provide water service to the Bell Mountain Ranch Subdivisions at some point in the future; and

**WHEREAS**, in such event, the Owner has agreed to enlarge or modify certain of the water improvements to be constructed as part of the development in order to accommodate the additional components and/or hydraulic capacity required for the Town to serve the Bell Mountain Ranch Subdivisions (the “Enhanced Water Improvements”); and

**WHEREAS**, recently, the Town, acting by and through its Water Enterprise, has negotiated the terms and conditions of an Intergovernmental Agreement with the Consolidated Bell Mountain Ranch Metropolitan District whereby the Town will acquire the District’s water distribution and treatment system and agree to provide water service to the Bell Mountain Ranch Subdivisions (the “IGA”); and

**WHEREAS**, in anticipation of the execution of the IGA, the Town and the Owner desire to amend the Development Agreement regarding the design and construction of the Enhanced Water Improvements and the allocation of costs associated therewith in order to better serve and benefit both the Ridge at Crystal Valley development and the Bell Mountain Ranch Subdivisions; and

**WHEREAS**, in addition, Section 7.02 of the Development Agreement imposed certain restrictions on the platting of the Property that the Town and the Owner have agreed are no longer necessary; and

**WHEREAS**, the Town and the Owner further desire to amend the Development Agreement to delete Section 7.02 in its entirety.

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

**Section 1. Approval.** The First Amendment to the Ridge Estates Annexation and Development Agreement in the form attached as ***Exhibit 1*** is hereby approved.

**PASSED, APPROVED AND ADOPTED** this 2<sup>nd</sup> day of November, 2021, 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 Castle Rock Water

**FIRST AMENDMENT TO THE RIDGE ESTATES ANNEXATION  
AND DEVELOPMENT AGREEMENT**

**DATE:** \_\_\_\_\_, 2021.

**PARTIES:** **TOWN OF CASTLE ROCK**, a home rule municipal corporation, 100 Wilcox Street, Castle Rock, Colorado 80104 (“Town”).

**MAPLE GROVE LAND LIMITED PARTNERSHIP**, a Minnesota limited partnership, **RICHARD PUTNAM**, and **WAYNE E BROWN FAMILY, LLC**, a Minnesota limited liability company, and **ROCK CLIFF II, LLC**, a Minnesota limited liability company, 1175 Crystal Valley Parkway, Castle Rock, CO 80104 (collectively, “Owner”).

**RECITALS:**

A. Town and Owner are parties to the Ridge Estates Annexation and Development Agreement dated June 16, 2020 and recorded in the public records of Douglas County on June 29, 2020, at Reception No. 2020056847 (the “Development Agreement”).

B. The Parties desire to amend the Development Agreement regarding the design and construction of the Enhanced Water Improvements to serve and benefit the Ridge at Crystal Valley and Bell Mountain Ranch developments.

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

**Section 1. Amendment.** Article VI of the Development Agreement is amended in its entirety to read as follows:

**ARTICLE VI  
WATER AND WASTEWATER**

**6.01 Water System Improvements.** This Section 6.01 shall govern unless the Town proceeds under Section 6.02. If this Section 6.01 is in full force and effect, Owner, at its sole expense, may design and construct the necessary Tan Zone and Green Zone water system improvements (“Water System Improvements”) required to serve (i) the Property, and (ii) Parcel PA15E, Crystal Valley Ranch PD (the “CV Parcel”). These improvements are referred to as the “Base Water Improvements.” The Base Water Improvements include, but are not limited to, a water storage tank, pump station (“Pump Station”), back-up power source, distribution pipes, valves and related appurtenances. Owner has an interest in the CV Parcel. Consequently, it is benefited by sizing the Base Water Improvements of sufficient capacity to also serve the CV Parcel. The Town will not be obligated to review or approve construction plans for Base Water

Improvements unless and until the Town's option to require the "Enhanced Water Improvements" under Section 6.02 lapses by its terms. If Owner designs and constructs the Base Water Improvements, and thereafter any party desires to design and construct the Enhanced Water Improvements (as defined below) or if the Base Water Improvements are used to provide water service to the Bell Mountain Ranch Filings 1-A and 1-B and Bell Mountain Ranch Filing No. 2, Douglas County, Colorado (collectively, "BMR"), then, prior to the commencement of such construction, the Town shall pay Owner an amount equal to seventy percent (70%) of the cost of only those Base Water Improvements that are actually used to provide water service to BMR.

**6.02 Enhanced Water Improvements.** This Section 6.02 shall apply in lieu of Section 6.01, if the Town enters into the BMR Water Service Agreement (as defined below) prior to December 31, 2021 (the "Election"). The Town shall be deemed to have entered into the BMR Water Service Agreement upon final approval thereof by the Town Council. If the Election fails to occur, this Section 6.02 shall be of no force or effect and the Parties will proceed under Section 6.01.

The Town anticipates entering into an Intergovernmental Agreement (the "BMR Water Service Agreement") with the Consolidated Bell Mountain Ranch Metropolitan District ("CBMRMD") to provide water service to the BMR. Upon the Election, certain of the Base Water Improvements will need to be enlarged or modified to accommodate the additional components and/or hydraulic capacity required to service BMR. The Water System Improvements necessary to serve (i) the Property, (ii) the CV Parcel, and (iii) BMR are referred to as the "Enhanced Water Improvements." Except in the event of a Termination Event (defined below), the Enhanced Water Improvements will be constructed by the Town after design by Owner. The Town covenants that the BMR Water Service Agreement, once approved by the Town Council, will bind the Town to the obligations described in this Section 6.02, subject only to the occurrence of either of the following on or before June 30, 2022 (a "Termination Event") (i) BMR terminates the BMR Water Service Agreement because the portion of the Lowest Qualified Bid (defined below) related to Enhanced Water Improvements used to provide water service to BMR exceeds \$2,500,000.00, or (ii) if the Douglas County District Court has not issued a Dissolution Order dissolving the existing Bell Mountain Ranch Metropolitan District to facilitate the consolidation. If a Termination Event occurs, this Section 6.02 will no longer be of any force and effect and the design and construction of the Base Water Improvements will proceed in accordance with Section 6.01. Should this occur, the Town will reimburse Owner for the design costs associated with the Enhanced Water Improvements in accordance with the allocation between the Town/BMR and the Property/CV Parcel as shown in the attached *Exhibit 6*. Notwithstanding any provision of this Agreement to the contrary, on or before June 30, 2022, Owner may elect, in its sole and absolute discretion, to proceed under Section 6.01 with written notice to Town, in which event this Section 6.02 will be of no force or effect. If Owner elects to proceed under Section 6.01 prior to June 30, 2022, Town will be under no obligation to reimburse Owner in the event that any Base Water Improvements are used in the future to provide water service to BMR.



The design and construction costs of the Enhanced Water Improvements and any costs incurred in the acquisition of any easements associated therewith shall be allocated between Owner and Town in accordance with the attached ***Exhibit 6***. Owner shall retain a professional engineer licensed in the State of Colorado to design the Enhanced Water Improvements (the “Design”). Upon completion, the Design shall be submitted to the Town and any other governmental agencies with jurisdiction over the Enhanced Water Improvements for approval in accordance with Section 6.04. Following such approval, the Town shall proceed with the bidding and construction of the Enhanced Water Improvements. Construction of the Enhanced Water Improvements shall be competitively bid by the Town, using the Town’s normal bidding processes. Town shall select the “Lowest Qualified Bid” in accordance with the Town’s normal contracting procedures.

Prior to the commencement of construction of the Enhanced Water Improvements, pursuant to an escrow agreement containing customary terms and conditions, Town and Owner shall jointly fund into escrow their respective shares of the construction and easement acquisition costs in accordance with the cost allocation percentages set forth in ***Exhibit 6***. With funding of the construction escrow, Town shall pay to Owner the Town’s share of the Design costs. Disbursements from the construction escrow to the contractor shall require joint approval of Town and Owner.

**6.03 Construction and Maintenance Easements.** If the Election occurs, and Section 6.02 is in full force and effect, within a reasonable time after July 1, 2022, Owner shall dedicate to the Town such interests in the Property as may be sufficient to construct the Enhanced Water Improvements in accordance with the Design. Town shall obtain all other easements located outside of the Property as may be necessary to construct the Enhanced Water Improvements; provided that any third-party costs incurred by the Town in obtaining such easements shall be reimbursed by Owner from the escrow in accordance with ***Exhibit 6***, but in no event shall such reimbursement exceed \$200,000.00. If Owner’s portion of easement costs exceed \$200,000, and Owner determines not to pay the additional costs, the Town may, at its sole option, abandon construction of the Enhanced Water Improvements, in which case, any additional easements deeded to the Town by Owner for construction of the Enhanced Water Improvements shall be quitclaimed back to Owner with the exception of the Waterline Easement described in the attached ***Exhibit 4***. Should the construction of the Enhanced Water Improvements proceed in accordance with Section 6.02, the Town shall quitclaim to Owner its interest in the Waterline Easement within a reasonable time after July 1, 2022.

**6.04 Governmental Approvals.** Construction of the Tan Zone Improvements must be approved by governmental agencies other than the Town. Owner and Town shall cooperate to make application and obtain approval of such governmental agencies for the Tan Zone Improvements. The Property will not qualify for the issuance of building permits until (i) all necessary approvals by other governmental agencies have been issued, and (ii) the Tan Zone Improvements have been constructed by Town. In the event approval for the Tan Zone Improvements are denied and all reasonable appeals from such adverse decision are exhausted, which appeals shall be at the joint expense of Owner and the Town in accordance with ***Exhibit 6***,

Owner shall grade and revegetate the Property pursuant to an erosion control plan approved by the Town. Any subdivision development which otherwise may be undertaken under the Town Regulations prior to approval of the Tan Zone Improvements is entirely at the risk of Owner.

**6.05 Tan Zone Pump Station Operational Subsidy.** The costs the Town will incur in the operation and maintenance of the Pump Station are supplemental to the usual and customary costs incurred by the Town to serve areas within its existing service area. In order to defray such supplemental costs, Owner shall pay to Town \$188,657, which represents the agreed present value of the future operation and maintenance costs of the Pump Station (“Operational Subsidy”). Concurrently with and as a condition to recordation of the first Plat, Owner shall pay the Operational Subsidy to Town.

**6.06 Green Zone Water System Improvements.** The Property must be served by the Green Zone water supply system. Owner, at its sole expense, shall be responsible for the design and construction of the necessary water supply improvements to deliver Green Zone water to the Pump Station.

**Section 2. Easement Termination.** If Section 6.02 is in full force and effect or if Owner elects to proceed under Section 6.01 on or before June 30, 2022, then Exhibit 4 to the Development Agreement, the Temporary Easement Agreement dated June 16, 2020, by and between Owner and Town, and the Easement Agreement dated June 16, 2020, by and between Owner and Town, will be automatically deleted in their entirety and any rights created by such easements will be terminated; provided that, as a condition of such termination, Owner shall ensure that the Town will have access to the Base Water Improvements of sufficient nature as would allow the Town to provide water service to BMR in the event it should decide to undertake such service at a future date.

**Section 3. Removal of Platting Restrictions.** Section 7.02 of the Development Agreement is hereby deleted in its entirety.

**Section 4. Ratification.** In all other respects, the Development Agreement shall remain in full force and effect.

**Section 5. Recordation.** This First Amendment to the Ridge Estates Annexation and Development Agreement shall be recorded in the public records of Douglas County, Colorado.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]  
[SIGNATURE PAGES TO FOLLOW]**

**ATTEST:**

**TOWN OF CASTLE ROCK**

\_\_\_\_\_  
Lisa Anderson, Town Clerk

\_\_\_\_\_  
Jason Gray, Mayor

**Approved as to form:**

\_\_\_\_\_  
Michael J. Hyman, Town Attorney

**COUNTY OF**                    )  
                                      ) ss.  
**STATE OF**                    )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2021, 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: \_\_\_\_\_.

( S E A L )

\_\_\_\_\_  
Notary Public

**MAPLE GROVE LAND LIMITED PARTNERSHIP**  
a Minnesota limited partnership

By: \_\_\_\_\_

Its: \_\_\_\_\_

**STATE OF** \_\_\_\_\_ )  
 ) ss.  
**COUNTY OF** \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2021 by \_\_\_\_\_ as \_\_\_\_\_ for Maple Grove Land Limited Partnership, a Minnesota limited partnership.

Witness my official hand and seal.  
My commission expires: \_\_\_\_\_

( S E A L )

\_\_\_\_\_  
Notary Public



\_\_\_\_\_  
**RICHARD PUTNAM**

**STATE OF** )  
 ) ss.  
**COUNTY OF** )

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2021 by Richard Putnam.

Witness my official hand and seal.  
My commission expires: \_\_\_\_\_

( S E A L )

\_\_\_\_\_  
Notary Public

**WAYNE E. BROWN FAMILY, LLC**, a  
Minnesota limited liability company

By: \_\_\_\_\_

Its: \_\_\_\_\_

**STATE OF** \_\_\_\_\_ )  
 ) ss.  
**COUNTY OF** \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2019 by \_\_\_\_\_ as \_\_\_\_\_ for Wayne E. Brown Family, LLC, a Minnesota limited liability company.

Witness my official hand and seal.  
My commission expires: \_\_\_\_\_

( S E A L )

\_\_\_\_\_  
Notary Public

**ROCK CLIFF II, LLC**, a Minnesota limited liability company

By: \_\_\_\_\_

Its: \_\_\_\_\_

**STATE OF** \_\_\_\_\_ )  
 ) ss.  
**COUNTY OF** \_\_\_\_\_ )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2021 by \_\_\_\_\_ as \_\_\_\_\_ for **ROCK CLIFF II, LLC**, a Minnesota limited liability company.

Witness my official hand and seal.  
My commission expires: \_\_\_\_\_

( S E A L )

\_\_\_\_\_  
Notary Public

# Exhibit 4

## TEMPORARY EASEMENT AGREEMENT

**DATE:** June 16, 2020, 2019.

**GRANTORS:** **MAPLE GROVE LAND LIMITED PARTNERSHIP**, a Minnesota limited partnership, **RICHARD PUTNAM**, and **WAYNE E. BROWN FAMILY, LLC**, a Minnesota limited liability company, 1175 Crystal Valley Parkway, Castle Rock, Colorado 80104.

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

### RECITALS

Grantee has determined that it needs to acquire a temporary construction easement ("Temporary Easement") over property owned by Grantors, and the parties have agreed to the terms and consideration for the grant of the Temporary Easement.

### GRANT

Grantors, in consideration of ten dollars and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by Grantors, grants to Grantee, its successors and assigns, the Temporary Easement over the property located in Douglas County, Colorado described in the attached *Exhibit A* ("Easement Property").

### TERMS

1. Grantee is undertaking the construction of certain municipal waterline improvements adjacent to the Easement Property as part of the Bell Mountain Waterline Project ("Project").

2. Grantors represent to Grantee that Grantor are the record owner of the Easement Property and that Grantors have the authority to grant the Temporary Easement.

3. The purpose of the Temporary Easement is to allow Grantee, its employees, contractors and agents access to the Project over the Easement Property and construct the Project on the adjacent property owned by Grantee. The Temporary Easement shall commence upon the date Grantee gives notice to Grantor of its intent to commence construction of the Project and terminate 18 months thereafter, or upon completion of the project, whichever event occurs first.



4. All activity permitted under this Temporary Easement shall be maintained within the Easement Property boundaries. Prior to the expiration of the Temporary Easement, the surface of the Easement Property shall be restored by Grantors, to the extent practicable, to its pre-existing condition, in accordance with the Project plans. All such construction and maintenance undertaken by Grantee on the Easement Property shall be at the sole expense of the Grantee, and Grantee shall promptly pay all construction costs and expenses.

5. Grantors shall not make any use of the Easement Property which will materially interfere with Grantee's use and enjoyment of the Temporary Easement.

6. To the extent permitted by law, Grantee shall indemnify Grantors from any and all liability, costs or expenses incurred as a result of Grantee's use of the Easement Property under its easement rights. Grantee shall obtain and keep in full force and effect general liability insurance covering its actions and activities permitted under the Temporary Easement in an amount at least equivalent to Grantee's liability under the Colorado Governmental Immunity Act. This indemnification shall not constitute a waiver or release by Grantee of any immunity or limitation on liability under the Governmental Immunity Act.

7. Any breach of this agreement shall give rise to the non-breaching party's right to bring an action against the breaching party for injunctive or other equitable relief and/or damages. In the event of such action, the prevailing party shall be entitled to recover its reasonable attorney's fees from the other party.

# GRANTORS:

MAPLE GROVE LAND LIMITED PARTNERSHIP

By: James Development Company, General Partner  
James Peterson

Its: President

STATE OF COLORADO )  
 ) ss.  
COUNTY OF Douglas )

The foregoing instrument was acknowledged before me this 8th day of May, 2020 2019 by James Peterson as President for Maple Grove Land Limited Partnership, a Minnesota limited partnership.

Witness my official hand and seal.  
My commission expires: 6-1-2022

NANCY SCHIELD  
NOTARY PUBLIC  
STATE OF COLORADO  
NOTARY ID 19984015041  
MY COMMISSION EXPIRES JUNE 01, 2022

(SEAL)

Nancy Schield  
Notary Public

RICHARD PUTNAM

STATE OF )  
 ) ss.  
COUNTY OF )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2019, by Richard Putnam.

Witness my official hand and seal.  
My commission expires: \_\_\_\_\_

(SEAL)

\_\_\_\_\_  
Notary Public

**WAYNE E. BROWN FAMILY, LLC**

By: [Signature]  
Its: [Signature]

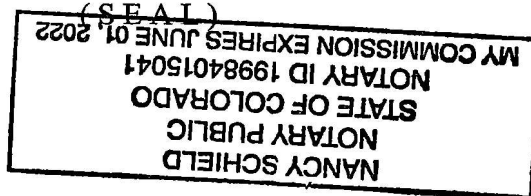
STATE OF Colorado )  
 ) ss.  
COUNTY OF Douglas )

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of May 2020, by Gregory W Brown as Chief Manager for Wayne E. Brown Family, LLC, a Minnesota limited liability company..

Witness my official hand and seal.  
My commission expires: 6-1-2022

(SEAL)

Nancy Schield  
Notary Public



NOTARY PUBLIC STATE OF COLORADO

Notary Public

*Richard P. Putnam*  
 RICHARD PUTNAM

STATE OF *Colorado*

1

COUNTY OF *Douglas*

1 ss.

The foregoing instrument was acknowledged before me this *8th* day of *May*, ~~2019~~ *2020*, by Richard Putnam

Witness my official hand and seal

My Commission expires *6-1-2022*

NANCY SCHIELD  
 NOTARY PUBLIC  
 STATE OF COLORADO  
 NOTARY ID 19984015041  
 MY COMMISSION EXPIRES JUNE 01, 2022

*Nancy Schield*  
 Notary Public

WAYNE E. BROWN FAMILY, LLC

He

It

STATE OF

1

COUNTY OF

1 ss.

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2019, by \_\_\_\_\_ as \_\_\_\_\_ for Wayne E. Brown Family, LLC, a Minnesota limited liability company.

Witness my official hand and seal

My Commission Expires \_\_\_\_\_

(SEAL)

Unofficial Copy





30 FOOT WIDE TEMPORARY CONSTRUCTION EASEMENT LYING IN THE NW  $\frac{1}{4}$  OF SECTION 36,  
TOWNSHIP 8 SOUTH, RANGE 67 WEST OF THE 6TH P.M.,  
COUNTY OF DOUGLAS, STATE OF COLORADO

COMMENCING AT THE NW CORNER OF SECTION 36, TOWNSHIP  
8 SOUTH, RANGE 67 WEST OF THE 6TH P.M., COUNTY OF  
DOUGLAS, STATE OF COLORADO THENCE S 45°54'41"E, A  
DISTANCE OF 28.36 FEET TO A LINE 20.00 FEET SOUTH OF AND  
PARALLEL WITH THE NORTH LINE OF THE NW  $\frac{1}{4}$  OF SECTION 36  
AND THE POINT OF BEGINNING; THENCE N 89°14'58"E PARALLEL  
WITH SAID NORTH LINE, A DISTANCE OF 1452.11 FEET; THENCE  
S 34°15'58"W, A DISTANCE OF 36.63 FEET TO A LINE 50.00 SOUTH  
OF AND PARALLEL WITH SAID NORTH LINE; THENCE S 89° 14'58"  
W COINCIDENT WITH SAID PARALLEL LINE, A DISTANCE OF  
1400.92 FEET TO A LINE 50.00 FEET EAST OF AND PARALLEL  
WITH THE WEST LINE OF THE NW  $\frac{1}{4}$  OF SAID SECTION 36;  
THENCE S 01°04'20" E COINCIDENT WITH SAID PARALLEL LINE, A  
DISTANCE OF 1013.82 FEET; THENCE N 67°04'24" W, A DISTANCE  
OF 32.84 FEET TO A LINE 20.00 FEET EAST OF AND PARALLEL  
WITH THE WEST LINE OF THE NW  $\frac{1}{4}$  OF SAID SECTION 36;  
THENCE N 01°04'20" W COINCIDENT WITH SAID PARALLEL LINE,  
A DISTANCE OF 1030.63 FEET TO THE POINT OF BEGINNING.

PARCEL CONTAINS 73462 SQ.FT. OR 1.686 ACRES, +/-.

BEARINGS ARE BASED UPON THE NORTH LINE OF SECTION 36  
WHICH BEARS: N 89°14'58" E

AS ILLUSTRATED ON SHEET 2 OF 2 ATTACHED HERETO AND  
MADE A PART THEREOF.

PREPARED FOR AND ON  
BEHALF OF WSB BY  
JOSEPH W. STICE iii, PLS  
720-280-7955  
JSTICE@WSBENG.COM



RIDGE ESTATES

30' CONSTRUCTION EASEMENT

LOCATED IN THE NW  $\frac{1}{4}$ , SEC. 36  
T. 8 S./ R 67 W, 6TH PM  
DOUGLAS COUNTY, COLORADO

|                    |                   |                           |
|--------------------|-------------------|---------------------------|
| DRAWN BY:<br>JWS   | SCALE:<br>1"=400' | R.O.W. FILE NUMBER:       |
| CHECKED BY:<br>JWS | DATE:<br>06.05.19 | JOB NUMBER:<br>011593-000 |

# **EXHIBIT 6 - ENHANCED WATER IMPROVEMENTS PRELIMINARY COST ESTIMATE AND COST ALLOCATION**

## **Design Fees**

|                          | Cost Allocation |           | Design Fees       |                   | Total             |
|--------------------------|-----------------|-----------|-------------------|-------------------|-------------------|
|                          | Town/BMR        | The Ridge | Town/BMR          | The Ridge         |                   |
| Previous Expenditures    | 30%             | 70%       | \$ 20,164         | \$ 47,049         | \$ 67,213         |
| Tank                     | 0%              | 100%      | \$ -              | \$ 99,850         | \$ 99,850         |
| Booster Pump             | 70%             | 30%       | \$ 74,727         | \$ 32,026         | \$ 106,753        |
| Water Main               | 70%             | 30%       | \$ 51,113         | \$ 21,906         | \$ 73,019         |
| <b>Total Design Cost</b> |                 |           | <b>\$ 146,004</b> | <b>\$ 200,830</b> | <b>\$ 346,835</b> |

## **Preliminary Estimated Construction Costs**

|                                              | Cost Allocation |           | Preliminary Construction Costs |                         | Total                   |
|----------------------------------------------|-----------------|-----------|--------------------------------|-------------------------|-------------------------|
|                                              | Town/BMR        | The Ridge | Town/BMR                       | The Ridge               |                         |
| Tank                                         | 0%              | 100%      | \$ -                           | \$ 1,650,000            | \$ 1,650,000            |
| Booster Pump                                 | 70%             | 30%       | \$ 455,000                     | \$ 195,000              | \$ 650,000              |
| Water Main                                   | 70%             | 30%       | \$ 686,000                     | \$ 294,000              | \$ 980,000              |
| <b>Subtotal Construction</b>                 |                 |           | <b>\$ 1,141,000</b>            | <b>\$ 2,139,000</b>     | <b>\$ 3,280,000</b>     |
| Construction Management Fee (2% Const. Cost) |                 |           |                                | \$ 42,780               | \$ 42,780               |
| <b>Total Construction Cost</b>               |                 |           | <b>\$ 1,141,000</b>            | <b>\$ 2,181,780</b>     | <b>\$ 3,322,780</b>     |
| <br>Easement Acquisition for Pipeline        | <br>70%         | <br>30%   | <br>\$ 105,000                 | <br>\$ 45,000           | <br>\$ 150,000          |
| <br><b>Total Project Cost</b>                |                 |           | <br><b>\$ 1,392,004</b>        | <br><b>\$ 2,427,610</b> | <br><b>\$ 3,819,615</b> |

### Notes:

1. Number of SFEs in BMR is assumed to be 325 for build out condition.
2. Number of SFEs in The Ridge is 142.
3. Split based on hydraulic capacity is 70% BMR and 30% The Ridge.
4. BMR will donate the land for tank site valued at ~\$100,000
5. It is important to note that the preliminary construction costs are not based on final design drawings. Final bid prices may come in higher. The pro-rata costs still will be divided based on the hydraulic capacity as provided in note 3.

# **RESOLUTION APPROVING THE RIDGE ESTATES ANNEXATION AND DEVELOPMENT AGREEMENT AMENDMENT**

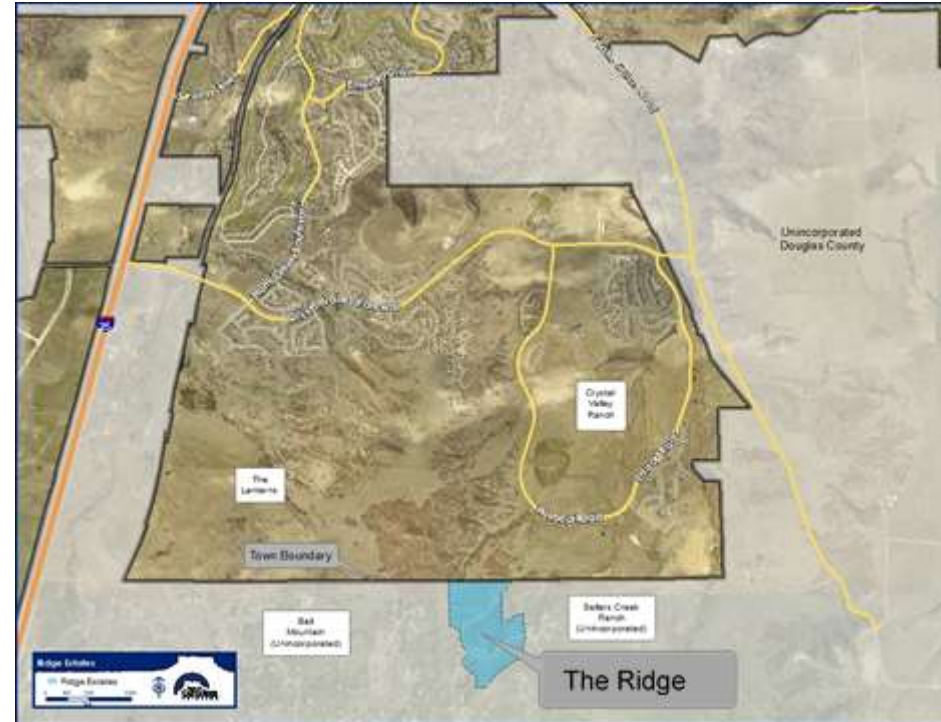
NOVEMBER 2, 2021



# RIDGE ESTATES

## BACKGROUND

- Council approved Site Development Plan 10/5/2021
- Includes 52 SFEs in the Ridge and 90 SFEs in CVR
- Original Development Agreement (DA) and Annexation approved on June 16, 2020
- Original DA contemplated that Castle Rock may ultimately provide service to Bell Mountain Ranch
- Original DA included easement across Ridge for this potential future service

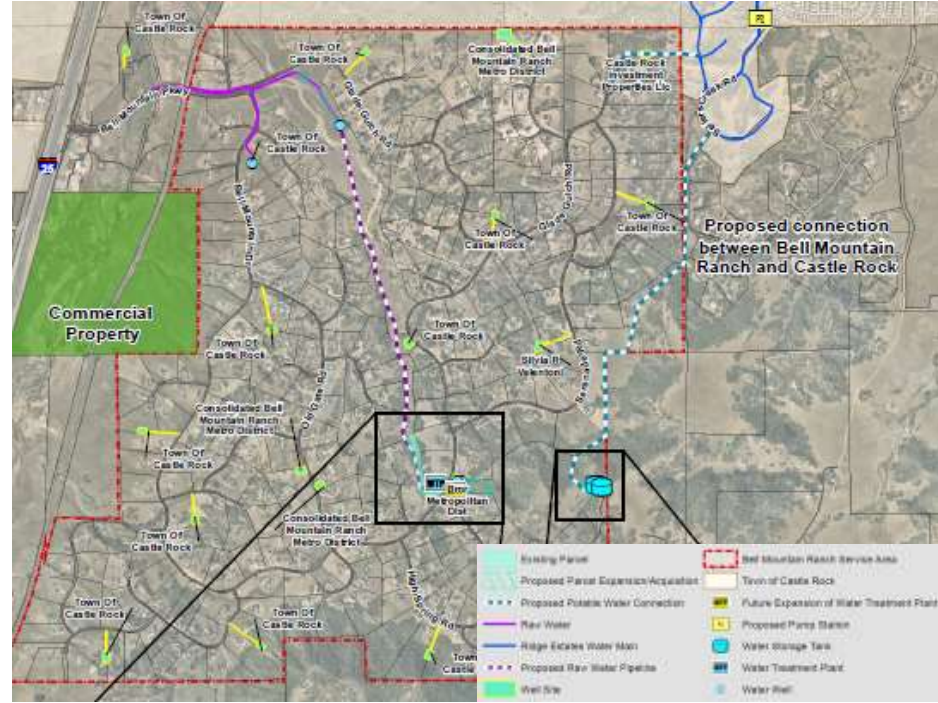




# RIDGE ESTATES

## DA AMENDMENT - KEY TERMS

- Dovetails with CBMRMD IGA
- Addresses Enhanced Water Improvements (EWI) in Development Agreement (DA)
- Owner will design EWI (thru Prof. Eng.)
- Town will construct EWI (70/30 cost split)
- Town/BMR cost of \$1,392,00
- Construction funded thru escrow
- If EWI constructed, Town will vacate easement
- If IGA between Town and BMR terminated, Owner will build own improvements



# RIDGE ESTATES

## RECOMMENDATIONS

- Castle Rock Water Commission
- Staff
- **Questions?**



### **PROPOSED MOTION**

I MOVE TO APPROVE RESOLUTION NO. 2021-099  
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)."*