

**Regular Board Meeting- April 27 2026**  
 Castle Pines North Metropolitan District  
 7404 Yorkshire Drive, Castle Pines, CO 80108  
 2026-04-27 18:00 - 21:00 MDT

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**I. Call meeting to order**

**A. Pledge of Allegiance**

**B. Roll call & disclosure of potential conflicts**

**II. Public comment period (three minute maximum per person)**

Public comment is designed to share your thoughts and concerns with the district, but it is not an interactive discussion.

If you would like to participate, please sign up at the back of the room or if you are attending virtually, type your name and address in the chat feature to be placed in the queue.

**III. Consent Agenda**

This is a group of items to be acted on with a single motion, second and vote by the Board to expedite the handling of limited routine matters. The Board has previously received information on these matters and/or discussed them at a prior study session. Any board member may move an item from the consent agenda to the meeting agenda at this time.

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Recommended Motion: I move to adopt the Resolution Adopting Water Use Restrictions and amending the District’s Water Conservation Rebate Program, as presented

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**A. Update: Douglas County Water Commission**

**B. Update: Regional water supply study**

**C. Update: Interconnect Pump Station surge system modifications**

**D. South Tank Rehab Capital Project**

Staff requests that the Board designate Vice President Jana Krell as the Board representative to participate in the proposal evaluation

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These reports are included in the monthly Board Packet, this agenda item serves as an opportunity for the board to ask any questions they have regarding the reports.

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**VIII. Director's Matters**

Board members may raise and discuss items of interest, concerns, or announcements that are not otherwise included on the agenda.

## **IX. Adjourn**

**CASTLE PINES NORTH METROPOLITAN DISTRICT  
REGULAR BOARD MEETING MINUTES  
March 23, 2026 – 6:00 p.m.**

**HELD:** Monday, March 23, 2026, at 6:00 p.m. via remote videoconference.

**ATTENDEES:** Directors Jason Blanckaert, James Mulvey, Tera Radloff, Jana Krell, and Leah Enquist were present. Also present were: Nathan Travis, District Manager; Rene Santini, Deputy District Manager; Eric Harris, Elevated Clarity; Paul Polito, Seter, Vander Wall & Mielke, P.C.; Lisa Schwien, Kennedy Jenks; Arek Ryzak, Next Meters.

**CONFLICTS:** None.

**QUORUM:** Present.

**CALL MEETING TO ORDER:** The Regular Meeting was called to order at approximately 6:00 p.m. by President Blanckaert.

**PUBLIC COMMENT PERIOD**

President Blanckaert opened the public comment period. No comments were received and the public comment period was closed.

**CONSENT AGENDA**

The Board reviewed the following items on the Consent Agenda:

- A. Approve February 23, 2026, Regular Board Meeting Minutes
- B. Approve February 16, 2026, Work Session Minutes
- C. Ratify claims for payment including check numbers 29524–29607 and electronic payments issued from February 12, 2026, to March 11, 2026, totaling \$1,859,339.06
- D. Ratify Engagement Letter with Rubin Brown for the 2025 Fiscal Year Audit
- E. Approve Short-Form Contract

Upon motion duly made, seconded, and unanimously carried, the Board approved the items as presented in the Consent Agenda.

**PRESENT & CONSIDER LIFT STATION RENOVATION SCOPE B BID AWARD**

Mr. Travis and Lisa Schwien, P.E., of Kennedy Jenks presented the results of the bid opening held on March 11, 2026, for the Lift Station Upgrades Scope B project, which covers Lift Stations 1, 3, 4, and 6. Four contractors submitted bids. Staff and Kennedy Jenks recommended award to GSE Construction. Ms. Schwien and Mr. Travis explained that the recommendation was based on the size, scale, and complexity of the project; GSE's prior successful work with the District on the well vault rehabilitation program; the availability of the same project manager and field superintendent used on the prior project; and the fact that GSE was the only bidder without mathematical errors in its bid submission. Reference checks produced mixed reviews for both top bidders; Ms. Schwien confirmed that she will manage change orders closely and that the Scope B contract documents have been tightened based on lessons learned from Scope A.

Upon motion duly made, seconded, and unanimously carried, the Board awarded the Lift Station Upgrades Scope B package to GSE Construction.

## **PRESENTATION: NEXT METERS**

Arek Ryzak of Next Meters presented information regarding the company's ultrasonic AMI metering technology as a potential alternative to the District's current meter vendor. Mr. Ryzak described the multi-carrier cellular LTE-M communication platform with RF, drive-by, and walk-by backup; the 20-year product warranty inclusive of communication and software fees; the customer-facing usage portal; and U.S.-based customer support. Mr. Travis explained that approximately one-third of the District's water meters are due for replacement and that a move toward a fixed-base AMI system is already underway. Staff are proposing a 250-meter pilot deployment targeting areas with challenging cellular reception and access. No expenditure approval was requested at this meeting; pricing comparisons with the District's current vendor are still being developed, and staff anticipates bringing a formal request back to the Board at a future meeting, likely in April.

## **FINANCE REPORT**

Eric Harris of Elevated Clarity presented the financial report for January 2026. For the General Fund, actual revenues as of January 31, 2026, were \$200,457, and total actual expenditures were \$327,405, resulting in a negative change in funds available of \$126,948, which is typical for January as property tax collections begin in February. Mr. Harris noted that Property and Liability Insurance is trending over budget, with a renewal premium of approximately \$125,000 against a budget of \$85,000, reflecting an approximate 8.6% increase over the prior year, and that Software Support is also trending over budget due to a classification change from the prior year. For the Water Enterprise Fund, Mr. Harris reported that Chatfield Reservoir annual assessments came in under budget at approximately \$153,000 against a budget of \$168,000, and that January utility expense came in at \$40,254 compared to a budgeted \$103,000, reflecting reliance on the Highlands Ranch interconnect during the filter bed rehabilitation project. Mr. Harris also reported that the new fixed-fee capital permit fee structure has been implemented and is tracking on budget. Mr. Harris noted that first-quarter projections will be presented in May 2026 and that staff are continuing work on the billing system implementation and 2025 audit preparation.

## **LEGAL COUNSEL STATUS REPORT**

Mr. Polito presented the Legal Counsel Status Report. He provided an update on the Second Amendment to the Service Plan, noting that he and Mr. Travis met with the Douglas County Planning Department on March 18, 2026, for a pre-application meeting. The Planning Department indicated that most typical service plan amendment requirements will be waived given the narrow scope of the amendment, and directed counsel to file a formal application along with an amended and restated service plan.

## **PFAS/AFFF Multi-District Litigation Settlements**

Mr. Polito provided an informational update regarding the national PFAS drinking water settlements arising from the AFFF Multi-District Litigation against 3M, DuPont, and other manufacturers. Because the District did not opt out of the settlement class in December 2023, it is a class member entitled to submit timely claims, with several claim deadlines approaching this summer. Mr. Polito reported that he is coordinating with Mr. Travis and Mr. Harris regarding required testing data and potential claim costs, and that a meeting with an outside PFAS consulting firm is being scheduled. Mr. Travis and Mr. Santini confirmed that prior source water testing for the District returned non-detect results for PFAS. Highlands Ranch Water has detected low levels of PFOA in its treated water but remains below applicable federal guidelines through the use of granular activated carbon. In response to Director Mulvey's inquiry regarding emergency response capability, Mr. Travis explained that the District plans to keep the treatment

plant in operable condition so that it could resume serving from the confined aquifer within a matter of hours if needed.

### **Approve Amended Rules and Regulations**

Mr. Polito presented the finalized amendments to the District's Rules and Regulations. The amendments incorporate all rule resolutions enacted since 2015, remove references to parks, trails, open space, and stormwater functions assumed by the City of Castle Pines, add a new Article 15 addressing cross-connection control and backflow prevention as required by CDPHE Regulation 11, include a site-specific deviation provision that exempts certain qualifying multi-family connections from annual testing and device tracking requirements, and include new language regarding the maintenance of sewer service lines. Mr. Travis confirmed that the new Article 15 largely codifies the cross-connection control program already in place and responds to feedback received during prior sanitary surveys.

Upon motion duly made, seconded, and unanimously carried, the Board adopted the amended Rules and Regulations.

### **Approve Hidden Pointe Metropolitan District Inclusion Agreement**

Mr. Polito presented the Inclusion Agreement between Hidden Pointe Metropolitan District ("HPMD") and Castle Pines North Metropolitan District. Because the inclusion will impose a new mill levy on HPMD property owners, a TABOR election is required and must be held on November 3, 2026. HPMD will bear the cost of the election, and CPNMD will serve as the designated election official. Mr. Polito explained that simple majority approval of returned mail ballots is required, with results anticipated approximately 7 to 15 days after the election. HPMD's board is expected to hold a special meeting during the week of March 22, 2026, to approve the agreement. Mr. Harris noted that coordination between HPMD and the District will be required in advance of the December 15, 2026, mill levy certification deadline, and that the 2026 CPNMD budget hearing may be moved to the first week of December to accommodate timing.

Upon motion duly made, seconded, and unanimously carried, the Board approved the Hidden Pointe Metropolitan District Inclusion Agreement.

## **DISTRICT MANAGER REPORT**

Mr. Travis presented the District Manager's report. Mr. Travis also welcomed Rene Santini, Deputy District Manager, whose first day with the District was March 23, 2026.

### **Emergency Expenditure Notification – Croft Court Main Break**

Mr. Travis reported that an emergency water line break occurred on Croft Court on the evening of March 22, 2026, due to severe corrosion of the existing pipe. Approximately 17 feet of pipe were replaced, and full water service was restored after an approximately 15-hour outage. The estimated total cost of the emergency repair is \$45,000. Affected residents were directly notified by operations staff, and an operations team member purchased and distributed bottled water to residents of the affected cul-de-sac.

### **Douglas County Water Commission**

Mr. Travis reported that he has been invited to participate in a water provider user group convened as part of the Douglas County 2050 Water Master Plan study, with the first of two half-day sessions scheduled for the week of March 30, 2026. Mr. Travis will provide an update at the April Board meeting. Comments on the 2050 plan prepared by Austin Hamre have been submitted to the consultant and are included in the Board packet under supplementary materials; the

comments address, among other items, the correct characterization of the District's wheeling arrangement with Highlands Ranch Water.

### **CORE Electric Cooperative Rate Code Adjustment**

Mr. Travis reported that staff met with CORE Electric Cooperative's large customer account representative to finalize rate code adjustments. While the adjustment is more modest than initially hoped, staff anticipate approximately \$30,000 in annual savings. CORE advised that it expects overall rate increases of 25% to 30% over the next seven years, front-loaded into the first two years. Mr. Travis and Mr. Santini will also attend an upcoming CORE CEO Connects meeting hosted for Douglas County water providers.

### **Stantec Regional Water Supply Study Update**

Mr. Travis reported that the Stantec Regional Water Supply Study remains on budget, with approximately \$60,000 remaining. Upcoming milestones include finalization of the water yield analysis by Spheros Environmental in mid-April, a virtual meeting at the end of April to review water yield findings, a final in-person workshop in mid-May, draft final review at the end of May, and delivery of the final report in June 2026. A full Board presentation of the final deliverable is anticipated in June or July 2026.

### **Ventana Capital Request for Service**

In response to a question from Director Enquist, Mr. Travis reported that the City of Castle Pines is revising its annexation process, including its approach to water and wastewater provider requirements. Mr. Travis explained that any annexation by the City does not create an obligation for the District to provide service, and that the District's inclusion requirements, including the renewable water requirement, would continue to apply independently. Mr. Travis reiterated that he does not see a viable path for CPNMD to serve the proposed Crowsnest development given infrastructure, water supply, and wastewater treatment constraints.

## **OPERATIONS & ENGINEERING REPORT**

Mr. Travis noted that the Engineering report is included in the OnBoard packet and that the Operations report was delayed due to the Croft Court main break response and will be circulated to the Board once received. No questions were raised.

## **DIRECTOR'S MATTERS**

Director Enquist raised the subject of water conservation measures and watering restrictions in light of the low winter snowpack and the measures being considered by other regional water providers. Mr. Travis confirmed that he intends to bring the topic forward for discussion at the April work session, including potential options such as adjustments to watering schedules, enforcement tools, regional coordination with neighboring providers, HOA outreach regarding irrigation timing, and proactive customer communication regarding the District's existing tiered rate structure and indoor-only water budgets during non-irrigation season. Mr. Polito outlined several mechanisms by which the Board can implement conservation measures, including rules and regulations amendments establishing staged declarations, turf conversion rebate programs, and irrigation season restrictions adopted by resolution.

## **ADJOURNMENT**

There being no further business to come before the Board, and upon motion duly made, seconded and unanimously carried, the meeting was adjourned.

**CASTLE PINES NORTH METROPOLITAN DISTRICT  
WORK SESSION MINUTES  
March 16, 2026 – 5:30 p.m.**

**HELD:** Monday, March 16, 2026, at 5:30 p.m. via remote videoconference.

**ATTENDEES:** Directors Jason Blanckaert, Leah Enquist, James Mulvey, Tera Radloff, and Jana Krell were present. Also present were: Eric Harris, Elevated Clarity; Nathan Travis, District Manager; and Paul Polito, Seter, Vander Wall & Mielke, P.C. All attendees participated via videoconference.

**CONFLICTS:** None.

**QUORUM:** Present.

**CALL MEETING TO ORDER:** The Work Session was called to order at approximately 5:30 p.m.

**FINANCE ITEMS**

**Review: Monthly Claims for Payments Made from February 12, 2026 to March 11, 2026**

Eric Harris of Elevated Clarity presented the monthly payment claims totaling \$1,859,339.06, consisting of \$1,756,207.95 in checks and \$103,131.11 in electronic payments. Mr. Harris noted that the claims are higher than typical due to three significant capital project pay applications: \$243,451.41 to the City of Castle Pines for the Monarch Project; \$364,184.71 to Myers & Sons Construction, LLC for the Filter Beds Rehabilitation; and \$581,022.28 to T Lowell Construction, Inc. for the Lift Stations Upgrades.

Mr. Harris provided a follow-up on the procedural change introduced at the February 16, 2026 Work Session. Following internal discussion between District staff and Elevated Clarity, an additional review step has been incorporated into the accounts payable process to ensure compliance with the Financial Controls Policy/Matrix. District staff enter vendor invoices, with supporting invoices attached, into Blackbaud Financial Edge NXT. Prior to posting the invoices or releasing checks, Elevated Clarity reviews each transaction for coding, accounting period timing, amounts, and compliance with the Financial Controls Policy/Matrix. If a transaction requires Board approval prior to payment, Elevated Clarity will notify District staff to hold the check until approval is obtained. Mr. Harris confirmed that all invoices included in the current Payment Claims Presented for Review were evaluated and determined to be in compliance with the Financial Controls Policy/Matrix. Mr. Harris also noted that a comprehensive financial report, including budget-to-actual analysis through January 31, 2026, will be provided at the March 23, 2026 Board Meeting. The Board had no questions.

**LEGAL ITEMS**

**Legal Status Report**

Legal Counsel Paul Polito briefly reviewed the Legal Status Report. Mr. Polito noted that the only matter requiring Board action at the upcoming regular meeting is the Rules and Regulations update. Mr. Polito reported that he submitted the Second Amendment to the Service Plan and the related petition to the Douglas County Planning Division, and that a pre-application meeting is scheduled for Wednesday, March 18, 2026 to discuss the amendment process. Mr. Polito anticipated the meeting would focus on items to be waived, given that the amendment is limited to a reduction in services. Mr. Polito also reported that a meeting with Hidden Pointe Metropolitan

District staff is scheduled for Tuesday, March 17, 2026 at 3:00 p.m. to discuss the proposed inclusion agreement, election timing, and the election calendar, and noted the need to account for the district court's timeline in order to complete the inclusion this year. The Board had no questions.

### **Review February 16, 2026 Work Session Minutes**

Mr. Polito presented the February 16, 2026 Work Session minutes for review. The Board had no comments or requested changes.

### **Review February 23, 2026 Board Meeting Minutes**

Mr. Polito presented the February 23, 2026 Board Meeting minutes for review. The Board had no comments or requested changes.

### **Review Rules and Regulations**

Mr. Polito presented the draft updated Rules and Regulations. Mr. Polito explained that the principal changes are as follows: (i) two chapters addressing the Stormwater System and Parks, Trails and Open Space (Articles 11 and 12) were deleted to reflect the transfer of those services to the City of Castle Pines; (ii) a new Chapter 15 addressing Cross-Connection Control and Backflow Prevention was added to satisfy the requirement of the Colorado Department of Public Health and Environment that districts enact rules providing enforcement authority against constituents for related violations and to prevent contaminants from flowing back into the system; and (iii) various provisions were updated to incorporate resolutions enacted by the Board since 2015, with the three remaining unincorporated resolutions identified in comments. Mr. Polito noted that the hearing and appeal procedures have been left unchanged, as the recent informal hearing conducted by the Board demonstrated those procedures function well in practice.

Director Enquist's commented regarding formatting on the title page. Mr. Polito explained that the formatting irregularities are artifacts from a PDF conversion and will be cleaned up in the final version. No action was taken, and Mr. Polito invited further comments from the Board in advance of the March 23, 2026 Board Meeting.

## **DISTRICT MANAGER ITEMS**

### **Lift Station Project – Scope B Bid Update**

District Manager Nathan Travis reported that the bid opening for Scope B of the Lift Station project occurred on the prior Wednesday. Four bidders submitted qualifying bids. Mr. Travis noted that the apparent low bidder does not appear to have completed projects of comparable scope or scale based on the materials submitted, which raised concerns. Kennedy Jenks is obtaining additional references as part of the due diligence process, and Mr. Travis indicated he expects to present additional information to the Board at the March 23, 2026 Board Meeting.

### **EPA Cybersecurity Evaluation**

Mr. Travis reported that the EPA recently notified the District that it would be conducting a cybersecurity audit. An initial meeting is scheduled for March 23, 2026, with an on-site follow-up visit to follow. Mr. Travis indicated that the District's risk and resiliency assessment was completed in 2019 or 2020. Greystone, the District's integration firm, and Mountain Peak, the District's SCADA firm, are reviewing the District's systems in preparation for the audit. Mountain Peak has experience with similar audits. Mr. Travis noted that he does not anticipate any violations but expects that recommendations and best practices will be issued.

President Blanckaert requested to be included in the EPA audit meetings, and Mr. Travis agreed. President Blanckaert also asked about the framework under review. Mr. Travis indicated that the audit will cover SCADA hardware components, policies at the treatment plant, and the District's office systems, and he agreed to forward the EPA communication to President Blanckaert.

### **Site Security Scope**

Mr. Travis reported on updates regarding the scope of both Lift Station projects, and that Kennedy Jenks is developing a scope of services for a system-wide site security audit. The site security scope is currently separate from the cybersecurity evaluation, although the two may merge going forward.

Director Enquist asked about the cost of the Kennedy Jenks effort and whether the goal is to use the resulting scope with a specific vendor or to solicit competitive bids. Mr. Travis indicated that the cost of the risk and resiliency assessment is not readily available but is several years old, and that no expenditure on the current site security scoping effort has yet been incurred. Mr. Travis explained that the intent is to move away from a piecemeal approach and instead develop a complete project that can be competitively bid to firms specializing in large-scale security projects. Once developed, the scope will be presented to the Board for approval before proceeding.

### **ADJOURNMENT**

There being no further business to come before the Board, the Work Session was adjourned.

**INTERGOVERNMENTAL AGREEMENT**  
**BY AND BETWEEN**  
**THE CITY OF CASTLE PINES**  
**AND CASTLE PINES NORTH METROPOLITAN DISTRICT**  
**REGARDING RECONSTRUCTION OF CASTLE PINES PARKWAY WESTBOUND**  
**AND REPLACEMENT OF WATER LINE**

This **INTERGOVERNMENTAL AGREEMENT** (the “Agreement”) is made and entered into this \_\_\_ day of \_\_\_\_\_, 2026 (“Effective Date”), by and between the **Castle Pines North Metropolitan District**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”), and the **City of Castle Pines**, a Colorado home rule municipality (the “City”). Collectively, the City and District shall be referred to herein as “the Parties.”

**RECITALS**

**WHEREAS**, the City and District, as Colorado governments, are constitutionally and statutorily empowered pursuant to Colo. Const., Article XIV, § 18 and C.R.S. § 29-1-201, *et seq.*, to cooperate and contract via intergovernmental agreement with one another to provide functions, services or facilities authorized to each cooperating government; and

**WHEREAS**, the City is planning to reconstruct westbound Castle Pines Parkway from the intersection of Castle Pines Parkway and Monarch Boulevard west to approximately Forest Park Drive (the “**Project**”); and

**WHEREAS**, the District is planning to replace approximately [REDACTED] linear feet of existing 14-inch ductile iron water main pipe adjacent to westbound Castle Pines Parkway, together with replacement of all potable waterlines at the intersection of Castle Pines Parkway and Monarch Boulevard (“**Monarch Waterline Phase 3**”) and replacement of valves south of that intersection to Oxford Drive (collectively, the “**Water Line Replacement**”), which Water Line Replacement is located in approximately the same area as the Project; and

**WHEREAS**, the City and the District acknowledge that Castle Pines Parkway and Monarch Boulevard are major thoroughfares that serve both the City and District residents and taxpayers; and

**WHEREAS**, in order to promote intergovernmental cooperation and efficiency, the City and District wish to coordinate the City’s Project and the Water Line Replacement under a single construction contract; and

**WHEREAS**, utilizing one contractor to complete the Project and the Water Line Replacement will minimize disruption to the community to the greatest extent possible; and

**WHEREAS**, the City has conducted a competitive bid process in accordance with its procurement rules; the District has received and reviewed the bid tabulation and, in reliance upon

the City's competitive bid process, consents to the award of the construction contract for the performance of the work described in this Agreement; and

**NOW, THEREFORE**, in consideration of the mutual promises and covenants contained herein, the sufficiency of which are mutually acknowledged, the Parties agree as follows:

## **AGREEMENT**

1. Purpose. The purpose of this Agreement is to identify and establish the process by which the Water Line Replacement will be constructed as part of the Project and paid for by the District, and to memorialize the Parties' respective cost responsibilities and the District's consent to the City's award of the construction contract.

2. Term. This Agreement shall be effective upon the last date of execution by the Parties and shall terminate upon fulfillment of the terms of this Agreement by the Parties, or by the mutual written agreement of the Parties.

3. General Project Scope. The scope of the Project and the Water Line Replacement is outlined in the Memorandum of Understanding (the "MOU") attached as **Exhibit A** and incorporated herein.

4. General Estimated Cost of the Project. The estimated total construction cost for the Project and Water Line Replacement is Three Million Eight Hundred Five Thousand Five Hundred Twenty-Five Dollars and 90/100 (\$3,805,525.90) (the "**Project Cost**"), and is itemized in the MOU and the bid tabulation attached thereto. The Project Cost is comprised of three schedules:

a. Schedule A – Monarch Waterline Phase 3: \$574,210.00 (funded one hundred percent (100%) by the District);

b. Schedule B – Castle Pines Parkway Westbound Waterline Replacement: \$931,035.05 (funded one hundred percent (100%) by the District); and

c. Schedule C – Castle Pines Parkway Westbound Roadway Reconstruction: \$2,300,280.85 (funded fifty percent (50%) by the District and fifty percent (50%) by the City, representing the approximate roadway removal and replacement attributable to the Water Line Replacement had it been constructed as a separate project).

5. General Description of the Water Line Replacement Installation. In conjunction with the Project, the District will fund (i) one hundred percent (100%) of the costs associated with Schedules A and B, and (ii) fifty percent (50%) of the costs associated with Schedule C. The total actual costs for the items described in clauses (i) and (ii) above (collectively, the "District Bid Items") will be funded entirely by the District.

6. City Responsibilities and Obligations.

a. The City is responsible for funding its share of the Project, estimated to be approximately One Million One Hundred Fifty Thousand One Hundred Forty Dollars and 42/100 (\$1,150,140.42) (the "City Estimated Costs"), as reflected in the MOU. The City Estimated Costs represent the City's fifty percent (50%) share of Schedule C. Any additional costs arising from the

Project attributable solely to the City, including roadway improvements extending west of Forest Park Drive, shall be the responsibility of the City.

b. The City will provide the District with a copy of the Contractor's bid associated with the District Bid Items.

c. The City has all necessary rights-of-way and easements for the Project.

d. The City shall request full payment from the District of the District's Estimated Costs upon issuing its notice of award for the Project and Water Line Replacement.

e. The City may withdraw funds from the Construction Account, as defined in Paragraph 8 below, as necessary to pay for the District's Estimated Costs associated with the Water Line Replacement, as pay applications from the Contractor are submitted and approved by the City.

7. District Responsibility and Obligations.

a. The District's cost for the Water Line Replacement and its fifty percent (50%) pro-rata share of Schedule C (collectively, the "Shared Project Costs") is estimated to be approximately Two Million Six Hundred Fifty-Five Thousand Three Hundred Eighty-Five Dollars and 48/100 (\$2,655,385.48) (the "District's Estimated Costs"), comprised of \$574,210.00 (Schedule A), \$931,035.05 (Schedule B), and \$1,150,140.43 (fifty percent (50%) of Schedule C), as reflected in the MOU. The District shall promptly pay the District's Estimated Costs to the City upon the City's written request following the City's notice of award for the Project and Water Line Replacement. Any additional costs arising from the Project or Water Line Replacement attributable solely to the District shall be the responsibility of the District.

b. The District represents that no additional easements will be required for the Water Line Replacement, as all work associated with the Water Line Replacement is anticipated to occur within existing right-of-way. If additional easements or right-of-way are necessary for the work associated with the Water Line Replacement, the District will be solely responsible for obtaining the same, at the District's sole cost and expense.

c. The District shall designate a Project representative to attend Contractor construction meetings, coordinate with the City, and promptly issue decisions as needed to facilitate the Project.

d. The District shall own, operate, maintain and assume all liability for the improvements associated with the Water Line Replacement upon final acceptance of Contractor's work by the City and District.

e. The District shall provide prompt inspection services for the duration of the Project as requested by the City. The District will keep itself and its representatives available for consultation for the duration of the Water Line Replacement. In the event a field decision affecting the Water Line Replacement must be made, the City will make every reasonable effort to consult and coordinate with the District and its representatives. In the event consultation is not feasible, the City will make field decisions according to its good engineering judgment and will not be liable to the District or any other entity or person for any such field decision(s) made.

f. The District shall be responsible for any specific costs of change orders for work attributable to the Water Line Replacement outside of bid items for the Project identified in the

final construction plans. Such change order items may include utility relocations, temporary work necessary for water line connections, and other miscellaneous items.

8. Funding and Contract Administration.

a. The City shall set up a separate account for the Project (the “Construction Account”) into which the City’s Estimated Costs and the District’s Estimated Costs will be deposited. The City will track District and City expenditures and Shared Project Costs. The City shall not use any funds deposited by the District for any purpose other than paying actual costs associated with the Water Line Replacement and the District’s share of the Shared Project Costs.

b. The City may withdraw funds from the Construction Account as necessary to pay for the construction costs associated with the Water Line Replacement and the Shared Project Costs, as pay applications from the Contractor are submitted and approved by the City.

c. The City shall pay the Contractor for the Project in accordance with the Contract Documents applicable to the Project. Field orders and change orders not relating to the Water Line Replacement (as set forth and included in the District Bid Items) may be processed by the City without notice to, or prior approval by, the District. Any field orders and change orders that are anticipated to impact the Water Line Replacement or increase the total costs associated with the Water Line Replacement or Shared Project Costs shall be processed in accordance with Paragraph 8.d below.

d. If the District’s funds on deposit in the Construction Account are insufficient to pay for costs associated with the construction of the Water Line Replacement due to field orders or change orders reviewed by the District and approved by the District and the City, the City shall request additional or supplemental funds from the District in writing and the District shall remit any such additional or supplemental funds to the City for deposit in the Construction Account within ten (10) business days following receipt of a written request from the City.

e. The City shall make final payment to the Contractor in accordance with the Contract Documents. Any District funds remaining in the Construction Account following completion of the Water Line Replacement and conditional acceptance of the same by the District shall be returned to the District within sixty (60) days following the date on which final payment has been made to the Contractor for the Project.

f. The City shall provide the District with copies of the approved pay applications evidencing the balance of the Construction Account. Following completion of the Water Line Replacement and during probationary acceptance thereof by the District, which probationary acceptance shall be made in accordance with the District’s rules and regulations, as they may be amended from time to time (“District Rules”), the City shall provide the District with a final accounting of the total costs associated with the Water Line Replacement and the Shared Project Costs. In the event the District disputes any of the costs, the District shall notify the City in writing within ten (10) days of receipt of the City’s final accounting. The City shall have thirty (30) days to review the records to verify the costs and provide the District with a final cost reconciliation. In the event the District does not agree with the City’s final reconciliation, the District shall be entitled, within sixty (60) days of receipt of the final accounting from the City, to have an independent Certified Public Accountant examine the financial records pertaining specifically to the Water Line Replacement, including all invoices, change orders, addendums, and statements

from the Construction Account. If the accountant determines that there is a discrepancy in the financial records which results in a payment adjustment in favor of the District exceeding Five Thousand Dollars (\$5,000.00), the City shall make the appropriate adjustment in the final costs associated with the Water Line Replacement and shall also pay for the accountant's fee and expenses as well as the District's reasonable accounting fees and expenses incurred with respect to such review. If no discrepancy is found or there is a discrepancy in the financial records which results in a payment adjustment in favor of the City exceeding Five Thousand Dollars (\$5,000.00), the District shall pay one hundred percent (100%) of the accountant's fee and expenses as well as the City's reasonable documented accounting fees and expenses incurred with respect to such review.

9. Failure to Provide Funds/Termination. The funding obligation of the District is expressly conditioned upon annual budget and appropriation by the District. In the event that the District fails to either appropriate funds, or fund its obligations set forth in this Agreement by the date(s) prescribed, or fund this Agreement in a timely manner, the City shall be entitled to terminate this Agreement without liability or obligation to the District. Notwithstanding the foregoing, in the event any notice of award has been issued as provided in this Agreement with respect to the Project, then the obligation of the District to fund all amounts required for the completion of the Water Line Replacement shall be enforceable in accordance with any and all remedies available at law or in equity. If the City terminates the Project, all unused District funds in the Construction Account shall be returned to the District within sixty (60) days of termination of this Agreement.

10. Construction Claims. The City shall, after notice to and consultation with the District, assert against the Contractor (or any approved subcontractor) constructing any portion of the Water Line Replacement any claim that the City or District may have against the Contractor under the Contract Documents and/or guarantee and/or warranty. In any event, the City shall provide written notice to the District of each and every breach of the Contract Documents, guarantees or warranties concerning the Water Line Replacement. In the event the Contractor asserts any claims against the City, the City shall provide the District with written notice of each and every claim. The Parties will work together to resolve such claims without litigation. In the event litigation becomes necessary, the Parties agree that the City may, at its discretion, defend such claims; however, at the City's sole discretion it may elect not to defend or initiate such claims, in which case the Parties may mutually agree upon an attorney to represent them. The Parties will establish the responsible Party for such claim and pro-rate the cost to resolve such claims and any litigation related thereto (which costs shall include but not be limited to related consultant costs and attorneys' fees) based on their respective share of the cost of the public improvements involved in such claim(s) and respective liability, if any. The City shall include indemnification provisions in the Construction Contract providing the same protection to the District as is provided to the City.

11. Appropriation. Pursuant to Section 29-1-110, C.R.S., any financial obligations of the City and the District contained herein that are payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted and otherwise made available on an annual basis.

12. Breach and Enforcement. It is specifically understood that, by executing this Agreement, each Party commits itself to perform pursuant to the terms and conditions contained

herein and that the failure of either Party to fulfill any obligation set forth herein shall constitute a breach of this Agreement. The Parties agree that this Agreement may be enforced in law or in equity for specific performance, injunctive, or other appropriate relief, as may be available according to the laws and statutes of the State of Colorado. This Section shall survive the termination of this Agreement.

13. Assignment. Neither the District nor the City may assign this Agreement or parts hereof or its rights hereunder without the express written consent of the other Party.

14. Time is of the Essence. The Parties acknowledge that time is of the essence in the performance of this Agreement.

15. Colorado Law. The laws of the State of Colorado shall govern this Agreement. Venue for any action hereunder shall be in the District Court, County of Douglas, State of Colorado, and the Parties waive any right to remove any action to any other court, whether state or federal.

16. Separate Entities. The Parties enter into this Agreement as separate, independent governmental entities and shall maintain such status throughout. Notwithstanding any language in this Agreement or any representation or warranty to the contrary, neither the City nor the District shall be deemed or constitute a partner, joint venturer, or agent of the other. Any actions taken by the Parties pursuant to this Agreement shall be deemed actions as an independent contractor of the other.

17. No Third-Party Beneficiaries. The enforcement of the terms and conditions of this Agreement and all rights of action relating to such enforcement, shall be strictly reserved to the Parties, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other or third person under such Agreement. Any beneficiary of the terms and conditions of this Agreement are not intended beneficiaries but are incidental beneficiaries only.

18. Application of Governmental Immunity Act. The Parties hereto understand and agree that the District, its Board of Directors, officials, officers, directors, agents and employees, and the City, its council members, officials, officers, directors, agents and employees are relying on, and do not waive or intend to waive by any provisions of this Agreement, the monetary limitations or any other rights, immunities and protections provided by the Colorado Governmental Immunity Act, Sections 24-10-101 to 120, C.R.S., or otherwise available to the District and the City.

19. Headings. The headings and captions in this Agreement are intended solely for the convenience of reference and shall be given no effect in the construction or interpretation of this Agreement.

20. No Waiver. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other of the provisions of this Agreement, nor shall such waiver constitute a continuing waiver unless otherwise expressly provided herein, nor shall the waiver of any default hereunder be deemed a waiver of any subsequent default hereunder.

21. Binding Contract. This Agreement shall inure to and be binding on the heirs, executors, administrators, successors, and assigns of the Parties hereto.

22. Contract Modification. This Agreement may not be amended, altered, or otherwise changed except by a written agreement between the Parties.

23. Severability. The invalidity or unenforceability of any portion or previous version of this Agreement shall not affect the validity or enforceability of any other portion or provision. Any invalid or unenforceable portion or provision shall be deemed severed from this Agreement and, in such event, the Parties shall negotiate in good faith to replace such invalidated provision in order to carry out the intent of the Parties in entering into this Agreement.

24. Entirety. This Agreement, together with the MOU attached as Exhibit A, constitutes the entire agreement between the Parties and sets forth the rights, duties, and obligations of each to the other as of this date. Any prior agreements, promises, negotiations, or representations not expressly set forth in this Agreement are of no force and effect.

25. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document. In addition, the Parties specifically acknowledge and agree that electronic signatures shall be effective for all purposes, in accordance with the provisions of the Uniform Electronic Transactions Act, Title 24, Article 71.3 of the Colorado Revised Statutes.

**[Remainder of page intentionally left blank.]**

IN WITNESS WHEREOF, this Agreement is executed by the Parties hereto as of the date first written above.

**CITY OF CASTLE PINES:**

\_\_\_\_\_  
By: Tracy Engermann  
Title: Mayor

*Attest:*

\_\_\_\_\_  
By: Tobi Duffey  
Title: City Clerk

**CASTLE PINES NORTH METROPOLITAN DISTRICT:**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: President

*Attest:*

\_\_\_\_\_, Secretary

**APPROVED AS TO FORM:**

**SETER, VANDER WALL & MIELKE, P.C.**

By: \_\_\_\_\_  
District Counsel

**EXHIBIT A**

**MEMORANDUM OF UNDERSTANDING**

# CASTLE PINES NORTH



## METROPOLITAN DISTRICT

7404 Yorkshire Drive • Castle Pines, CO 80108  
303.688.8550 • www.cpnmd.org

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### Memorandum of Understanding & Letter of Consent

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**To:** City of Castle Pines: Council & Staff

**From:** Nathan Travis, District Manager

**Date:** April 27, 2026

**Regarding:** MOU between City of Castle Pines and Castle Pines North Metropolitan District (CPNMD) for the reconstruction of Castle Pines Parkway Westbound and CPNMD's water line.

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#### Project Overview

The City of Castle Pines' City Council has approved the budget for the design and reconstruction of Castle Pines Parkway Westbound, from the intersection of Castle Pines Parkway and Monarch Blvd, West to approximately Forest Park Drive. Additionally included is the Monarch Waterline Phase 3 project, Replacing the waterline in the intersection of Castle Pines Parkway and Monarch, as well as several valve replacements to the south of that intersection. The City and CPNMD have completed design of a joint project for the roadway and water line reconstruction and anticipate that HEI Civil will be awarded the Bid at the City Council Meeting to be held on April 28<sup>th</sup> 2026. A critical component everyone recognizes is the cost benefit for combining these two projects, which includes a single project bid and construction company able to complete all the work under one contract, thereby providing shared tasks for efficient completion. Additionally, with this combination of projects, the disruption to the community, which will be major, will be substantially shorter.

#### CPNMD Scope

CPNMD will replace approximately 4,330 linear feet of existing 14-inch ductile iron (DI) pipe located adjacent to Castle Pines Parkway west to Forest Park Drive. CPNMD will also replace all potable waterlines in the intersection of Castle Pines Parkway and Monarch, as well as several valves to the south of the intersection to Oxford Drive. The water line project will be completed as part of the City's roadway improvement project for the same portion of Monarch Boulevard. Water line plans prepared by Kennedy Jenks (KJ) have been incorporated into the road project bid package. Construction of the water line will be performed with the road project by the

general contractor for the City. The new water line will be 16-inch PVC and the method of construction will be open-cut, with two bores under existing eastbound Castle Pines Parkway. The new water line will parallel the existing water line within the right-of-way limits. The intent will be to keep the existing pipeline active as much as possible during construction. The existing DI pipe will be abandoned in-place or removed in places where necessary for other utilities and tie-ins.

### **Outline of Responsibilities**

The following section outlines the responsibilities for each entity:

#### **City/ responsibility**

- Road reconstruction design, plans and construction between Monarch Blvd and Forest Park Drive including:
  - Utility Locates and SUE Memo
  - Design Survey
  - Geotechnical Investigation
  - Pavement design
  - Roadway Removal Plan
  - Roadway PNPs
  - Drainage Design
  - Signage and Striping
  - GESC plans
  - Traffic control
  - SAQ and cost estimate for above items
  - Work beyond District waterline construction limits including roadway removal and replacement
- Bidding
- Construction Management

#### **CPNMD responsible for**

- Waterline design, plans and construction including:
  - Coordination meetings including:
    - Final water line alignment
    - Construction plan development
    - Technical specification development
  - Work beyond City roadway construction limits including roadway removal and replacement
  - Trenching and Rock excavation assoc. w/ utility installation including additional depth for utility crossings
  - Utility potholing as needed for waterline construction
  - Soil compaction testing for waterline construction
- Bidding Support
- Construction support

## **Financial Implications**

The costs listed below include a contingency percentage, and as such total costs may be lower than presented below.

CPNMD will be responsible for **100%** of costs associated with Phase 3 of the Monarch Waterline replacement, identified under **Schedule A**, totaling \$574,210.00.

CPNMD will be responsible for **100%** of costs associated with items that are solely related to the cost of the Waterline Replacement along westbound Castle Pines Parkway, **Schedule B**, Totaling \$931,035.05.

Based on the proposed water line alignment and the layout of the existing concrete panels in the road, CPNMD will be responsible for **50%** of the roadway reconstruction cost to Forest Park Drive. This represents the approximate roadway removal that would be incurred for water line construction if it was a separate project from the roadway construction project. As detailed in **Schedule C**. The total cost for schedule C is \$2,300,280.85. Each entity will be responsible for approximately half of this cost in the amount of \$1,150,140.43. Roadway improvements that extend west past forest Park Drive will be paid for in full by the City of Castle Pines, these quantities will be accounted for and allotted by the District and City Project Managers.

The full project including Schedule A, B and C is anticipated to be awarded on April 28<sup>th</sup>, 2026 to HEI for a total of \$3,805,525.90 dollars.

The approximate total Cost Share is as follows:

City of Castle Pines: \$1,150,140.42  
Castle pines North Metro District: \$ 2,655,385.48  
Total: 3,805,525.90

CPNMD will be fully-responsible for other miscellaneous items that the normal road reconstruction project would not have encountered. This could include utility relocations for water line construction, temporary work necessary for water line connections, and other miscellaneous items identified during construction. The City recognizes the advantages for all parties and minimization of impacts to the community.

## **Letter of Consent: Contractor Selection**

Castle Pines North Metro District (“CPNMD”) hereby acknowledges and consents to the award and construction of the project contemplated under this Memorandum of Understanding (“MOU”) by the City of Castle Pines.

CPNMD confirms that it has been informed of the contractor selection process and the City’s intent to award the construction contract to HEI Civil. Based on the information provided, CPNMD agrees to and supports the City’s selection of HEI Civil for the performance of the work

described in this MOU.

This consent is limited solely to acknowledgment of and agreement with the City's contractor selection for this project and does not otherwise modify, expand, or waive any rights, obligations, or responsibilities of the parties as set forth in this MOU or under applicable law.

DRAFT

**IN WITNESS WHEREOF, the parties hereto have executed this Memorandum of Understanding as of the dates written below.**

**CASTLE PINES NORTH METRO DISTRICT**

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

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

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

**CITY OF CASTLE PINES**

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

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

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

DRAFT

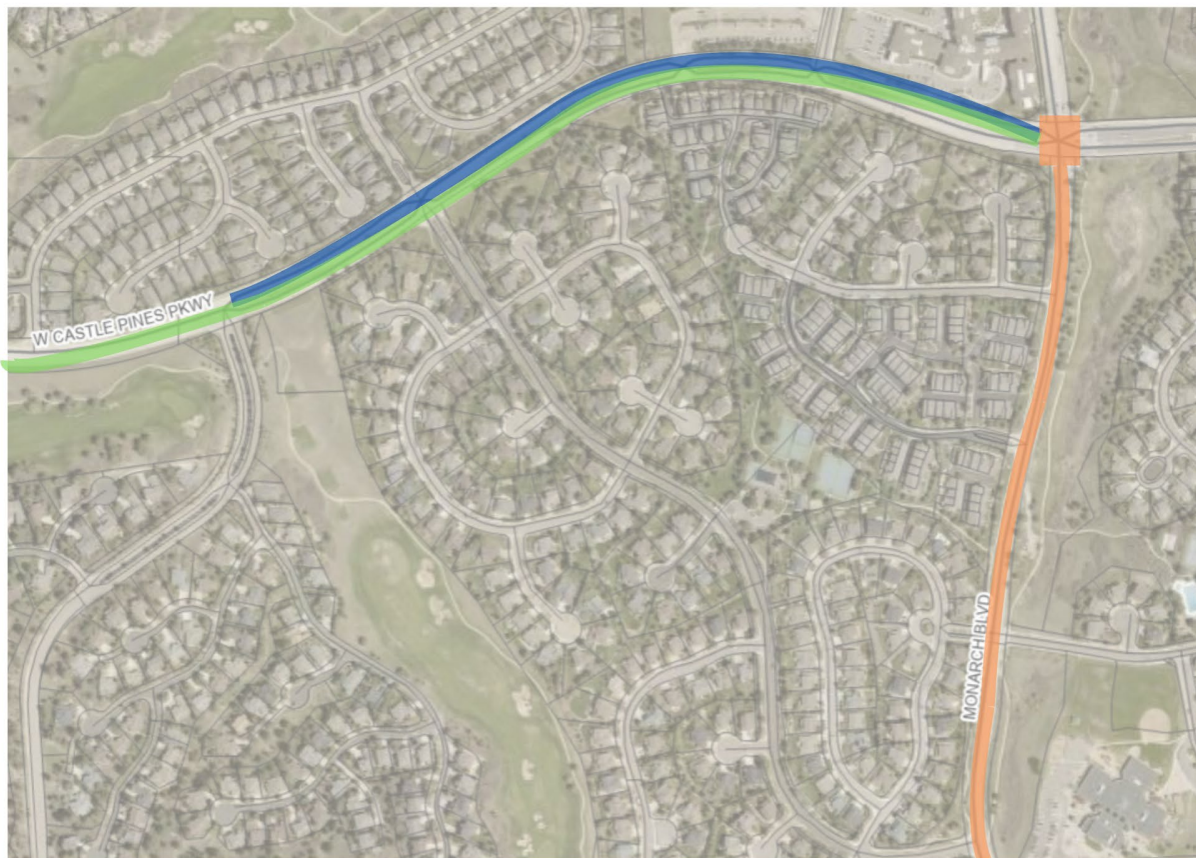
# Appendix

## Castle Pines Parkway WB Reconstruction - Bid Tabulation - 4-13-2026

	Bid A (WL Ph3)	Bid B (WL)	Bid C (Roadway)	Total	Bid Rank
Brannan Sand and Gravel	\$ 625,161.00	\$ 1,077,617.00	\$ 2,457,007.00	\$ 4,159,785.00	3
Colorado Civil	\$ 955,309.00	\$ 1,246,355.00	\$ 2,352,772.50	\$ 4,554,436.50	7
FNF Construction	\$ 740,925.00	\$ 1,465,065.00	\$ 2,617,609.50	\$ 4,823,599.50	8
<b>HEI Civil</b>	<b>\$ 574,210.00</b>	<b>\$ 931,035.05</b>	<b>\$ 2,300,280.85</b>	<b>\$ 3,805,525.90</b>	<b>1</b>
RME, dba as ESI	\$ 699,783.20	\$ 992,427.15	\$ 2,360,576.60	\$ 4,052,786.95	2
SEMA Construction	\$ 636,060.00	\$ 1,330,170.00	\$ 2,314,281.00	\$ 4,280,511.00	4
TALL Contracting	\$ 869,950.00	\$ 1,448,770.00	\$ 2,028,994.00	\$ 4,347,714.00	5
TWX	\$ 654,405.00	\$ 1,359,985.00	\$ 2,519,601.00	\$ 4,533,991.00	6



### General Schedule Overview



Schedule A  
Monarch Phase 3 Waterline

Schedule B  
Waterline Replacement

Schedule C  
CPP Rodway Reconstruction

## COOPERATIVE AGREEMENT FOR WATER INFRASTRUCTURE

(Castle Pines North MD; Castle Pines Village MD; The Country Club at Castle Pines)

THIS COOPERATIVE AGREEMENT FOR WATER INFRASTRUCTURE (“Agreement”) is entered into by and between **CASTLE PINES NORTH METROPOLITAN DISTRICT** (“CPNMD”), **CASTLE PINES VILLAGE METROPOLITAN DISTRICT** (“CPVMD”), each a quasi-municipal corporation and political subdivision of the State of Colorado, and **THE COUNTRY CLUB AT CASTLE PINES, INC.**, a Colorado nonprofit corporation (“The Country Club”). CPNMD, CPVMD, and The Country Club may be referred to individually as a “Party” and collectively as the “Parties.”

### RECITALS

A. WHEREAS, the Parties are authorized to enter into this Agreement pursuant to C.R.S. §§ 29-1-203 and 7-123-102, and their respective authorizing and governing documents; and

B. WHEREAS, there exists certain water infrastructure within the boundaries of CPVMD and CPNMD as further described and depicted on Exhibit A (the “Infrastructure”), various portions of which Infrastructure is utilized by and for the benefit of one or more of the Parties;

C. WHEREAS, in order to better serve their respective and shared constituents and members, to avoid unnecessary duplication of efforts, and to take advantage of potential efficiencies, the Parties desire to cooperate on the management and operation of the Infrastructure and desire to enter into this Agreement in order to set forth their mutual understanding regarding the same, all as further set forth herein.

### AGREEMENT

**NOW THEREFORE**, in consideration of the mutual covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto hereby covenant and agree as follows.

#### **1. Ownership and Responsibilities for Infrastructure Components.**

1.1 Irrigation Line Between and Connecting PCWRA and Pond #6A: The “PCWRA-6A Irrigation Line,” located between and connecting Plum Creek Water Reclamation Authority and Pond #6A, as further identified in Exhibit A, is owned by CPVMD. All operation, maintenance, repair and replacement costs for the PCWRA-6A Irrigation Line incurred by CPVMD from time to time will be shared equally between The Country Club and CPNMD. CPVMD shall have no financial responsibility associated with the operation, maintenance, repair or replacement of the PCWRA-6A Irrigation Line.

1.2 Pond #6A Ownership & Maintenance: “Pond #6A,” as further identified in Exhibit A, is owned by The Country Club. All costs associated with non-golf related

maintenance activities necessary to support irrigation pump operation for Pond #6A will be split equally between The Country Club and CPNMD. CPVMD shall have no financial responsibility associated with Pond #6A.

1.3 Pond #6A Lining Project: Pond #6A is currently being lined (the “Lining Project”). The costs for the Lining Project will be shared equally between The Country Club and CPNMD. CPNMD has appropriated and shall pay up to \$200,000 toward the Lining Project in 2026. Any remaining portion of CPNMD’s share shall be paid by CPNMD in 2027, subject to appropriation by CPNMD’s Board of Directors. CPVMD shall have no financial responsibility associated with the Lining Project.

1.4 Pump Station at Pond #6A: The pump station structure and common infrastructure located at Pond 6A, as further identified in Exhibit A (the “Pump Station”), will be owned by The Country Club. Each of the Parties will separately own, operate, maintain, repair, and replace its own pumps, controls, piping, electrical, and any other equipment located at the Pump Station that exclusively serves its respective system. Costs associated with joint or shared components of the Pump Station that serve both The Country Club and CPNMD will be shared equally between The Country Club and CPNMD. The Parties agree to clearly identify which pumps and associated equipment located at the Pump Station belong to each Party by clear labeling or other mutually agreed upon indicators from time to time. Each of the Parties shall be afforded reasonable rights of access to the Pump Station for the purpose of operating, maintaining, repairing, and replacing its respective equipment, as applicable.

1.5 Irrigation Line Between Pond #6A and Chase Lane Pond: The “6A-Chase Lane Irrigation Line,” located between Pond #6A and Chase Lane, as further identified in Exhibit A, is owned by CPVMD. The Country Club shall be responsible for any and all maintenance, repair and replacement costs for the 6A-Chase Lane Irrigation Line. CPVMD and CPNMD shall have no financial responsibility associated with the operation or maintenance of the 6A-Chase Lane Irrigation Line.

1.6 Irrigation line between Pond #6A and The Ridge Golf Course: The “6A-Ridge Golf Course Irrigation Line,” located between and connecting Pond #6A and the Ridge Golf Course, as further identified in Exhibit A, is owned by CPNMD. CPNMD shall be responsible for all maintenance, repair and replacement costs for the 6A-Ridge Golf Course Irrigation Line. CPVMD and The Country Club shall have no financial responsibility associated with the 6A-Ridge Golf Course Irrigation Line.

2. **Expected Capital Repairs; Advance Notice**. Each of the Parties will provide written notice to each of the other Parties by May 1 of each year of any anticipated capital repair needs associated with any component of the Infrastructure to allow adequate time for budgeting. For purposes of this Agreement, “Emergency” means an unforeseen condition posing an imminent threat to system integrity, water service continuity, property, or public health or safety that

reasonably requires action before advance consultation with the other Parties is practicable. Emergency repairs necessary to address an Emergency may proceed immediately; however, the Party undertaking such repairs shall provide verbal or electronic notice to the other cost-sharing Parties as soon as reasonably practicable, and in any event within twenty-four (24) hours of commencing such repairs, followed by written confirmation within five (5) business days describing the nature of the Emergency, the work undertaken, and the estimated cost. Cost reimbursement for Emergency repairs shall be allocated consistent with the responsibilities provided herein.

### **3. Funding Commitments; Reimbursements; Payments.**

3.1 Financial Responsibilities. The Country Club and CPNMD acknowledge and agree they are each responsible for their respective portions of the costs associated with the Infrastructure as set forth above. The Parties further acknowledge and agree that CPVMD shall not have any financial obligation whatsoever associated with the operation, maintenance, repair or replacement of the Infrastructure.

3.2 Time for Payment. Unless otherwise agreed upon in writing for a specific undertaking, the Parties agree that payments from one Party to the other Party to cover costs related to the operation, maintenance, repair and/or replacement of any portion of Infrastructure consistent with the provisions of this Agreement shall be paid within 45 days of receiving an invoice or other request for payment. Thereafter, any unpaid amounts shall accrue interest at the simple interest rate of 1.5% per month until paid, and any payments shall be applied first to interest owed, if any. If a Party in good faith disputes any portion of an invoice or request for payment, it shall provide the invoicing Party with written notice of the dispute, describing the disputed portion in reasonable detail, within fifteen (15) days of receipt; interest shall not accrue on the disputed portion while the Parties work in good faith to resolve the dispute, provided the undisputed portion is timely paid in accordance with this Section.

3.3 Responsibility for Work. If and when any one of the Parties undertakes the operation, maintenance, repair and/or replacement of any portion of the Infrastructure, such Party shall be individually responsible for undertaking and overseeing all aspects of such work, including but not limited to obtaining all necessary permits and approvals, and engaging and paying any and all contractors and all other financial obligations associated with the work, if and as appropriate. Further, the contractors and agents of any Party the operation, maintenance, repair or replacement of any portion of the Infrastructure shall be the contractors and agents of only that Party and not of the other. Any work performed on the Infrastructure by or on behalf of a Party shall be performed in a good and workmanlike manner, consistent with generally accepted industry standards for municipal water and irrigation infrastructure, and in compliance with all applicable laws, permits, and regulatory requirements.

3.4 Approval of Capital Work. Except for Emergency repairs undertaken in accordance with Section 2, no Party undertaking any single capital repair, replacement, or improvement of any portion of the Infrastructure having an estimated cost in excess of Fifty Thousand Dollars (\$50,000) shall incur costs for which another Party has any cost-sharing obligation under this Agreement without first obtaining the written approval of each such cost-sharing Party of (a) the scope of work, (b) the proposed budget, and (c) the selected contractor(s). Such approval shall not be unreasonably withheld, conditioned, or delayed, and shall be deemed granted if no written objection is provided within thirty (30) days of the cost-sharing Party's receipt of information reasonably sufficient to evaluate the proposal. Nothing in this Section shall relieve any Party of its obligations under Section 2 regarding advance notice of anticipated capital repair needs.

3.5 Records. The Parties shall keep accurate records of any and all work undertaken on any portion of the Infrastructure and shall provide regular status reports to the other Parties as appropriate, including progress updates, notice of any problems related to the Infrastructure, and a record of payments made to any contractor(s). Said status reports should include updates to project costs expended and the remaining costs projected to be expended through the project completion, as applicable, and should note any variances or other issues related to estimated costs, the time schedule for completion, or other relevant details.

3.6 Accounting. The Parties shall maintain or cause to be maintained full and complete records of actual costs incurred for the operation, maintenance, repair or replacement of any portion of the Infrastructure in accordance with generally accepted accounting principles and shall provide or otherwise make available to each other copies of all final documents, correspondence, and other records related to such costs. Each Party shall retain such records for a period of not less than three (3) years following the completion of the applicable work. Upon reasonable advance written notice, any Party that has paid or is obligated to pay a share of any cost hereunder shall have the right, at its own expense and during normal business hours, to inspect, audit, and copy the records of any other Party pertaining to such cost. If an audit reveals an overpayment by the auditing Party, the audited Party shall promptly refund the overpaid amount; if an audit reveals a discrepancy of more than five percent (5%) in favor of the auditing Party, the audited Party shall also reimburse the auditing Party's reasonable cost of the audit.

4. **Term and Termination.** This Agreement shall be effective as of the last date it is executed by the Parties and shall remain in effect until terminated in accordance with this Section 4. This Agreement may be terminated: (a) by mutual written agreement of the Parties; or (b) by a non-defaulting Party, as to the defaulting Party only, upon a material breach of this Agreement that remains uncured for thirty (30) days after written notice of breach is delivered to the breaching Party, or such longer period as is reasonably required to cure provided the breaching Party is

diligently pursuing cure. Upon any termination: (i) each Party shall remain responsible for its share of costs incurred prior to the effective date of termination; (ii) each Party shall retain reasonable access to any Infrastructure it owns or has paid to maintain for purposes of disconnecting, relocating, or continuing to operate its own facilities; and (iii) no Party shall be entitled to any refund or credit for capital contributions previously made, except as expressly provided herein or as mutually agreed in writing.

5. **Default/Remedies.** In the event of a breach or default of this Agreement by either Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, provided the Parties waive any claims against each other for consequential damages arising out of or relating to this Agreement, including, but not limited to, special, incidental, consequential, or punitive damages of any kind arising out of or related to the performance or non-performance of the Agreement, and regardless of whether such losses, damages or liability arises from breach of contract or warranty, tort (including negligence), strict liability or otherwise. Prior to initiating any litigation or other formal proceeding arising out of or relating to this Agreement, the Parties shall first attempt in good faith to resolve the dispute through negotiation between the Parties' respective District Managers or other authorized representatives, who shall meet (in person or by video conference) within thirty (30) days of written notice of dispute delivered by one Party to the others. If the dispute remains unresolved sixty (60) days after such notice, the Parties shall submit the dispute to non-binding mediation before a mutually acceptable mediator in Douglas County, Colorado, with the costs of the mediator shared equally among the participating Parties. The foregoing procedures shall not apply to, and shall not delay, (i) actions for temporary, preliminary, or injunctive relief necessary to prevent immediate and irreparable harm, or (ii) enforcement of payment obligations as to undisputed amounts.

## 6. **Miscellaneous Provisions.**

6.1 **No Waiver of Rights.** 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 any Party. No covenant or term of this Agreement shall be deemed to be waived by a Party except in writing signed by the governing body of the Party or by a person expressly authorized to sign such waiver by written authorization of a Party, and any written waiver of a right shall not be construed to be a waiver of any other right or to be a continuing waiver unless specifically stated.

6.2 **Relationship of the Parties.** The Parties shall not be deemed by virtue of this Agreement to have entered into any partnership, joint venture, employer/employee or other relationship with each other than as contracting parties.

6.3 **No Waiver of Governmental Immunity.** Nothing in this Agreement shall be construed to waive, limit, or otherwise modify any governmental immunity that may be available by law to any of the Parties, their officials, officers, employees, contractors, or agents, or any other person acting on behalf of a Party and, in particular, governmental

immunity afforded or available pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10, Part 1 of the Colorado Revised Statutes.

6.4 Binding Effect. The Parties agree that this Agreement, by its terms, shall be binding upon the successors, heirs, legal representatives, and assigns; provided that this section shall not authorize assignment.

6.5 No Third-Party Beneficiaries. Nothing contained in this Agreement is intended to or shall create a contractual relationship with, cause of action in favor of, or claim for relief for, any third-party, including any agent, sub-consultant or sub-contractor of a Party. Absolutely no third-party beneficiaries are intended by this Agreement. Any third-party receiving a benefit from this Agreement is an incidental and unintended beneficiary only.

6.6 Annual Appropriation. Except as set forth in Section 1.3, the Parties do not intend hereby to create a multiple-fiscal year direct or indirect debt or other financial obligation of either CPNMD or CPVMD whatsoever. The performance of the obligations of CPNMD or CPVMD pursuant to this Agreement requiring budgeting and appropriation of funds are subject to annual budgeting and appropriations and shall be paid only from then-currently budgeted and approved expenditures.

6.7 Governing Law; Venue; Enforcement. This Agreement shall be governed by and interpreted according to the law of the State of Colorado. Venue for any action arising under this Agreement shall be in the appropriate court for Douglas County, Colorado.

6.8 Survival of Terms and Conditions. The Parties understand and agree that all terms and conditions of the Agreement that require continued performance, compliance, or effect beyond the termination date of the Agreement shall survive such termination date and shall be enforceable in the event of a failure to perform or comply.

6.9 Assignment. The rights, duties, obligations, responsibilities, or benefits set forth in this Agreement shall not be assigned by a Party without the express written consent of the other Parties, which consent may be withheld for any or no reason.

6.10 Headings. The captions of the sections and paragraphs hereof are set forth only for the convenience and reference of the Parties and are not intended in any way to define, limit or describe the scope or intent of this Agreement.

6.11 Integration and Amendment. This Agreement represents the entire and integrated agreement between the Parties and supersedes all prior negotiations,

representations, or agreements, either written or oral. Any amendments to this must be in writing and be signed by all Parties.

6.12 Severability. Invalidation 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 any other provision of this Agreement.

6.13 Reservation of Authority. Nothing in this Agreement shall be construed to (a) modify, waive, or limit CPNMD's or CPVMD's authority to set rates, fees, tap fees, system development fees, or service charges, or to adopt, amend, or enforce its Rules and Regulations or any other policies, resolutions, or orders; (b) obligate CPNMD or CPVMD to provide water or sanitation service to any Party or to any property beyond existing service commitments, or to modify, supersede, or impair any existing water service, wastewater service, or intergovernmental agreement between or among the Parties; or (c) limit or waive any power, authority, or immunity otherwise afforded to CPNMD or CPVMD as a Title 32 special district under Colorado law. The Parties acknowledge that each District retains full governing authority over its own operations, facilities, and governance notwithstanding the cooperative arrangements set forth herein.

6.14 Notices. Any notices required hereunder shall be in writing and shall be deemed duly given when deposited in the mail, postage prepaid, return receipt requested, or sent by email with receipt confirmation, by the sending party to the other party at the addresses set forth below or at such other addresses as party may from time to time designate by written notice to the other party:

If to CPVMD: Castle Pines Village Metropolitan District  
Attn: Joshua Shackelford  
5880 Country Club Drive  
Castle Rock, CO 80108  
[jshackelford@castlepinesmetro.com](mailto:jshackelford@castlepinesmetro.com)

If to CPNMD: Castle Pines North Metropolitan District  
Attn: District Manager  
7404 Yorkshire Drive  
Castle Pines, CO 80108

With a copy to: Seter, Vander Wall & Mielke, P.C.  
Attn: Paul J. Polito, Esq.  
7400 E. Orchard Road, Suite 3300  
Greenwood Village, CO 80111  
[ppolito@svwpc.com](mailto:ppolito@svwpc.com)

If to the Country Club: The Country Club at Castle Pines, Inc.

Attn: \_\_\_\_\_  
6400 Country Club Drive  
Castle Rock, CO 80108

6.15 Authority. The Parties represent that they are expressly authorized to enter into this Agreement on behalf of the Party that they represent and to bind their respective entities.

6.16 Counterparts. This Agreement may be executed in multiple counterparts; all counterparts so executed shall constitute one agreement binding upon all parties, notwithstanding that all parties are not signatories to the original or the same counterpart. Documents executed, scanned and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Agreement and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.

6.17 No Personal Liability. No elected official, director, officer, agent or employee of the Parties, as applicable, shall be charged personally or held contractually liable under any term or provision of this Agreement, or because of any breach thereof or because of its or their execution, approval or attempted execution of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the date set forth below.

**CASTLE PINES VILLAGE METROPOLITAN DISTRICT,**  
a quasi-municipal corporation and political subdivision of the State of Colorado

/s/: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**CASTLE PINES NORTH METROPOLITAN DISTRICT,**  
a quasi-municipal corporation and political Subdivision of the State of Colorado

/s/: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**THE COUNTRY CLUB AT CASTLE PINES, INC.,**  
a Colorado nonprofit corporation

/s/: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**EXHIBIT A**

**Description and Depiction of Infrastructure**

# CASTLE PINES NORTH



## METROPOLITAN DISTRICT

### **RULES & REGULATIONS**

Adopted: October 19, 2015

Amended: April 27, 2026

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## **ARTICLE 1. GENERAL**

**1.1 Authority:** These Rules and Regulations are adopted in accordance with the authority conferred in Title 32, Article 1 of the Colorado Revised Statutes, by the Castle Pines North Metropolitan District (“District”) Board of Directors (“Board”), a political subdivision of the State of Colorado and a quasi-municipal corporation with all the powers thereof, which are specifically granted to the District or which are necessary or incidental to, or implied from, powers specifically granted by statute, constitution or other law, for carrying out the objectives and purposes of the District.

**1.2 Policy:** It is hereby declared that the following Rules and Regulations, to be used in conjunction with the District’s Engineering Standards and Specifications, will serve a public purpose and will promote the health, safety and general welfare of the property owners, inhabitants of, and visitors to, the District. It is the District’s policy that growth and development within the District’s boundaries, or areas to be included within the District’s boundaries, must pay for itself. Property is required to include into the District in order to receive services from the District, and the provision of public water and sanitary sewer service is contingent upon the District having sufficient water treatment capacity and sanitary sewer treatment capacity. Because of these limitations, the District cannot guarantee that it will be able to provide water and sanitary sewer services to properties within the District’s boundaries or to properties within the District’s service area. Inclusion of lands within the District’s boundaries does not guarantee the provision of water and sanitary sewer service by the District.

**1.3 No Waiver of Immunity:** Nothing contained in these Rules and Regulations shall be deemed to constitute a waiver by the District of the immunities, protections, and defenses afforded to the District under the Colorado Governmental Immunity Act, Section 24-10-101, *et seq.*, C.R.S. (“CGA”), which immunities, protections, and defenses the District intends to utilize to the fullest extent permitted by law.

**1.4 Purpose:** The purpose of these Rules and Regulations, to be used in conjunction with the District’s Engineering Standards and Specifications, is to provide for the control, management and operation of the water, sanitary sewer, and stormwater systems, including additions, extensions, and connections thereto, and the District’s Parks and Open space facilities, and to provide for the administration and enforcement of such standards so that the health, safety and general welfare of the property owners, inhabitants of, and visitors to, the District are protected. All services provided by the District will be available in accordance with these Rules and Regulations, and the charges and fees established therefore, and subject to all penalties and charges for violation thereof, or any Federal, state or local laws applicable to the District, subject to availability and capacity of District facilities.

**1.5 Scope:** These Rules and Regulations shall be considered a comprehensive set of rules and regulations governing certain aspects of the control, management and operation of the

District. However, these Rules and Regulations do not cover every conceivable aspect of the control, management and operation of the District and the Board reserves the right to make rulings and to adopt resolutions concerning matters not covered herein, as and when appropriate, at its sole discretion. In addition, these Rules and Regulations are not intended to supersede or contravene specific terms or conditions of any contract or other agreement entered into by the District and a party, unless such contract or agreement is made subject to these Rules and Regulations.

**1.6 Regulations by Other Governmental Entities:** Any limitation, restriction or prohibition validly placed upon the District by any governmental entity, including PCWRA, is hereby incorporated into these Rules and Regulations by this reference.

**1.7 Effective Date:** These Rules and Regulations shall be effective immediately upon adoption by a majority of the Board at a public meeting and shall supersede any prior version of the Rules and Regulations.

**1.8 Legal Construction:** It is the intent of the Board that these Rules and Regulations shall be liberally construed to affect the general purposes and policies set forth herein. Nothing set forth herein shall be construed as an alteration, waiver or deviation from any grant of power, or any limitation or restriction thereof, conferred or imposed upon the District by the statutes, constitutional provisions, or other laws of the state, as they currently exist and as they may exist in the future. In the event of any ambiguity, inconsistency, or conflict between provisions within the Rules and Regulations or between these Rules and Regulations and the rules and regulations of any other governmental entity or any another document adopted by the District, including the District's Engineering Standards and Specifications, the provision that is most protective of the health, safety, and welfare of the District's property owners, inhabitants and visitors, and the District's facilities will control. In the event of any ambiguity or inconsistency in the interpretation of these Rules and Regulations, the Board shall make a final determination, based upon the recommendation of the District Manager, in conjunction with the District's Engineering Standards and Specifications, if applicable.

**1.9 Amendments:** These Rules and Regulations may be amended from time to time by the Board in the same manner as the original Rules and Regulations were adopted.

**1.10 Saving Provision:** The enactment of these Rules and Regulations, any amendment thereof, or the repeal of any prior Rules and Regulations or resolutions, shall not deny or limit any right, action, or cause of action that arose under a prior version of the District's Rules and Regulations.

**1.11 Repeal of Conflicting Resolutions:** All resolutions or parts thereof in conflict herewith, are hereby repealed, except as may be expressly provided herein.

**1.12 Severability:** The invalidity of any section, clause, sentence, or provision of these Rules and Regulations shall not affect the validity of any other part of these Rules and Regulations,

which can be given effect without such invalid part or parts, and to this end, the provisions of these Rules and Regulations are hereby declared to be severable.

**1.13 Variances:** The Board reserves the right to waive or modify the provisions of these Rules and Regulations, at its sole discretion. Any person seeking a variance of a provision of the Rules and Regulations shall have the burden of proving that the operation of such a provision would cause undue hardship, or should not be applied to the person for another justifiable reason, and that such variance shall not endanger the health, safety and welfare of the inhabitants of, and visitors to, the District. Any request for a variance shall be made in writing to the District Manager setting forth a detailed explanation of the variance request and the reasons for the request. The Board will consider all written variance requests within sixty (60) days and the Board's decision to grant or to deny the variance shall be final and conclusive.

**1.14 Delegation to District Management or Staff:** The Board may delegate decision-making authority under these Rules and Regulations to District management or staff.

## **ARTICLE 2. DEFINITIONS**

2.1 *Applicant:* Person requesting a permit, entering into a contract with the District for new or additional service, including an extension, or submitting a petition for inclusion, or exclusion, of Property.

2.2 *As-Built:* Final construction record that reflects changes made during construction, specifically recording differences between the original approved design and the completed facility or structure.

2.3 *Backflow Prevention Device ("BPD"):* A mechanical assembly installed to protect potable water supplies from contamination introduced as a result of backflow conditions, as specified in the International Plumbing Code.

2.4 *Building Drain:* That part of the lowest horizontal piping of a building sanitary sewer system from the stack or horizontal branch, exclusive of storm water drainage, extending to a point not fewer than five feet (5') outside of the building wall.

2.5 *Capital Improvement Fee ("CIF"):* Monthly fee imposed on all customers for the purpose of offsetting water System capital costs.

2.6 *Commercial Equivalent Unit:* The SFEs for commercial and non-residential properties shall be determined based on the criteria and methodology defined in the District's Engineering Standards and Specifications.

2.6.1 *Combined Service Line:* A service line that serves a single Customer and is used to deliver water for both domestic service and fire protection service through a single connection to a Water Main.

2.6.2 *Combined Service Isolation Valve*: The first valve installed on a Combined Service Line at, or downstream of, the connection to the Water Main.

2.7 *Connection*: The connection, extension or change of water and/or sanitary sewer service lines to District facilities for permanent or temporary purposes. Any reference to a “tap” shall be synonymous with “connection” to the District’s facilities.

2.8 *Connection Fees*: The sum of the fees and charges associated with obtaining water and sanitary sewer connections from the District to enable a customer to receive service. Connection Fees are imposed on new construction, new connections, or any change in use of water or sanitary sewer services through existing connections that cause an increase in Meter size and SFEs, as calculated in the District’s Engineering Standards and Specifications.

2.9 *Comprehensive Water Report*: An expert report containing all of the information required by Section 3.11 and any other information required by the District’s legal counsel, Engineer or Manager.

2.10 *Contractor*: All Contractors, whether hired by the District or other person, shall be required to comply with these Rules and Regulations and the District’s Engineering Standards and Specifications, shall possess a current contractor’s license issued by the City of Castle Pines and shall maintain adequate insurance and bond coverage. Depending on specific circumstances, a Contractor may also be a developer.

2.11 *Cross-Connection Control*: The process of minimizing the possibility of an actual or potential connection between a potable water system and any water source or system containing a substance or water that is not, or cannot be, approved as safely potable. Such process may include the installation of a BPD.

2.12 *Customer*: Any person, owner, lessee, tenant or occupant of such owner, who is supplied with service by the District. Mere payment of taxes, or payment of an Availability of Service Fee, if imposed, does not create customer status.

2.13 *Curb Stop*: A shut-off valve installed on the water service line at or near the property line, typically located in a valve box below grade, that allows the District or property owner to control the flow of water to the property.

2.14 *Developer*: Any person who may own or may be developing land or individual lots within the District and seeks to have land or lots served by the District. A developer shall be held directly responsible by the District for ensuring that all work performed by it or its contractors is completed in accordance with these Rules and Regulations and the District’s Engineering Standards and Specifications. Depending on specific circumstances, a developer may also be a contractor.

2.15 *District*: The Castle Pines North Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado, formed and operating under Article 1 of Title 32, C.R.S.

2.16 *District Engineer*: Person or firm designated by the Board and engaged as the District's Engineer.

2.17 *District Manager*: Person retained by the Board to manage and supervise the affairs of the District.

2.18 *Easement*: An interest in, and right to use, the property of another.

2.18.1 *Exclusive Easement*: An easement granted authorizing the right to enjoy property to the exclusion of all others.

2.18.2 *Non-Exclusive Easement*: An easement granted without the right to exclude others from use of the property (no guarantee of exclusive use).

2.18.3 *Right-Of-Way Crossing*: The installation or construction of an approved utility, railroad or other improvement that will cross District facilities and/or a District easement.

2.18.4 *Temporary Construction Easement*: An easement for access and other construction-related use of real property required for a limited construction period.

2.19 *Encroachment*: The unauthorized intrusion onto or into a District easement or Property.

2.20 *Engineering Standards and Specifications*: The District's Engineering Standards and Specifications for water and sanitary sewer facilities, as adopted by the District Board and as amended from time to time, which establish minimum standards for the design and construction of water and sanitary sewer facilities within the District.

2.21 *Facilities*: All components of the District's water, sanitary sewer and Stormwater systems and the District's parks, trails and open space improvements.

2.22 *Fixture Unit*: "Fixture Unit" or "Water Supply Fixture Unit" shall be interchangeable terms to describe the load values on water service of various types of fixtures. Fixture Units are used to calculate the meter size required, and the resultant SFE allocation, for a connection, as defined in the District's Engineering Standards and Specifications.

2.23 *Illegal Discharge*: Any discharge into the District's sanitary sewer or stormwater facilities consisting of: (1) garbage or other objectionable waste; (2) prohibited sewage; (3) untreated deleterious waste; and/or (4) special sewage.

2.24 *Industrial Waste*: The liquid waste from industrial and commercial processes, as distinct from domestic sewage. Industrial and commercial processes shall mean a source of discharge that flows into a public-owned treatment works from any non-domestic source or any pollutant that, by its chemical nature, strength or volume, may cause interference with a public-owned treatment works, its workers, or the health, safety and welfare of the public.

2.25 *Meter*: Device for recording water usage, including the transponder, which is owned by the District and located on private Property.

2.26 *Owner*: The person(s) who holds fee title to property, as shown on the property tax assessment roll in the office of the Douglas County Assessor.

2.27 *Permit*: Written permission from the District issued pursuant to these Rules and Regulations and subject to the specific terms and conditions contained therein.

2.28 *Person*: Either singular or plural; person shall include an individual, firm, partnership, corporation, company, association, trust, estate, governmental entity, or any other legal entity or combination thereof, or their legal representatives, agents or assigns.

2.29 *Plum Creek Water Reclamation Authority ("PCWRA")*: The wastewater treatment provider, of which the District is a member. The District and its customers are subject to the rules and regulations of PCWRA and the terms and conditions of all contracts entered into by and between PCWRA and its members.

2.30 *Pre-Treatment Facilities*: Structures, devices, equipment or processes for the purpose of reducing or removing deleterious waste, or altering the nature of the deleterious waste in special sewage, prior to discharging such sewage into the sanitary sewer system.

2.31 *Private*: The term "private," when used in these Rules and Regulations, means ownership by any person other than the District.

2.32 *Property*: An area of land, the description of which is recorded in the office of the Douglas County Clerk and Recorder, or referenced in a Subdivision Plat recorded in the office of the Douglas County Clerk and Recorder.

2.33 *Reduced Pressure Zone ("RPZ") Device*: An assembly of two independently operating, approved check valves, with a hydraulic automatic operating differential relief valve between the check valves. The assembly shall be located between two (2) tightly closing (resilient seated) shut-off valves and shall have four (4) properly-located test cocks for testing check and relief valves. The entire assembly shall be a BPD.

2.34 *Renewable Water Resources Fee ("RWRP")*: The Renewable Water Resources Fee imposed on all property upon inclusion within the boundaries of the District or served by contract, pursuant to Resolution No. 2013-006. The amount shall be based upon the District's determination of the total number of SFEs required to service the proposed development, as stated in the District's Schedule of Rates, Fees, Penalties and Charges.

2.35 *Resolution*: Means by which formal action of the Board of Directors is taken.

2.36 *Sanitary Sewer*: A sewer which carries sewage, and to which stormwater, surface water and groundwater are not intentionally admitted.

2.37 *Sanitary Sewer System*: All structures, facilities, equipment and processes used for collecting, pumping, treating, and disposition of sewage, including but not limited to, any pipe, conduit, or other collection facility owned, operated, and maintained by the District.

2.38 *Sewage*: Any liquid waste containing human, animal or vegetable matter, in suspension or in solution, from residences, commercial buildings, institutions, and industrial establishments.

2.39 *Sewer and/or Sewer Main*: Any pipe or conduit currently, or proposed to be, owned by the District and used for carrying sewage.

2.40 *Sewer Service Line*: Any pipe, system of piping, sewer main connection saddle and other appurtenances which shall be owned and maintained by a customer and used as a conduit for carrying sewage from a customer's structure and connection to a sewer main.

2.41 *Single Family Equivalent ("SFE")*: The approximate measure of the level of service necessary to serve a single-family dwelling with water.

2.42 *Stormwater System*: A storm drainage, open channel drainage way, stormwater drainage inlet, drainage pond, and associated improvements owned and maintained by the District and used to convey the naturally-occurring water runoff through areas of the District.

2.43 *Stub-Out*: A curb stop, valve, or comparable facility for controlling the flow of water located at or near a Customer's property line and separating the Water System from the Customer's Water Service Line.

2.44 *Suspended Solids*: Solids, expressed in parts per million by weight, that either float on the surface of, or are in suspension in, water, sewage or other liquids, and are removable by filtration.

2.45 *Tap*: See "connection."

2.46 *Unit*: A residential, commercial or industrial building, or portion thereof, which is provided separate water and sanitary sewer service.

2.47 *Water*: Water that conforms to state and federal regulations applicable to drinking water.

2.48 *Water Main*: Any pipe, system of piping and appurtenances currently, or proposed to be, owned by the District, used as a conduit for water in the District's water system. A main shall be six inches (6") or more in diameter.

2.49 *Water Service Line*: The private pipe, line, or conduit that runs from the customer's side of the curb stop to the customer's structure.

2.50 *Water System*: All structures, facilities, valves, curb stops, equipment and processes owned by the District for diverting, transporting, distribution, storing, pumping, treating, measuring and delivering water.

Any term not set forth herein shall be as defined in the most recent edition of "Glossary – Water and Sewage Control Engineering" A.P.H.A., A.W.W.A., A.S.C.E., and F.W.S.A., if listed therein.

**ARTICLE 3.**  
**OPERATING PRINCIPLES AND LIMITATIONS**

**3.1 Policy:** The District provides water and sanitary sewer services to properties within the District boundaries, subject to any capacity limitations, and provides for the operation, maintenance, repair and replacement of water, sanitary sewer, stormwater, and park, trail and open space facilities owned or provided by the District, in accordance with these Rules and Regulations. The use of the District's facilities is only by express permission of the District and shall be subject to suspension or revocation, as set forth herein. The District Board reserves full right to determine all matters related to the control and use of its facilities and provision of services. The Board may act other than as required in this section when it determines, in its sole discretion, that such action is necessary to protect the health, safety and welfare of the inhabitants of, and visitors to, the District.

**3.2 System Construction Costs:** Notwithstanding any other provision herein to the contrary, all costs of new construction, reconstruction or enlargement of any District facilities, including all associated planning, engineering, administration and legal fees, which are necessary to provide new, different or additional service within the District's service area, shall be paid by the owner(s) or customer(s) of the property or unit to be served. The provisions of this section shall apply regardless of whether the District or any other person contracts for, or initially pays for, such new construction, reconstruction or enlargement, or whether such service is requested by a customer, or compelled by the District.

**3.3 Compliance with Engineering Standards and Specifications:** All facility construction, repair, maintenance or modification work within the District shall comply with the District's Engineering Standards and Specifications.

**3.4 Liability:**

**3.4.1 Construction:** This section 3.4 shall be construed in such a manner as to be consistent with the District resolution then in effect that indemnifies such officials and employees.

**3.4.2 District Not Responsible for Damages:** These Rules and Regulations shall not be construed to hold the District in any manner responsible for any damages to person or property resulting from any inspection, as herein authorized, or resulting from any failure to so inspect, or resulting from the issuance or denial of any permit, as herein provided.

**3.4.3 Employees Not Liable:** Any District employee acting within the scope of his/her employment charged with the enforcement of these Rules and Regulations shall not be liable for any damages that may accrue to person or property resulting from any non-negligent act or omission committed in the discharge of such duties.

3.4.4 **District Indemnification:** In any suit or proceeding instituted against an official or employee of the District stemming from any act performed in the enforcement or attempted enforcement or omission of any provision of these Rules and Regulations, such official or employee shall be defended, indemnified and held harmless by the District until final termination of the proceedings.

3.4.5 **District Not Liable:** No claim for damage shall be made against the District, its officials or employees. The District, its officials and employees shall not be liable or responsible for damages resulting from operation, maintenance and repair of the District's facilities. This paragraph shall not relieve the District from liability for negligence of its officials or employees, if such liability would otherwise have existed.

3.4.6 **Indemnity:** Owner(s) shall indemnify the District from any loss or damage that may directly or indirectly be caused by the installation of facilities to serve a property and the District may require the owner to obtain reasonable security before proceeding with any such installation.

3.4.7 **Non-Waiver:** Nothing in these Rules and Regulations shall constitute a waiver by the District of the defense of sovereign immunity or any protections under the COIA or any other defenses it may have to an action against the District, its officials or employees, or a waiver of its insurance coverage.

**3.5 District Ownership and Maintenance of District Facilities:** The District shall be responsible for the maintenance, repair and replacement of District facilities, unless the situation necessitating such repair or replacement is the result of a change or enlargement of use, abnormal use, or damage to such facilities, in which case such repair or replacement will be performed at the expense of the person responsible for such enlargement, abnormal use, or damage. The District's ownership shall remain valid regardless of whether such facilities are constructed, financed, or paid for by other Persons or otherwise acquired by, or contributed to, the District. No person, except those authorized by the District, shall have any right to enter upon, inspect, operate, adjust, change, alter, move or relocate any portion of the District's facilities.

3.5.1 The necessity of replacing or making repairs to District facilities shall be determined by the District, in its sole discretion. When replacing or making repairs to District facilities, unless specifically provided otherwise herein or in an Easement or other agreement, the District shall not be liable for repair or replacement of landscaping or roadway improvements existing on any District easement.

3.5.2 The District shall have a right of access to the property receiving service from the District for the purposes of operation, inspection, installation, maintenance, repair and replacement of District facilities. It shall be the responsibility of the owner to provide the District unobstructed access to such facilities upon reasonable notice.

**3.6 Maintenance/Replacement of Service Lines:** Each owner owns and shall be responsible for repairing, maintaining and/or replacing the sanitary sewer service line, including

the connection, and that portion of the water service line from the downstream side of the curb stop to the building or unit.

3.6.1 For properties with meter pits, meter pit contents, such as pressure reducing valves and other fittings, are the property and maintenance responsibility of the owner. In the meter pit, pressure reducing valves must be installed upstream of the meter. When a meter is installed in a unit or building, only the meter is the property and responsibility of the District. All other fixtures are the responsibility of the owner.

3.6.2 If a meter is tampered with or damaged, the owner is responsible for repair or replacement costs and may be subject to additional charges or penalties, at the Board's sole discretion.

3.6.3 In all instances, it is the owner's responsibility to ensure that access to the meter pit is maintained year-round.

3.6.4 **Combined Service Lines.** Notwithstanding the foregoing provisions of this Section 3.6 and subject to Section 8.10.1, for any Combined Service Line: (a) the District shall own, and shall be responsible for the repair, maintenance, and replacement of, all portions of the Combined Service Line from the Water Main to and including the outlet side of the Combined Service Isolation Valve, and shall also own the Water Meter gasket to gasket; (b) the Customer shall own, and shall be solely responsible, at the Customer's expense, for the repair, maintenance, and replacement of, all portions of the Combined Service Line beginning on the downstream side of the Combined Service Isolation Valve and continuing through all downstream piping, fittings, valves, branches, meter yokes, and other appurtenances serving the Customer's domestic and fire protection systems, excluding the Water Meter gasket to gasket; and (c) the District shall have no obligation to repair, maintain, or replace any portion of a Combined Service Line that is owned by the Customer under subsection (b), regardless of where any break, failure, leak, or other defect occurs.

**3.7 Encroachment on District Easements:** No person shall construct any permanent building or similar structure, or place any fill material on a District easement. Temporary or removable and replaceable objects, such as yard lights, mail boxes, signs, fences, shrubs, flowers or plants may be installed within a District easement, if permitted. If, in the process of exercising one or more of the rights to the use of a District easement, the District finds it necessary to remove any of the permitted items placed on, or planted within, the easement, the District shall not be responsible for replacing those items. If an owner or other person seeks to construct a permanent building or other structure on a District easement, the owner or other person shall apply in advance to the District for approval of construction of the encroaching structure. The District's approval, if granted, shall be in the form of an encroachment agreement relieving the District of liability for any and all damage to such structures caused by the District as part of maintenance and operations.

**3.8 Use of District Easements:** An owner or other person may request permission from the District to cross, share or use a District easement for the installation of drains, pipelines, or other facilities. The District's determination to allow crossing, sharing or use of a District easement shall be in the form of a license agreement, setting forth the terms of the agreement specifically including, but not limited to, the terms set forth below:

3.8.1 The owner or other person shall, at all times, have the obligation, enforceable at the demand of the District, to operate, maintain, repair and replace non-District owned drains, pipelines, or other facilities.

3.8.2 The owner or other person shall submit a copy of the plans for the installation to the District for review and written approval, in advance of construction/installation.

3.8.3 If operation, maintenance, repair or replacement of non-District owned drains, pipelines, or other facilities results in damage to District facilities, the owner or other person shall immediately notify the District of the damage and shall be liable for all such damages, and shall compensate the District for all repair costs, as determined by the District.

3.8.4 The District shall not own or have any obligation to operate, manage, or control non-District owned drains, pipelines, or other facilities installed within a District easement. If the physical condition or operation of District facilities is interfered with, or endangered, or if there is a risk to the health, safety and welfare of the public as a result of the drain, pipeline, or other facilities, the Board shall have the right, at the owner or other Person's expense, to do whatever is reasonable and necessary under the circumstances. In cases of emergency, the District is authorized to immediately correct the interference or endangerment to public health, safety and welfare.

3.8.5 When available, As-Built drawings for non-District owned drains, pipelines, or other facilities installed within a District easement shall be furnished to the District.

3.8.6 The owner or other person shall indemnify and hold the District, its officials and employees harmless from and against every claim, demand, liability, cost, charge, suit, judgment and expense of whatsoever kind or nature, including, but not limited to, interest, court costs and attorneys' fees that the District, its officials, or employees may pay or incur as a result of, or in any way arising out of, the sharing or using of a District easement.

**3.9 Review of Crossing and Adjacent Utilities:** Utility companies and other persons seeking to install utilities that will: (a) cross District facilities; or (b) be adjacent to District facilities and located within ten (10) feet of such existing District facilities, shall submit a copy of the plans for the utility installation to the District for review and written approval, prior to construction or installation. The District shall review the plans and may request any changes deemed necessary in

the reasonable discretion of the District to protect the integrity and safety of existing or planned District facilities and for compliance with the general requirements listed below.

3.9.1 For the purpose of this section, utilities are defined to include, without limitation, water or sanitary sewer lines, storm sewer improvements, gas or oil lines, television, cable, or internet lines, other water conveyance structures, electrical lines, or railroad improvements.

3.9.2 General requirements for utilities which cross District facilities or will be located within ten (10) feet of existing or planned District facilities, are as follows:

- Utilities shall be installed in accordance with the District’s Engineering Standards and Specifications, including without limitation, vertical clearance requirements for crossings, and in compliance with all requirements of applicable law. Utilities which cross the District’s existing water and/or sewer main shall cross District facilities at or near a perpendicular angle.
- Utilities shall take reasonable measures required by the District to protect in place any existing District facilities in the area of the crossing that may be reasonably affected by construction, maintenance or replacement of the utilities, at the cost of the utilities.
- The District may require payment to cover costs of reviewing a crossing due to the nature or complexity of the project, the number of crossings, or for any other reason. The District may require a Crossing Agreement, when deemed necessary, including payment of all of the District’s direct costs associated with review and approval of such Crossing Agreement.

**3.10 Change in Use Policy:** The District is obligated to assure that adequate water rights are available to the District prior to authorizing any increases in water service demand. If a property is proposed to be subdivided or changed in a way that would increase water service demand, the owner will be required to convey and dedicate to the District all water rights and groundwater rights, underlying, used in connection with, or associated with the applicable Property, as a condition of receiving such service. These guidelines and procedures have been established for assuring the adequacy of the District’s water rights and facilities and to assist in the evaluation of the effects of any requested increase in water service.

**3.11 Comprehensive Report:** The developer or owner proposing the increased water use shall supply to the District a comprehensive report that includes, at a minimum, the items listed below:

- The acreage, zoning, uses and expected requirement of the new or increased use upon the water system; and

- An engineer’s opinion of the water flow rates and volumes required and possible sources of water to fulfill the increase in use, including identification of any water rights owned by the owner or developer associated with the property; and
- The report shall be reviewed by the District’s water engineer and water rights attorney; the cost of which review shall be paid through an advanced deposit from the developer or owner.
- The report shall demonstrate that any water rights associated with the property not previously dedicated to the District are available for conveyance to the District by warranty deed.

**3.12 Ownership and Right to the Use of Water:** The District retains all property rights associated with any water provided to customers and properties, including the rights to reuse, make successive use and use of such water to the point of its complete or absolute consumption.

**3.13 Temporary Water Usage:** The District may allow temporary water leases on a case-by-case basis by entering into a temporary water lease agreement. The terms of each temporary water lease agreement will be established by the District. The applicant will pay a minimum fee for the preparation of a standard lease, as listed in the District’s Schedule of Rates, Fees, Penalties and Charges. If a particular lease is more complicated and will require more time for the District to prepare, the District will inform the applicant and will determine an appropriate fee for the lease. All lease preparation fees shall be paid to the District at the time of application.

**3.14 Use of Hydrants:** No person shall take water from a District hydrant without the prior written authorization of the District. All use of District hydrants will be in conformance with these Rules and Regulations.

**3.14.4 Authorized Users:** District personnel and fire prevention agencies are considered authorized users of District hydrants. All others wishing to use a District hydrant are required to obtain a hydrant permit from the District.

**3.14.5 Issuance of Hydrant Permit:** Approval of any hydrant permit application shall be at the sole discretion of the District.

**3.14.6 Payments to the District:** The applicant will be responsible for the payment of all deposits, applicant fees, user fees, and fines.

**3.14.7 Equipment Requirements:** Only District meters and BPDs shall be used for the withdrawal of water from a District hydrant.

**3.14.8 Refund of Deposit:** If all meter readings are current, the associated usage fees are paid, and the District’s equipment is returned in good working condition, the hydrant deposit will be returned to the applicant. The applicant is solely responsible for all costs and charges in excess of the deposit.

## ARTICLE 4.

## METERS

**4.1 Meter Installation:** The District shall install all meters. Water service charges commence upon installation of the meter.

**4.2 Meter Obstruction:** No person owning or possessing the property on which a meter is located shall obstruct the meter in any manner that would prevent access to the meter, including planting shrubbery, trees, or placing any other type of physical obstruction. Existing shrubbery, trees, or any other types of plants must be kept trimmed so as not to obstruct the meter set. If an obstruction is not removed within fifteen (15) days after the receipt of a notice to remove from the District, the customer or owner shall be deemed to have consented to the District's entry upon the property and the District will remove or relocate the meter set, at the expense of the customer or owner.

**4.3 Defective Meters:** If a customer becomes aware of a meter operating defectively, the customer shall notify the District office immediately. The District shall be responsible for the maintenance, repair and replacement of all meters, unless a meter is tampered with.

4.3.1 The District shall notify a customer once the District becomes aware of a Meter failing to register accurately in any period. District personnel will then schedule an appointment to replace the meter and/or transponder. Unless a meter is less than two years old, the customer shall be charged the average period consumption during the two preceding years for any period not accurately registered. If a meter has been in place for less than two years, the customer shall be charged the average period consumption during the two preceding periods, as registered by the meter when in good working order.

4.3.2 If a customer requests meter testing and the meter is not found to be defective, the customer shall be charged the cost of labor for removing and replacing the meter, and associated testing costs.

## ARTICLE 5.

### USE OF PUBLIC WATER AND SANITARY SEWER SYSTEMS REQUIRED

**5.1 Unlawful Disposal of Waste:** It is unlawful for any person to improperly dispose of any human excrement, or other objectionable waste, on public or private property within the District. It is unlawful to dispose of any waste, liquid waste, or any other material at manholes.

**5.2 Sanitary Sewage Must Be Discharged Into District's System:** It is unlawful to discharge to the natural environment any sewage. All such discharges must be made to the District's sanitary sewer system in accordance with these Rules and Regulations.

**5.3 Private Water Well or Sump Prohibited:** The construction of any private water well or sump within the District is prohibited.

**5.4 District's Power to Compel Connection:** The owner(s) of all buildings, businesses or other premises situated within the District where a water supply shall be used or domestic or industrial wastes or sewage are generated, stored, or treated, shall be required, at the owner's expense, to install suitable water and sanitary sewer facilities therein and to submit an application for connection to such facilities with District facilities within twenty (20) days after written notice is sent by the District to do so, provided a water or sewer main is within 400 feet of the property line. The purpose of this requirement is to protect the health, safety and welfare of the public in accordance with the provisions of these Rules and Regulations and the state laws.

5.4.1 If such connection is not commenced with reasonable diligence by the Owner, the District may thereupon make such connection, and the owner shall be liable for all expenses incurred by the District for the completion of the connection, including any unpaid fees pursuant to the District's Schedule of Rates, Fees, Penalties and Charges. The District shall also have a first and prior lien on the property for all such costs and fees, and such lien shall be enforceable in accordance with the provisions of Section 32-1-1006 (1) (a), C.R.S.

5.1.1 If an owner's service line must cross another person's property in order to connect to the District's facilities at the point designated by the District, the owner shall obtain an easement with a minimum width of thirty (30) feet. If the owner is unable to obtain the easement(s) required for such service line, the District may, in its sole discretion, initiate proceedings to acquire such easement(s). All costs incurred by the District in the prosecution of such proceedings, including, without limitation, the amount determined to be payable as just compensation, legal fees, engineering and survey fees, appraisal fees and expert witness fees, shall be paid by the owner of the property to be connected. The property owner shall deposit with the court in order for the District to obtain possession of the easement. The District shall have a first and prior lien on the property to be connected for all such costs and fees, and such lien shall be enforceable in accordance with the provisions of Section 32-1-1006 (1) (a), C.R.S.

## **ARTICLE 6. APPLICATION FOR SERVICE**

**6.1 Policy:** New service shall be furnished only to property included within the District and subject to these Rules and Regulations. The District shall be provided and review all information concerning the services, facilities and improvements required to service such Property, as requested by the District. The owner shall fund or construct the extension of existing District facilities, and install additional improvements and facilities, as required by the District.

**6.2 Limitations on District's Ability to Provide Service:** The District's ability to provide service to property within the District's boundaries may be limited to factors including capacity limitations related to water and sanitary sewer treatment, capacity limitations related to

mains, facilities and service lines; available water resources; or other factors resulting in the unavailability of water supply or sanitary sewer capacity. The District may require that certain other conditions be met by the owner in order for the District to provide water or sanitary sewer service to the property.

**6.3 Sufficient Water Rights and Facilities Required:** No new service or increases in service shall be provided to any property, unless the owner or developer of said property complies with the District's Change in Use Policy as follows: conveys any water rights to the District free and clear of all liens and encumbrances, prior to furnishing of service, or increases in service, to the proposed development. The matter of sufficiency of water rights required to serve any property shall be decided by the District, in its sole discretion. In no event shall the District be obligated to reimburse an applicant for funds expended by the Applicant to acquire, analyze or convey water rights and water facilities. All property seeking to include into the District Boundary must provide a Comprehensive Water Report of water resources and demonstrate ownership of, and legal right to convey to the District renewable water, as determined in the sole discretion of the District. The Comprehensive Water Report shall demonstrate that the renewable water resources identified are sufficient to serve the inclusion property without detriment to the District's existing water supply or financial resources.

**6.4 Application for Connection Permit:** A customer seeking service shall submit an Application for water and sanitary sewer connection permits, accompanied by the appropriate connection fee and other fees as set forth on the District's Schedule of Rates, Fees, Penalties and Charges. In addition, the applicant shall pay all unpaid fees and charges, as indicated by District records, regardless of whether the applicant claims that such fees have been eliminated by the issuance of a Treasurer's Deed, or by other means.

**6.5 Connection Permit:** No work on a proposed connection shall commence prior to payment of all fees and the issuance of a connection permit. Connection permits are valid for one year from the date of issuance.

**6.6 Limitations of Connection Permits:** The connection permit(s) issued to an Applicant are applicable only to the property and building(s), or portion thereof, specified on a permit and all rights under the permit shall be deemed to be automatically conveyed with title to such property. The permit shall not be transferable for use on other property or for use on other buildings on the same property; except that transfer of a permit may be approved by the District, upon written application and payment of a transfer fee in accordance with the District's Schedule of Rates, Fees, Penalties and Charges. Each connection permit shall allow only one service line connection.

**6.7 Road Cuts:** Issuance of a connection permit, or any other permit, does not authorize the holder thereof to make any cut in a public road, or to do anything for which separate permission is required of another governmental entity.

**6.8 Denial of Application for Service:** The District retains, in its sole discretion, the right to deny an application for service when granting the application would not be in the best interests of the District. The factors the District may consider include:

- Whether sufficient water rights and facilities are available, and will be available in the future, to serve the development or construction proposed for the property;
- Whether sufficient sanitary sewer collection, delivery, treatment and related facilities are available, and will be available in the future, to serve the development or construction proposed for the property;
- The impact of the proposed service on existing District water and sanitary sewer facilities;
- The global, forecasted economic effect that approval of the application would have on the District and its constituency;
- Whether the granting of the application would adversely affect the public health, safety and welfare within the District; and
- Any other factors related to the application for service and request to provide such service.

**6.9 Cancellation of Permits:** The District reserves the right, in its sole discretion, for cost-related, lack of capacity, or other reason, to cancel any permit at any time prior to connection.

## **ARTICLE 7. EXPANSION OF DISTRICT BOUNDARIES**

**7.1 Policy:** The District’s boundaries may be expanded by inclusion of property pursuant to Section 32-1-401, *et seq.*, C.R.S., and in compliance with these Rules and Regulations. The owner of any property proposed for inclusion within the District must provide all of the water and sanitary sewer facilities and water resources, as specified herein, necessary to serve the property.

7.1.1 Growth and development to be included within the District’s boundaries must pay for itself and neither the District, nor its existing customers, shall be required to subsidize the growth and development of any property proposed to be included.

**7.2 Service to Included Property:** Inclusion of property within the District does not obligate the District to provide water or sanitary sewer service to the property, nor does it guarantee the ability of the District to provide service to such property.

**7.3 Inclusion:** An applicant seeking service and owning or having an interest in property outside of the boundaries of the District that is capable of being served by the District’s facilities, shall file a written petition requesting that such property be included in accordance with Section 32-1-401, *et seq.*, C.R.S. A petition for inclusion shall include all of the land in which

applicant is the owner, or has a beneficial interest, and is contiguous to the property upon which service is requested.

7.3.1 The District’s policy concerning inclusion is that the developer or owner seeking inclusion must provide all financing, easements, and installation of facilities necessary to serve the property, and must pay for the use of all existing and future District facilities. The Denver Basin Groundwater (“DBGW”) rights, and any other water or well rights associated with the property, shall be conveyed to the District and payment of the applicable Renewable Water Resource Fee shall be made in accordance with the District’s Schedule of Rates, Fees, Penalties and Charges.

7.3.2 **Inclusion Petition:** A petition for inclusion filed with the District shall contain the information required by Section 32-1-401, *et seq.*, C.R.S.

7.3.3 **Additional documentation and information required by the District:**

1. Agreement to pay all Costs of Inclusion, specifying a deposit amount;
2. Inclusion Deposit;
3. Current title commitment;
4. Reproducible legal description of the property;
5. Identification of all wells, and a detailed memorandum of DBGW and any other water rights associated with the property;
6. Map of the property (1 inch equal to 2000 feet on USGS quad base sheet);
7. Copy of most recent survey plat;
8. Copy of proposed development and subdivision plans, schedules and uses;
9. Water demand study prepared by registered professional engineer; and
10. Identification of sufficient renewable water resources to serve the inclusion property, as determined by the District in its sole discretion upon review of the water demand study required by subparagraph 9.
11. Any additional information required by the District.

7.3.4 **Inclusion Costs and Deposit:** The applicant shall pay a deposit to the District, as determined by the District Manager, which is intended to cover the costs incurred by the District in evaluating and processing the petition. Costs of inclusion shall be paid regardless of whether the petition is finally granted by the Board, or whether an inclusion agreement is entered into with the District. The applicant shall be responsible to the District for all costs, including engineering, legal fees and expenses incurred in evaluating and processing the petition, including water rights, amounts paid by the District to any other governmental entity that is required to review the petition. Upon final action by the District, the District will determine its actual costs related to the inclusion. If the

deposit paid by the applicant is less than the actual costs incurred by the District, the additional costs will be invoiced by the District; otherwise, any remaining funds on deposit with the District shall be refunded to the applicant.

**7.3.5 Hearing on Petition for Inclusion:** The Board shall conduct a duly noticed public hearing, in accordance with state law, on whether the petition for inclusion should be granted or denied, in whole or in part. The Board shall decide, in its sole discretion and judgment, whether granting the petition is in the best interests of the District. The Board's action granting or denying the petition for inclusion shall be final and conclusive.

**7.3.6 Inclusion Agreement:** If the petition for inclusion is granted, the Applicant shall enter into an inclusion agreement with the District detailing the terms and conditions of inclusion in a form acceptable to the District. The inclusion agreement shall be executed, all conditions met, and all fees and charges accrued shall be paid prior to the District recording an Order for inclusion in the real property records of Douglas County.

**7.3.7 Determination and Conveyance of Water Rights:** If the petition for inclusion is granted, the applicant shall convey the DBGW to the District and the District may require adjudication of DBGW. Other water rights, or well decrees associated with the property shall also be conveyed to the District.

**7.3.8 Easement Dedication:** As a condition of receiving service from the District, owners may be required to dedicate easements for access, mains, or to convey property to the District, at no cost to the District, in order to facilitate the provision of service to the property.

**7.3.9 Well Site Dedication:** The District requires dedication of a minimum of one (1) two (2) acre parcel for well site locations required for every increment of 0-300 platted lots (i.e.: 0-300, 301-600, 601-900) approved for development, regardless of phasing of development.

**7.3.10 Court Order:** The Board shall not file its resolution ordering inclusion with the Douglas County District Court until the owner has executed an inclusion agreement with the District and provided a deposit and the documentation listed above applicable to the property sought to be included. The owner is responsible for confirming that the inclusion process has been completed and the District shall not be liable for any development delays due to failure to complete the inclusion process.

**7.4 Mill Levies, Fees, Rates and Charges:** Upon recording of the District Court Order of inclusion in Douglas County, the property shall be subject to all mill levies, fees, rates and charges of the District.

**ARTICLE 8.**  
**SERVICE LINE CONSTRUCTION AND CONNECTION**

**8.1 Policy:** Owners seeking to acquire water and sanitary sewer service from the District are responsible for extension of the building facilities and service lines to the District's water or sanitary sewer main. All service line extensions and connections shall be constructed in accordance with these Rules and Regulations and the District's Engineering Standards and Specifications.

**8.2 Required Permits and Fees:** No service line shall be constructed within the District, nor connected to the District's water or sanitary sewer system, until all fees have been paid and a connection permit has been issued.

**8.3 Separate Service Lines:** At the discretion of the District, a separate and independent service line may be allowed for multiple buildings, except out-buildings in instances where central master meter and billing responsibility are in place, and except as otherwise provided herein, and shall be installed at the expense of the owner.

**8.4 Sub-metering:** The District encourages sub-metering, wherein each building is individually metered. Sub-metering and maintenance of sub-meters are the responsibility of the owner.

**8.5 Design and Construction Specifications:** All Contractors, licensed plumbers and others doing Service Line construction and connection work within the District shall comply with the District's Engineering Standards and Specifications and any applicable federal and state standards.

**8.6 Contractor Qualifications:** All contractors and subcontractors shall have a current contractor's license from the City of Castle Pines prior to commencing work on any facilities within the District. The District assumes no responsibility for work performed by general contractors, subcontractors, or their agents.

**8.7 Inspection:** The District shall inspect the connection of an Applicant's service line to the public system at the time of such connection and, in certain circumstances, shall subsequently inspect the backfilling required for the connection. For all water service lines, the District's responsibility for inspection shall be from the District's water main to the property line. For all sanitary sewer service lines, the District responsibility for inspection shall be from the District's sanitary sewer main to the building drain.

**8.8 Costs:** All costs and expenses of the installation, construction and inspection of service lines or connections shall be the responsibility of the owner or developer.

**8.9 Damages:** The owner shall indemnify and hold the District harmless from any loss or damage that may directly or indirectly be occasioned by the installation of a water or sanitary sewer service line or connection to the District's facilities.

**8.10 Maintenance/Replacement of Service Lines:** Each owner owns and shall be responsible for repairing, maintaining and/or replacing the sanitary sewer service line, including

the connection, and that portion of the water service line from the downstream side of the meter pit or vault to the building or unit.

**8.10.1 Domestic Isolation Valve Required for Combined Service.** As a continuing condition of service through a Combined Service Line, the Customer shall at all times provide the District unfettered access to, and sole operational control of, an isolation valve controlling the domestic portion of the Combined Service Line (the “Domestic Isolation Valve”). The Domestic Isolation Valve shall consist of one of the following configurations, as approved by the District in its sole discretion: (i) a Curb Stop; (ii) a meter pit equipped with a locking yoke; or (iii) an interior lockable meter set equipped with exterior access. The Domestic Isolation Valve shall be designed, installed, and maintained such that its operation does not, and cannot, impede, reduce, or otherwise affect flow to the Customer’s fire protection system. Operation of the Domestic Isolation Valve by any person other than a District employee or authorized designee of the District is prohibited and shall subject the Customer to the penalties set forth in Article 16.

## **ARTICLE 9. MAIN EXTENSIONS**

**9.1 Required Permits and Fees:** No main extension shall be constructed within the District until a main extension permit has been issued by the District and all fees paid.

**9.2 Main Extension Permits:** An applicant requiring the construction, or extension, of a District main shall submit a separate application for a main extension permit, prior to any construction of a main or any service line to be connected thereto. Payment of a connection fee, and issuance of a connection permit, does not constitute a main extension permit.

**9.2.1 Costs:** All costs of processing a main extension permit and inspection costs incurred by the District related to such an extension will be paid by the applicant in the form of an estimated deposit, determined by the District Manager, at the time of application.

**9.2.2 Acceptance of a Main:** Acceptance of a main shall occur as follows:

- All inspection and testing reports are deemed satisfactory;
- As-Built drawings are complete and accepted;
- All costs of the District are paid;
- All bills of sale, easements, or other conveyance instruments, are provided, approved and accepted by the District; and
- The two-year probationary period is met, as documented and determined by the District.

**9.3 Design and Construction Specifications:** All main extensions, including special structures required to insure proper operation of a main extension, shall be designed and constructed according to the District's Engineering Standards and Specifications.

**9.4 Location of Main Extensions and Additions:** Whenever possible, mains shall be installed in roads, public rights-of-way, or in easements granted to the District. Where mains cannot be installed in roads, public rights-of-way, private drives or common areas, such mains must be installed in easements granted to the District between adjacent properties. Mains will terminate at the point determined by the District.

**9.5 Conveyance of Title and Easements:** Owners who have completed construction of a main shall, before such main is accepted by the District, convey the main, associated Easement(s) and all appurtenances to the District free and clear of all liens and encumbrances, along with completion of a two-year probationary period. Prior to construction, the owner shall cause to be granted and conveyed to the District all easements and rights-of-way, as the District determines are reasonably necessary for the convenient operation, maintenance, repair or replacement of the main, and shall record all easements in the Douglas County real property records at the owner's expense. The District, without being obligated to do so, may accept a main extension in such fully constructed phases as the District determines appropriate and in accordance with these Rules and Regulations. The District reserves the right to refuse ownership of any main or facility the District determines should not become a part of its water or sanitary sewer system. Final acceptance by the District shall occur only upon satisfactory proof provided to the District of operability, and lack of defect, at the end of the probationary period.

**9.6 Main Extension Constructed by the Owner/Developer:** Prior to construction, owner shall cause security in the amount of 120% of the estimated cost of the construction, as approved by the District Manager, to be deposited with the District. All costs associated with a main extension are the responsibility of the owner.

**9.7 Inspection and Conveyance:** No main extension shall be conveyed to the District until it has been inspected by the District and found to have been installed in complete conformity with the District's Engineering Standards and Specifications and these Rules and Regulations. The District Manager shall be notified, prior to backfilling, when a main or main extension is ready for inspection and approval. All deficiencies noted as a result of inspection shall be corrected within ninety (90) days of the District's issuance of a written statement setting forth the deficiencies, at no cost or expense to the District. Deficiencies, for the purposes of this subsection, may include failure to complete the extension or to fulfill all requirements of dedication to the District. The District shall have the right, but not the obligation, after written notice to the owner of the property benefited by the main extension, to correct any and all deficiencies listed in the written notice that were not corrected by the owner within said ninety (90) day period and to charge the costs thereof, including reasonable attorneys' fees, to said owner after exhausting the posted security. All costs incurred by the District, including District labor, to correct the deficiencies shall be deemed a charge against the owner and, if not covered by the posted security or paid within thirty (30) days

after the owner is invoiced by the District, said charges shall constitute a lien against the property benefited by the main extension and may be certified to the County Treasurer for collection.

**9.8 Control of Facilities:** Upon initial acceptance of a main extension, the District shall have physical and legal control of the main extension, including any related facilities.

**9.9 Probationary Period Testing and Inspection:** Within the 30-day period prior to the expiration of the warranty instrument (two-year probationary period), the District will perform an inspection, and any items identified that do not conform to the District's Engineering Standards and Specifications will need to be addressed prior to the District accepting the facilities by bill of sale and prior to releasing any remaining security.

**9.10 Cost Recovery:** Any time an owner funds an extension of a water main (but not including a Hydrant line) or a sewer main that will benefit property not currently receiving service from the District, the owner may be eligible for reimbursement from other owners who may benefit from such extension. The District may facilitate a cost recovery agreement for owners within the District's boundaries as a condition to providing service to the benefitted property.

**9.11 Private Lift Stations:** Where there is no alternative alignment that would allow gravity flow of sewage to the District's sanitary sewer system from any served property, then a lift station may be permitted, subject to approval by the District of the design and discharge rate of such lift station. The purpose of such approval is exclusively for the purpose of ensuring that the discharge from the lift station does not exceed the anticipated flow from such served property, based upon the number of SFE connections issued for such properties, and such lift station shall be a private facility, not part of the District's sanitary sewer system. The District will assume no responsibility for the sufficiency, quality, operation, repair, maintenance or replacement of any such lift station. Such lift station shall at all times conform to all applicable governmental regulations.

**9.12 Pressure Sewer System Main Lines:** When the District, in its sole discretion, determines that an entire area cannot be served by a gravity flow collection system, the District may, but shall have no obligation to, allow the developer of said area to construct a private pressurized sewage collection system for the purpose of receiving sewage discharged into said pressurized sewage collection system from privately-owned, operated and maintained sewer service lines and lift stations, if any, and pumping said sewage into the District's gravity flow sanitary sewer system, in accordance with the District's Engineering Standards and Specifications.

**9.13 District Not Responsible for Private Facilities:** All privately-owned sanitary sewer facilities, including but not limited to privately-owned grinder pump sewer mains, lift stations and grinder pumps are the sole responsibility of owners thereof. The District shall review the plans and specifications for any privately-owned facilities, especially privately-owned lift stations. The District will do so for the limited purpose of assuring compatibility with the District's water and sanitary sewer systems. By conducting such a review, the District will not assume any duty, or responsibility, for the sufficiency, or adequacy, of such private facilities.

**ARTICLE 10.**  
**USE OF PUBLIC SANITARY SEWER SYSTEM**

**10.1 Policy:** Except as hereinafter provided, no person shall discharge, or cause to be discharged, to any sanitary sewer main, any special or prohibited sewage or any harmful or deleterious waters or wastes, whether liquid, solid, or gas, capable of causing obstruction to the flow of sewage, damage or hazard to structures, equipment and personnel of the sanitary sewer system, or other interference with the proper operation of the sanitary sewer System. The District is a member of PCWRA and the rules and regulations of PCWRA are incorporated herein by this reference. For any conflict between these Rules and Regulations and PCWRA's rules and regulations related to sanitary sewer treatment, PCWRA's rules and regulations shall control.

**10.2 Classification of Sewage:** This section of the Rules and Regulations shall provide the basic policies of the District for classification of sewage and for control of discharge of sewage into the sanitary sewer system. It shall be the policy of the District to classify sewage into three main categories termed "normal sewage," "special sewage," and "prohibited sewage," as hereinafter defined. The classification of sewage shall be the responsibility of the District Manager and shall follow recommended procedures of CDPHE and, subject to approval of the Board, shall be final and binding.

**10.2.1 Normal Sewage:** Normal sewage shall mean sewage that can be treated through the District's sanitary sewer system and PCWRA, without pre-treatment and within normal operating procedures, and which, when analyzed, shows by weight a daily average of not more than 300 parts per million of suspended solids and not more than 250 parts per million biological oxygen demand ("BOD").

**10.2.2 Special Sewage:** Sewage that does not conform to the definition for normal sewage, but that can be treated by the District after pre-treatment by the customer.

**10.2.3 Prohibited Sewage:** Sewage that may be reasonably anticipated to have a deleterious effect upon the sanitary sewer system or any persons or property, and therefore, in the opinion of the District, cannot be serviced by the District. No person(s) shall discharge, or cause to be discharged, any of the following described water or wastes into any sanitary sewer system:

- Gasoline, benzene, naphtha, fuel oil, or other flammable or explosive liquid, solid or gas.
- Water containing toxic or poisonous solids, liquids, or gases in sufficient quantity, either singly or by interaction with other wastes, to contaminate the sludge of any sanitary sewer system, injure or interfere with any sewage treatment process, constitute a hazard to humans or animals, create a public nuisance, or create any hazard in, or have an adverse effect on, the water receiving any discharge from the sewage treatment works.

- Water or wastes having a pH lower than 6.5 or higher than 9.0, or having any other corrosive property capable of causing damage or hazard to structures, equipment or personnel of the sanitary sewer system or sewage treatment works.
- Solid or viscous substances in quantities, or of such size, capable of causing obstruction to the flow of sewage, or other deleterious effects, on the sanitary sewer system and interference with the proper operation of such facilities such as, but not limited to, un-ground garbage, ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, whole blood, paunch manure, hair and fleshing, entrails, paper dishes, cups, milk containers, etc., either whole or ground by garbage grinders.
- Water or sewage including, but not limited to, stormwater, surface water, groundwater, roof runoff, sub-surface drainage, discharge from sump pumps, cooling water, unpolluted industrial process water or any other polluted industrial process water or any other unpolluted water may not be introduced to the sanitary sewer system. Said water is detrimental to the sanitary sewer system, since it interferes with the District's designed volume capacity and with the biological processes necessary for proper treatment of normal sewage and special sewage.

**10.3 Special Sewage:** The admission into the sanitary sewer system of any special sewage shall be subject to the prior written review and approval of the District Manager. The District may prescribe limits on the strength and character of such special sewage, or require such other procedures the District deems necessary, in its sole discretion.

**10.3.1 Pre-Treatment:** In accordance with the District's Engineering Standards and Specifications, the owner shall provide, at the owner's expense, such pre-treatment facilities as may be necessary to treat special sewage prior to discharge to a sewer main. Plans, specifications and any other pertinent information relating to proposed pre-treatment facilities shall be submitted for the approval of the District and CDPHE, and no construction of such facilities shall be commenced until such approval is obtained in writing. Where pre-treatment facilities are provided for any special sewage, such facilities shall be maintained continuously in satisfactory and effective operation by the owner, at the owner's expense.

**10.3.2 Control Manhole:** When required by the District, the owner of any property served by a service line carrying special sewage shall install and maintain, at the owner's expense, a suitable control manhole in the service line to facilitate observation, sampling and measurement of the special sewage. All measurements, tests, and analyses of the characteristics of the special sewage shall be at the owner's expense and determined based upon suitable samples taken at the control manhole, in accordance with most current edition of "Standard Methods for the Examination of Water and Sewage," A.P.H.A., A.W.W.A., and W.E.F. In the event that no control manhole has been required, the control

manhole shall be considered to be the nearest down-stream manhole in the sewer main to the point at which the service line is connected.

**10.4 Analysis of Sewage:** The District Manager, or authorized representative, shall be responsible for all sampling, testing and analysis of sewage. Testing and analysis shall be determined in accordance with the most current edition of “Standard Methods for the Examination of Water and Waste Water,” A.P.H.A., A.W.W.A., and W.E.F. Results of tests shall be made available to the customer at the District’s office.

**10.5 Grease, Oil, and Sand Interceptors:** All sanitary sewer service lines from any commercial, industrial or other facilities that produce grease, oil, sand, or any substance deemed harmful to the District’s sanitary sewer system shall contain interceptors of a design meeting the standards of the District and PCWRA. All sanitary sewer service lines containing interceptors shall be designed and specified by a licensed professional engineer. Once installed, the District or PCWRA may inspect the interceptors on an ongoing basis, and such interceptors shall be maintained by the customer, at the customer’s expense, in continuously efficient operation at all times. The customer shall send a copy of the applicable invoice to the District or PCWRA every time an interceptor is serviced, if requested by the District or PCWRA. Additionally, the customer shall file with the District copies of any agreement with hauling companies for the disposal of the intercepted grease, oil, sand, or other substance, if requested by the District or PCWRA.

## **ARTICLE 11. PERMITS, RATES, FEES, AND CHARGES**

**11.1 Policy:** The rates, fees, charges and other requirements contained herein shall apply only to Customers within the District’s boundaries and shall in no way control the rates, fees, charges and other requirements applied to service that the District may choose to provide outside of the District. Rates, fees and charges for temporary or intermittent volume-based water or sanitary sewer service for customers within or without the District shall be determined by the Board, in its sole discretion, on a case-by-case basis. Rates, fees and charges, as herein established, including, but not limited to, those set forth in the District’s Schedule of Rates, Fees, Penalties and Charges, shall remain in effect until amended by the District in accordance with these Rules and Regulations and applicable state law.

**11.2 Connection Permit:** Any person requesting service, or a change in service, shall file a connection permit application with the District and pay the applicable water connection fee and/or sanitary sewer connection Fee. No connection permit shall be issued until an application, properly completed and signed, is filed with the District by the owner(s). Prior to issuance of a permit, the applicant shall, at the District’s request, submit for approval by the District the engineering design and construction plans for the proposed connection. At the District’s request, for all structures, other than single family residences, building plans shall be submitted, which must include the applicable building requirements for potable water, fire protection and sanitary

sewer services. In every case, no service shall be allowed until all connection and other applicable fees have been paid.

**11.3 Change in Permitted Use:** Any time a connection permit is issued, and subsequent thereto, the water demand under said Permit increases or is planned to increase, the customer or owner shall be required to contact the District. The proper connection calculation shall be based upon the District's Engineering Standards and Specifications to update by the number and type of fixtures served at the property.

11.3.1 The District may recalculate the number of SFEs for a customer account based on: (1) data obtained from the building department of the City of Castle Pines, or Douglas County, if available; or (2) estimates made by the District. In either case, the customer's account will be amended to reflect the change in fixture count after thirty (30) days written notice.

11.3.2 **Reassessment of Fees:** If the District's recalculation of water demand based on the fixture count indicates that total water demand for a property has increased 0.5 SFEs or more, the installation of a larger meter may be required, along with payment of installation costs and all applicable fees. For example, an increase from 1.5 SFE to 2.0 SFE may necessitate installation of a larger meter, assessment of the then applicable connection fee, meter replacement costs and assessment of RWRF, if applicable. In addition, such an increase will result in increased monthly service charges, in accordance with rates associated with a larger meter. Any fees and charges assessed as a result of the changes in permitted use shall be assessed in accordance with the District's Schedule of Rates, Fees, Penalties and Charges.

**11.4 Service Charges:** After issuance of a connection permit and payment of the connection fee and all related costs, service charges shall commence at the time of service line inspection by the District. Service charges will be billed to the owner, who remains ultimately liable for such charges. When a condominium, townhome, or other association exists for a number of units receiving service from the District through one meter, said association shall be billed for all units serviced by the association. In the event the District is unable to obtain a meter reading on an account for any billing cycle, the District may estimate water usage.

**11.5 Calculation of Service Charges:** Service charges shall be paid by all customers in accordance with the District's Schedule of Rates, Fees, Penalties and Charges.

11.5.1 **Payment of Service Charges:** Statements for service charges shall be provided to customers on a monthly basis. Charges for late payments, turn-on, turn-off and other various charges shall be added to monthly statements. All statements shall be payable on the due date stated on the statement. Service charges shall continue to be imposed after service is turned off, regardless of the reason for disconnection.

11.5.2 **Leakage Adjustment:** The leakage adjustment rate is the lowest District treated water volume rate (Tier 1) per billable usage volume in effect at the time a request

to apply this rate is received by the District. If the request is approved by the District, the leakage adjustment rate will be applied to the amount of water measured by the customer's meter that exceeds the allotted usage volume (known as the "budget") for the same meter and the same billing cycle and the customer's account will be adjusted accordingly. Leak adjustments are limited to no more than two consecutive months' usage and no more than once in any two-year period.

11.5.3 Water leakage volume must be at least double the normal (average) usage for the same billing cycle based on the previous two years' customer meter data.

11.5.4 A request must be made to the District from the owner, tenant or property manager, which includes the location of the leak, the date of repair and the billing cycle for which consideration is requested. Documentation evidencing proof of repair must be provided to the District at the time of the request.

**11.6 Turn-Off Service Fee:** Whenever service is turned off for involuntary reasons, such as delinquency of payment or violation of the District's Rules and Regulations, a turn-off service fee shall be charged. If the turn-off is made voluntarily and requested during normal operating hours (8:00 a.m. - 4:00 p.m., every day, including weekends), no fee shall be charged. If voluntary turn-off is requested at any time other than normal operating hours, the turn-off service fee shall apply.

**11.7 Reconnect Fee:** When service has previously been turned off by the District for involuntary reasons, a reconnect fee shall be charged prior to turning on the service.

**11.8 Availability of Service Fees:** The District may assess availability of service fees, upon providing notice of the board meeting to consider such fees, pursuant to state statute. Availability of service fees shall be assessed solely for the purpose of paying principal and interest on any outstanding indebtedness or bonds to mature and accrue during the annual period within which such fees are payable. Property shall be considered as having water or sanitary sewer service available for the purpose of assessing availability of service fees when District water and sewer mains are installed in a public right-of-way, easement, private drive, or common area within 100 feet of a property line or corner.

**11.9 Connection Fee and Renewable Water Resources Fee:** The connection fee and RWRF are distinct fees when any application for a connection is made to the District, or when water use is expanded through an existing connection.

11.9.1 **Connection Fees:** The connection fee is a fee designed to allocate the cost imposed by, and benefit received from, each new connection, or increase in water use through an existing connection to the District's facilities.

11.9.2 **Application of the Connection Fee:** Application of the connection fee shall be based on the number of SFEs served by new or increased water use of an existing connection. Assessment of the connection fee allows the District to plan capital

improvements necessary to serve new connections or an expansion of water or sanitary sewer use. Payment of the connection fee shall be due no later than at the time of application for a connection permit, or when the District learns of, or independently determines, an expanded use through an existing connection.

**11.9.3 Application of the RWRP:** The RWRP shall be based on the number of SFEs served by the property pursuant to Resolution 2013-006 as may be amended. Payment of the RWRP shall be due no later than at the time of application for a connection permit or when the District learns of, or independently determines, an expanded use through an existing connection. For new property included in the District, payment of the RWRP is required no later than the time of connection permit.

**11.9.4 Applicability of Connection Fee and RWRP:** In determining the applicable Connection Fee and RWRP, the following criteria shall apply:

- The fees and charges reflected in the District’s Schedule of Rates, Fees, Penalties and Charges are based upon the number of SFEs served. The District shall review the Connection Fee and RWRP annually, based upon new information regarding the costs of capital improvements and inflationary factors affecting the costs of such improvements, and may increase such fees and charges in its discretion.
- Any increase in meter size, water usage, SFEs served or sewage generated within a commercial establishment may result in the assessment of additional Connection Fee or RWRP, as described herein.

## **11.10 Billing Procedure:**

**11.10.1 Service Charges:** Statements for service charges are mailed monthly. All service charges are due upon the date printed on the statement. Service charges begin when a customer connects to a main, prior to meter installation.

**11.10.2 Delinquent Charges and Fees:** Unless otherwise provided in these Rules and Regulations, all monthly fees and charges imposed by the District, billed to the owner/customer and delinquent sixty (60) days, may be assessed a late charge on the delinquent amount at the maximum rate allowed by law, plus all costs and attorneys’ fees associated with collection. All fees and charges billed by the District and not paid within sixty (60) days shall be considered delinquent. If any fees or charges are delinquent by more than sixty (60) days, or two billing periods, whichever is later, the District may shut off service to the property, after providing notice. The account must be paid in full to avoid discontinuance of service; however, a payment plan for delinquent amounts may be approved by the District Manager. In addition, the District may certify the delinquency to the county treasurer in accordance with Section 32-1-1101 (1), C.R.S. Notice of the District’s certification hearing shall be provided pursuant to statute. If the District intends to certify the delinquency to the county treasurer, a collection fee shall be automatically added to the delinquent amount to be collected. The District assumes no responsibility for

agreements between owners and occupants and vendors and vendees. The District may impose a reconnection fee on any account for which service has been stopped in accordance with this section.

11.10.3 **Liens for Unpaid Charges and Fees:** All charges and fees shall be charged against the customer or owner of the property served and shall be a statutory perpetual lien upon the property to which said service is provided, or has been requested, from the time such charges and fees become due.

## **ARTICLE 12. WATER CONSERVATION**

**12.1 Waste:** Water is a valuable and precious commodity in the state and within the boundaries of the District. Waste of water is prohibited. Runoff of water from landscaped and irrigated properties and overspray from irrigation systems to impervious surfaces is prohibited. Customers are required to maintain sprinkler or irrigation systems or hoses in such a manner as to avoid runoff, overspray, leaks and/or waste. Any District employee who observes waste occurring shall notify the customer. In the event the customer fails to cease the activity resulting in waste, or in the event any District employee observes such waste again, the Board may terminate service to such property until such waste is corrected or ceases.

**12.2 Conservation Orders:** Upon a determination by the Board that the District is facing an immediate shortage in its supply of water, which threatens the health, safety and welfare of the property owners, inhabitants of, and visitors to the District, and requires immediate action, the Board is empowered to institute orders regulating or curtailing uses of water by those served by the District. If necessary, the Board may order immediate restrictions, or complete curtailment, of irrigation use. Any conservation orders shall be uniformly applied to all similarly situated customers within the District's service area. Conservation orders may be modified as the conditions causing the water shortage change. The conservation orders shall be effective immediately upon being adopted, or as otherwise provided.

**12.3 Enforcement:** The person billed for water service to any given property shall be responsible for compliance with any conservation orders and proscription against water waste. Violations, as determined by the District Manager, will subject such persons to actions and penalties, as described in the conservation order, and any appeals of such penalties and charges may be made to the Board.

## **ARTICLE 13. INSPECTIONS**

**13.1 Powers and Authority of Inspectors:** After reasonable notice, the District Manager, or authorized representative, shall be permitted to enter any property within the District for the purpose of performing testing related to discharge to the sanitary sewer System, or for the

purpose of inspection, observation, measurement, sampling, repair, or maintenance of any portion of the District’s facilities lying within said property.

**13.2 Construction Inspection:** The District Manager, or authorized representative, shall have the right to inspect any and all work during construction to ensure installation in accordance with the District’s Engineering Standards and Specifications. After completion of construction of water or sanitary sewer lines, the District Manager, or authorized representative, shall make a final inspection of construction.

## **ARTICLE 14. PROTECTION OF DISTRICT FACILITIES**

**14.1 Compliance with Statutes and Regulations:** For any activity that requires digging, boring, directional drilling, or any excavation around District facilities, the person, contractor, or excavator wishing to dig or excavate around said facilities shall comply with all applicable statutes and regulations of the state, including, but not limited to, Section 9-1.5-101, *et seq.*, C.R.S. (“Locate Statute”), requiring notification to the Utility Notification Center of Colorado (UNCC) at 1-800-922-1987 to locate District facilities. For purposes of this section, in emergency situations, including ruptures and leakage of pipelines, explosions, fires, and similar instances where immediate action is necessary to prevent loss of life or significant damage to property, including but not limited to underground facilities, and where advance notice of proposed excavation is impracticable under the circumstances; any person performing emergency excavation shall take such precautions as are reasonable under the circumstances to avoid damage to underground facilities, and shall notify the District of such excavation as soon as possible thereafter, and shall comply with all additional notice requirements as provided by law.

## **ARTICLE 15. CROSS-CONNECTION CONTROL AND BACKFLOW PREVENTION**

**15.1 Purpose.** The purpose of this Article is to protect the District’s public water supply from contamination or pollution due to backflow from cross-connections, in compliance with Section 11.39 of the Colorado Primary Drinking Water Regulations (Regulation 11), 5 CCR 1002-11, administered by the Colorado Department of Public Health and Environment (“CDPHE”). This Article establishes the District’s Backflow Prevention and Cross-Connection Control Program (“BPCCC Program”).

**15.2 Definitions.** For purposes of this Article, the following definitions apply in addition to those set forth in Article 2:

**(a) Backflow:** The undesirable reversal of flow of water or other substances through a cross-connection into the public water supply.

**(b) Cross-Connection:** Any actual or potential connection between the District’s public water supply and any source or system containing non-potable water or other substances, through which backflow may occur.

**(c) Backflow Prevention Assembly:** A testable mechanical device installed to prevent backflow, including but not limited to reduced pressure zone assemblies, double check valve assemblies, and pressure vacuum breaker assemblies.

**(d) Certified Cross-Connection Control Technician:** A person holding a valid certification from an organization approved by CDPHE to test, inspect, and repair backflow prevention assemblies.

**15.3 Applicability.** This Article applies to all service connections to the District’s water system. Commercial, industrial, multi-family, irrigation, fire line, and other non-single-family residential service connections shall be required to install, maintain, and annually test approved backflow prevention assemblies. Single-family residential connections may also be subject to backflow prevention requirements where the District determines a cross-connection hazard exists.

**15.3.1 Site specific deviation criteria.** Multi-family connections are those served by a single service line that supplies three or more separate residential dwelling units. Connections that serve more than two but fewer than six dwelling units, do not provide water for irrigation, do not have a pool, hot tub or similar, do not have a fire sprinkler system, do not have any connection to a non-potable or alternative water source, and are free from other hazards that are not typical of a single family residence, are exempt from annual testing, and device tracking. An initial survey to verify conditions is still required.

**15.4 Customer Responsibilities.** Each customer shall:

- (a) Permit the District or its designee to perform cross-connection surveys of the customer’s water system;
- (b) Install, at the customer’s expense, backflow prevention assemblies required by the District;
- (c) On at least an annual basis, allow access to the District representative(s) to perform testing on the Customer’s backflow prevention assembly. A monthly surcharge will be added to the customer’s bill to pay for the costs of testing;
- (e) Repair or replace, at the customer’s expense, any backflow prevention assembly that fails testing, within thirty (30) days of the failed test, and allow the district access to retest the device. However, repair and replacement of internal components of the backflow device will be done by the district or its authorized representative; and
- (f) Notify the District of any backflow incident or any known or suspected cross-connection.

**15.5 District Authority.** The District shall have the authority to:

- (a) Conduct or require cross-connection surveys of customer premises;
- (b) Access customer premises at least annually to conduct testing, and if necessary, repair or replace components internal to the device.
- (c) Collect rates tolls and fees in the form of a monthly surcharge added to the monthly bill to recover all, or a portion of the costs for testing and repairs.
- (d) Require the installation of backflow prevention assemblies of a type and degree of protection commensurate with the degree of hazard, as determined by the District or applicable law;
- (e) Establish and enforce testing schedules and reporting requirements;
- (f) Deny or discontinue water service to any premises where a cross-connection hazard exists and the customer has failed to install, or maintain a required backflow prevention assembly; and
- (g) Take such other actions as necessary to protect the public water supply and comply with CDPHE requirements.

**15.6 Termination of Service for Noncompliance.** If a customer fails to comply with the requirements of this Article, including failure to install a required backflow prevention assembly, failure to allow access for annual testing, or failure to repair or replace a failed assembly within 120 days of discovery, the District shall, after providing written notice and a reasonable opportunity to cure, discontinue water service to the premises as provided for within these Rules. Service shall not be restored until the customer has demonstrated compliance and paid any applicable fees or penalties.

**15.7 Uncontrolled Cross Connections.** All uncontrolled cross connections must be controlled within 120 days of discovery. Either through the installation of the appropriate device, method, or discontinuation of service until the connection is properly controlled.

**15.8 New Construction and Renovations.** Plans for all new construction and major renovations requiring a connection to the District's water system shall be submitted to the District for review. The District may require backflow prevention assemblies as a condition of service based on the intended use of the premises and the degree of hazard.

**15.9 Records and Reporting.** The District shall maintain records of all cross-connection surveys, backflow prevention assembly installations, and test reports as required by CDPHE Regulation 11.39 and CDPHE Policy 7. The District shall prepare and submit annual reports to CDPHE as required.

## **ARTICLE 16. ENFORCEMENT**

**16.1 Violations:** In case of violation of the Rules and Regulations, and in addition to any other applicable fees, penalties, and charges, the Board may revoke a permit, revoke, disconnect, require disconnection, and/or require the District's facilities be returned to original condition, and shall require payment of all applicable fees, penalties, and charges and all costs associated with the violation, including attorneys' fees. This section shall not be construed to limit the rights of the District to pursue other fees, charges, penalties, remedies or forms of relief it determines to be applicable.

**16.2 Penalties:** The District may impose the following penalties against any violator:

**16.2.1 Illegal Discharge:** Any person making an illegal discharge into the District's water, sanitary sewer or stormwater system shall be penalized a minimum of \$500.00, plus all costs incurred by the District as a result of such discharge.

**16.2.2 Unauthorized Connection or Water Use:** Any person who has made an unauthorized use of District water or an unpermitted connection to the District's water, sanitary sewer, or stormwater system, shall be penalized a minimum of \$500.00, plus any costs incurred by the District, and any other outstanding fees or charges, including a Reconnection Fee, if applicable.

**16.2.3 Unauthorized Use of Fire Hydrants or Blow-Off Valves:** Any person who has tampered with or made an unauthorized use of a District fire hydrant or blow-off valve shall be penalized for the water loss at a rate determined at the discretion of the Board. Such person shall be penalized a minimum of \$500.00, plus any costs incurred by the District to repair any damage to District facilities.

**16.2.4 Unauthorized Use of Water Meters or Facilities:** Any person who has tampered with or made an unauthorized use of a District meter or other District facilities shall be penalized \$500.00, plus any amount necessary to repair or replace such Meter or other District facilities, and may be subject to criminal prosecution.

**16.2.5 Criminal Offenses:** The District will notify law enforcement of any person who maliciously, willfully, negligently or criminally damages, destroys, defaces, or tampers with any part of the District's facilities. Such person may be subject to criminal charges, which shall be in addition to penalties and/or charges imposed by the Board.

## **ARTICLE 17. HEARING AND APPEAL PROCEDURES**

**17.1 Initial Complaint – Resolution.** Complaints must be presented in writing to the District Manager concerning the interpretation, application or enforcement of these Rules and Regulations. The District Manager shall complete a review of the allegations contained in the complaint and take such action and/or make such determination as may be warranted and shall

notify the appropriate person in writing within five (5) business days. The District will maintain an annual record of all such complaints, including those details relevant to the matter.

**17.2 Application.** The hearing and appeal procedures established by this section shall not apply to the following complaints:

17.2.1 Complaints arising out of the interpretation of the terms of District contracts;

17.2.2 Complaints that arise with regard to personnel matters; and

17.2.3 Any other complaints that do not concern the interpretation, application or enforcement of the Rules and Regulations.

**17.3 Hearings Before the Board.** In the event a person disagrees with the determination of the District Manager, that person may, within fifteen (15) days from the date of receipt of the determination, file a written request for a hearing before the Board. The request for a hearing shall set forth with specificity the facts and/or exhibits to be presented at the formal hearing. The Board shall hold a hearing on the complaint at the next regularly scheduled meeting held no earlier than twenty (20) days after the filing of the request for a hearing. At the hearing, the Manager and the person requesting the hearing shall present evidence. The Board may establish rules and procedures governing the hearing. A record of the hearing shall be maintained.

**17.4 Final Determination.** The Board shall issue a written decision and shall cause notice of the decision to be hand delivered or sent by certified mail within fifteen (15) days of the hearing. The Board's determination shall be the final District action.

April 17th, 2026

Mr. Nathan Travis, Manager  
 Castle Pines North Metropolitan District  
 7404 Yorkshire Drive  
 Castle Pines, CO 80108

Subject: Water Distribution System Risk Analysis and Capital Improvement Plan (CIP)  
 Castle Pines North Metropolitan District (District)  
 K/J Project 2646056\*00

Dear Nathan:

Kennedy/Jenks Consultants (KJ) is pleased to provide this proposal for the Water Distribution System Risk Analysis and Capital Improvement Plan (CIP). Our scope of services is based on discussions with the District regarding ductile iron pipe (DIP) that were installed without polyethylene wrap and insulated service connections. These unwrapped DIP water lines were generally constructed in the mid-1980s through the late-1990s and have experienced excessive corrosion, which has contributed to District water main breaks over the past ten years.

The District has replaced several unwrapped DIP water lines, including critical transmission mains along Monarch Boulevard and Castle Pines Parkway, as well as smaller distribution mains in residential areas with repeated failures. As part of this project, the District seeks to develop a preventative, comprehensive plan for rehabilitation and replacement of remaining unwrapped DIP water lines over the next 30 years.

To date the District and KJ have identified the following list of known DIP water lines that have been installed without polyethylene wrap and are shown graphically in the attached exhibit (Exhibit A).

**Pipe Assessment - Unwrapped DIP per AIMS mapping:**

Pipe Diameter (Inches)	Total Linear Feet
4	130
6	12,620
8	31,270
10	6,880
12	8,800
14	4,470
16	1,790
18	2,480
20	4,320
24	1,150
<b>Total Length</b>	<b>73,910</b>

Mr. Nathan Travis, Manager  
Castle Pines North Metropolitan District  
April 17th, 2026  
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KJ will work closely with the District to identify any additional DIP water lines constructed without polyethylene wrap. KJ will prepare exhibits to support coordination with a third-party consultant retained by the District for acoustic testing. This testing evaluates pipe wall thickness to help estimate remaining service life and identify leaks, without requiring excavation.

KJ will also coordinate potholing efforts with the District's contractor to visually inspect corrosion-prone locations and perform ultrasonic wall thickness measurements where feasible. Results will be integrated with acoustic testing findings to support remaining service-life assessments.

Once results are compiled, KJ will discuss the findings with the District and prepare a planning-level Capital Improvement Plan suitable for implementation over the next 30 years.

## **SCOPE OF SERVICES**

### **Task 1 – Project Management**

#### **Task 1.1 – Project Management**

KJ will provide management and oversight of in-house project personnel and subconsultants throughout the project. This task shall also consist of the provision of administrative support in the KJ's office for the duration of the project. KJ shall review and monitor project budget and progress on a regular basis, as well as management of KJ in-house and subconsultant activities. KJ will allocate resources to meet project objectives based on this scope of work and will perform project controls activities to accomplish day-to-day management of the work.

#### **Task 1.2 – Meetings/Coordination**

KJ will conduct a project Kickoff Meeting with District staff and Kennedy Jenks to discuss the project objectives and approach. This meeting will be held at the District's site location. KJ anticipates a total of four (4) 1-hour meetings with the District. KJ will provide meeting minutes after each meeting. KJ will also conduct an additional four (4) 1-hour meetings for internal progress and ensuring design is on track. These anticipated meetings are included within the proposed budget.

#### **Task 1.3 – Quality Assurance/Quality Control**

KJ will provide quality assurance/quality control (QA/QC) for the project. The QA/QC includes review of recommendations and deliverables, and internal QA/QC meetings with the project team. KJ will have internal quality control meetings at the project kickoff.

Mr. Nathan Travis, Manager  
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## **Task 2 – Data Collection and Review**

Review of GIS data, record drawings, break history, and mapping of unwrapped ductile iron water mains.

## **Task 3 – Pipeline Testing Support (Optional)**

### **Task 3A – E-Pulse Acoustic Pipeline Testing**

Support coordination and interpretation of third-party acoustic testing performed by District-retained consultants. Services include test planning support, data review, interpretation of results, and integration into the condition assessment and CIP.

The results will be incorporated into an overall water distribution map to show the results of the testing. KJ will use the findings from these tests to help establish sequencing for the rehabilitation and replacement of DIP water mains within the 10-year and 30-year capital improvement timeframes. KJ will help the District coordinate with a consultant, such as Echologics, a Mueller brand. We've included a cost estimate for Echologics below. This work will require District authorization, and the District will contract directly with the consultant.

#### *Echologics Fee Estimate*

KJ has contacted Justin Garrison with Mueller Consultants to determine an approximate cost associated with performing the E-Pulse echologic testing. Below is an expected cost breakdown per our discussion based on mobilization and cost per linear foot.

Initial costs are as follows:

#### Mueller Testing Fees (E-Pulse) assuming testing on all pipes in the contract:

Mobilization fee = \$18,000

Standard Testing and Evaluation = \$5.50/LF of Waterline

$$73,910 \text{ LF} \times \$5.50/\text{LF} = \$406,505$$

(Order-of-magnitude fees are for reference and not part of the KJ fee)

## **Task 3B – Open-Cut Inspections**

### **Visual Inspection of Open-Cut Excavation (Potholing) and Ultrasonic Testing:**

KJ, with the District's support, will identify pothole locations. KJ anticipates up to 15 potholes for this evaluation. The District's contractor will excavate the water main with KJ present. For each excavation, KJ will photograph the water main, catalog observations, and will conduct the ultrasonic testing for measurements, or have the contractor perform them while KJ is present onsite. We've included a cost

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estimate for EPR below. This work will require District authorization, and the District will contract directly with the contractor.

#### *EPR Fee Estimate*

KJ has contacted Shannon Whitehead with EPR Excavating (EPR) to perform potholing (open-cut excavation) services. Per our discussion with Shannon, we determined the appropriate approach to evaluate the existing water mains would be open-cut excavations of strategic locations with unwrapped DIP, preferably in cul-de-sacs where multiple service line connections are present in a short space. As part of this effort, EPR will excavate and provide shoring to allow KJ to perform visual inspection and either KJ or the Contractor will perform the ultrasonic pipe thickness testing. This work includes bedding material, flash fill backfill, and asphalt patching. This work also includes permitting and traffic control. The District's contractor will be responsible for excavation safety, shoring, and compliance with applicable OSHA requirements prior to KJ Entry.

Assuming 15 potholes (open-cut) x \$15,000 each = \$225,000

(Order-of-magnitude fees are for reference and not part of the KJ fee)

### **Task 3C – Laboratory Testing for 20-Inch DIP (Transmission Main from Treatment Plant to District Tanks)**

KJ will coordinate with PSI Labs to define laboratory testing options for two previously-removed 20-inch DIP segments located near the Castle Pines Village Tank site. This transmission main, along with the parallel 24-inch main, are critical water transmission mains for the District. They extend from the water treatment plant south to the District's storage tanks. Laboratory testing may help determine the condition of this main, the estimated remaining service life of the pipe, and possible repairs or replacement needed.

KJ will coordinate development of PSI Labs' testing scope and fees for District approval, review laboratory results, and summarize planning-level findings. Laboratory testing and associated fees are outside the scope and fee of this proposal and require separate District authorization. The District will contract directly with PSI.

### **Task 4 – Technical Memorandum and Capital Improvement Plan**

#### Technical Memorandum

1. **Outline testing procedures, results, and findings:** KJ will complete a condition assessment of unwrapped DIP water mains using a combination of record review, non-invasive acoustic testing, and targeted potholing. Acoustic testing will be conducted through hydrants and valves to estimate pipe wall thickness and identify potential leaks. Select potholing locations will be visually inspected, and ultrasonic thickness measurements will be taken—particularly at uninsulated service connections.

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2. **Provide a 10-year and 30-year CIP:** Kennedy/Jenks will prepare a 10-year and 30-year Capital Improvements Plan including high-level cost estimates for each plan. This timeline for water system rehabilitation and replacement, along with the corresponding cost estimates, can be used for planning and budgeting in the future.

10-Year CIP

Focus on replacing or rehabilitating the highest-risk unwrapped DIP mains, particularly critical transmission lines and mains with a history of frequent breaks. Early investments will reduce emergency repairs and improve system reliability.

30-Year CIP

Implement phased replacement of remaining unwrapped DIP mains as they approach the end of their service life. Coordinate replacements with roadway projects and other capital work to optimize costs and minimize disruption, transitioning fully to a preventative asset management strategy.

Assumptions

Kennedy/Jenks has prepared this proposal based on the assumptions outlined below. Changes to these assumptions may require adjustments to the scope, schedule, and/or fee.

- The District will provide available GIS data, break history, record drawings, and system information in a timely manner.
- Identification of unwrapped ductile iron mains will be based on available records, field observations, and professional judgment; undocumented conditions may require assumptions subject to refinement.
- The District will contract directly with a third-party acoustic testing consultant; KJ's role will be limited to coordination, data review, and interpretation.
- Potholing is assumed not to exceed fifteen (15) locations, and field access will be provided during normal working hours. The District will contract directly with EPR for excavations. KJ's role will be limited to field observations and thickness testing once the excavation is safe for entry.
- The District will contract directly with PSI for lab testing. KJ's role will be limited to coordination and technical support.
- Services will be performed in general conformance with applicable regulations in effect at the time of work; permitting and regulatory approvals beyond high-level planning are excluded unless specifically authorized.
- Capital improvement plan cost estimates are planning-level opinions of probable cost for budgeting purposes only.

Mr. Nathan Travis, Manager  
Castle Pines North Metropolitan District  
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- The schedule assumes timely authorization, consultant availability, and District review responses.

## **SERVICES NOT INCLUDED**

The following services are not included in this agreement. If such services are requested, the scope and budget shall be specified in a supplemental amendment.

- Geotechnical Investigation
- Environmental Assessments
- Utility Locates
- Design Survey
- Agency Permits and Fees
- Land Acquisition (easements)
- Full time construction observation
- Traffic Control Plan
- Homeowner Notification, Meetings, or Coordination

## **BASIS OF COMPENSATION**

We propose that compensation for our services be on a time and materials reimbursement basis in accordance with our 2026 Billing Rates, attached. The fee estimates indicated below are based on our current level of understanding of the project and the assumptions made in the scope of services. Payments shall be made monthly based on invoices which describe services and list actual costs and expenses.

Mr. Nathan Travis, Manager  
 Castle Pines North Metropolitan District  
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We propose a fee budget as follows:

The estimated number of hours for each scope of service task item is indicated in the “Proposal Fee Estimate” spreadsheet attached to this proposal.

Task	Description	Task Total
1	Project Management	\$12,539
2	Data Collection and Review	\$10,135
3A	E-Pulse Acoustic Pipe Testing Support (Optional)	\$8,792
3B	Open-Cut Potholing Support (Optional)	\$17,103
3C	20-Inch Main Line Testing Support (Optional)	\$4,091
4	Technical Memorandum; 10-year and 30-year CIP Implementation	\$22,776
<i>Total (without Task 3)</i>		<i>\$45,250</i>
<b>Total</b>		<b>\$75,436</b>

**SCHEDULE**

We propose the following schedule:

<i>Task</i>	<i>Estimated Completion Date</i>
<i>Data Collection</i>	
Review Break History	Apr-Jun 2026
Distribution Main Map	Jun 2026
<i>Pipeline Testing</i>	
Acoustic Testing	Jun-Sept 2026
Open Cut/Visual Evaluation/Ultrasonic Testing	Jun-Sept 2026
20-Inch Main Line Testing	Jun-Sept 2026
Technical Memorandum	Oct-Nov 2026

This schedule assumes we can start acoustic testing, potholing, and 20-inch main line testing within several weeks of Notice to Proceed, subject to consultant availability. Schedule is subject to change based on these anticipated start dates.

Mr. Nathan Travis, Manager  
Castle Pines North Metropolitan District  
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**DELIVERABLES**

We propose the following deliverables throughout the course of the project:

- Distribution map showing unwrapped DIP water mains and break history
- Acoustic Testing Results and Mapping (optional)
- Field observations from potholing and Ultrasonic Test Results (optional)
- Laboratory testing for 20-inch water lines (optional)
- Technical Memorandum summarizing testing procedures and recommendations, including 10-year and 30-year CIP
- 10-year and 30-year CIP Cost Estimates

**TERMS AND CONDITIONS**

As on previous projects, Kennedy/Jenks has reviewed the District’s Standard Contract Provisions and agrees to use them for this project. The District will prepare and Agreement with the Provisions and with this letter proposal attached for our review and acceptance.

Thank you for considering us for this work. We look forward to working with you.

Sincerely,

KENNEDY/JENKS CONSULTANTS, INC.



Lisa Schwien, P.E.  
Project Manager



Jeff Killingsworth, P.E.  
Project Manager

**AUTHORIZATION:**

CASTLE PINES NORTH  
METROPOLITAN DISTRICT

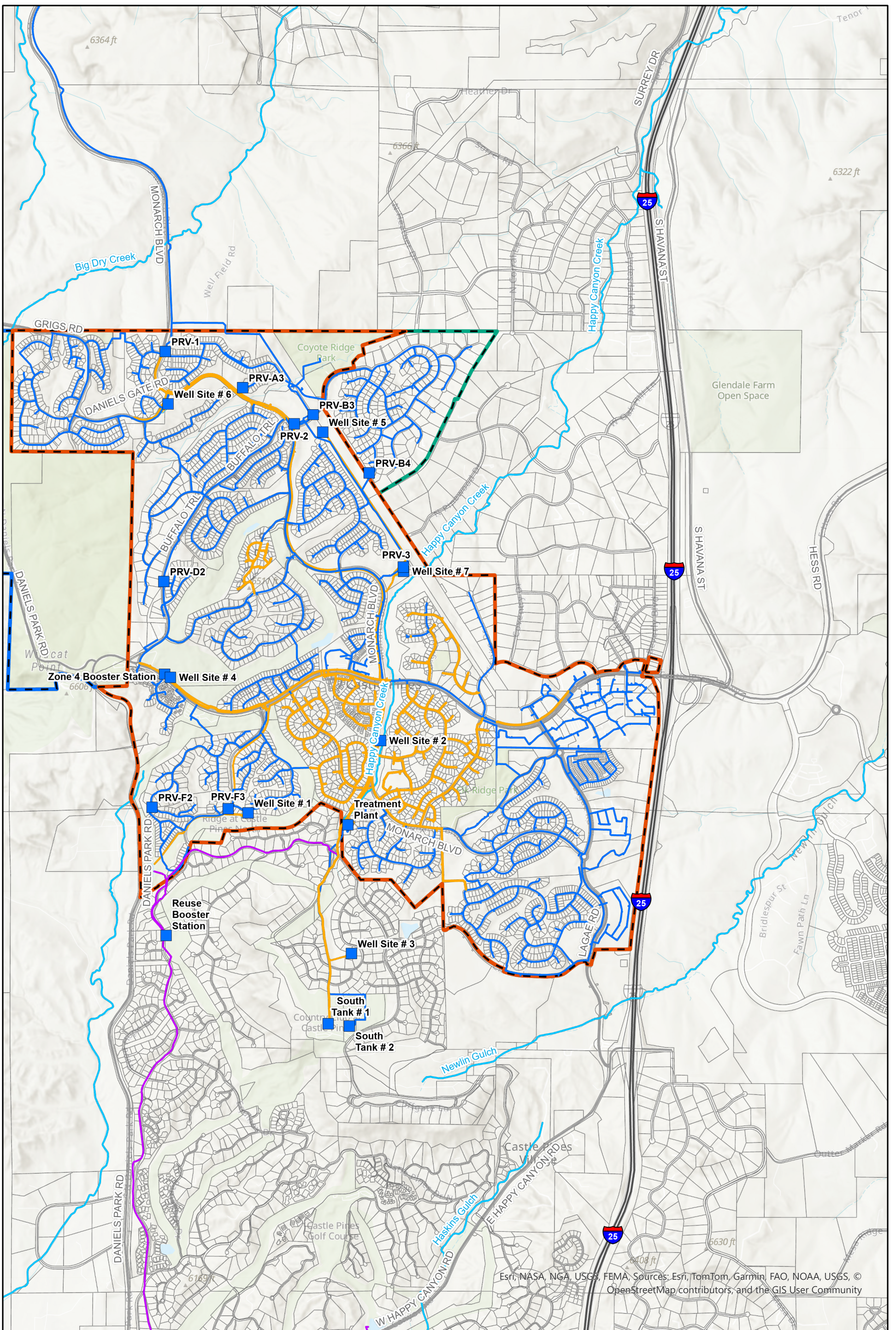
By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

Title: \_\_\_\_\_

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

Enclosures:  
Fee Estimate  
Billing Rates  
Standard Conditions



Esri, NASA, NGA, USGS, FEMA, Sources: Esri, TomTom, Garmin, FAO, NOAA, USGS, © OpenStreetMap contributors, and the GIS User Community

Proposal Fee Estimate Assoc. Proj. Costs per Schedule of Charges

CLIENT Name: Castle Pines North Metro District  
 PROJECT Description: Water Distribution System Risk Analysis and Capital Improvement Plan  
 Proposal/Job Number: 2646056 Date: 4/16/2026

January 1, 2026 Rates	Eng-Sci-9	Eng-Sci-8	Eng-Sci-7	Eng-Sci-6	Eng-Sci-5	Eng-Sci-4	Eng-Sci-3	Eng-Sci-2	Eng-Sci-1	Project Administrator	Admin. Assist.	Aide	Total	KJ Labor	KJ Communications Charge	KJ ODCs	Total Labor	Total Expenses	Total Labor + Subs + Expenses
Classification:	Eng-Sci-9	Eng-Sci-8	Eng-Sci-7	Eng-Sci-6	Eng-Sci-5	Eng-Sci-4	Eng-Sci-3	Eng-Sci-2	Eng-Sci-1	Project Administrator	Admin. Assist.	Aide	Hours	Fees	3%	Fees			Fees
Hourly Rate:	\$294	\$272	\$252	\$225	\$202	\$181	\$163	\$143	\$121	\$109	\$100	\$105							
<b>Phase 1 - Project Management</b>																			
1 - Project Management			16										16	\$4,032	\$121		\$4,153	\$0	\$4,153
2 - Coordination /Meetings			16				4						20	\$4,684	\$141	\$200	\$4,825	\$200	\$5,025
3 - Quality Assurance/Quality Control (QA/QC)		12											12	\$3,264	\$98		\$3,362	\$0	\$3,362
<b>Phase 1 - Subtotal</b>	0	12	32	0	0	0	4	0	0	0	0	0	48	\$11,980	\$359	\$200	\$12,339	\$200	\$12,539
<b>Phase 2 - Data Collection and Review</b>																			
1 - Review Break History			4				24						28	\$4,920	\$148		\$5,068	\$0	\$5,068
2 - Distribution DIP Main Map			4				24						28	\$4,920	\$148		\$5,068	\$0	\$5,068
<b>Phase 2 - Subtotal</b>	0	0	8	0	0	0	48	0	0	0	0	0	56	\$9,840	\$295	\$0	\$10,135	\$0	\$10,135
<b>Phase 3 - Pipeline Testing</b>																			
1 - Echologic Acoustic Testing			8				40						48	\$8,536	\$256		\$8,792	\$0	\$8,792
2 - Visual Evaluation of Open Cut Excavations/Ultrasonic Testing			24				60						84	\$15,828	\$475	\$800	\$16,303	\$800	\$17,103
3 - 20-Inch Water Main PSI Labs Testing Coordination and Support			8				12						20	\$3,972	\$119		\$4,091	\$0	\$4,091
<b>Phase 3 - Subtotal</b>	0	0	32	0	0	0	112	0	0	0	0	0	152	\$28,336	\$850	\$800	\$29,186	\$800	\$29,986
<b>Phase 4 - Technical Memorandum</b>																			
1 - Outline testing procedures, results, and findings			8				24						32	\$5,928	\$178		\$6,106	\$0	\$6,106
2 - Summarize the recommendations			8				16						24	\$4,624	\$139		\$4,763	\$0	\$4,763
3 - Provide a 10-Year and 30-year CIP			20				40						60	\$11,560	\$347		\$11,907	\$0	\$11,907
<b>Phase 4 - Subtotal</b>	0	0	36	0	0	0	80	0	0	0	0	0	116	\$22,112	\$663	\$0	\$22,776	\$0	\$22,776
<b>All Phases Total</b>	0	12	116	0	0	0	244	0	0	0	0	0	372	\$72,268	\$2,168	\$1,000	\$74,436	\$1,000	\$75,436

**2026 BILLING RATES**

<u>Classification</u>	<u>Hourly Rate</u>
Engineer-Scientist-Specialist 9 .....	\$294
Engineer-Scientist-Specialist 8 .....	\$272
Engineer-Scientist-Specialist 7 .....	\$252
Engineer-Scientist-Specialist 6 .....	\$225
Engineer-Scientist-Specialist 5 .....	\$202
Engineer-Scientist-Specialist 4 .....	\$181
Engineer-Scientist-Specialist 3 .....	\$163
Engineer-Scientist-Specialist 2 .....	\$143
Engineer-Scientist-Specialist 1 .....	\$121
Field Specialist .....	\$148
Senior CAD - Designer .....	\$170
CAD-Designer .....	\$157
Senior CAD - Technician .....	\$145
CAD-Technician .....	\$125
Administrative Manager/Project Administrator/Marketing Manager .....	\$109
Administrative Assistant.....	\$100

In addition to the above Hourly Rates, a 3% Communications Surcharge will be added to Personnel Compensation for normal and incidental copies, communications and postage.

**Direct expenses**

Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost plus 5% for items such as:

- a. Maps, photographs, 3rd party reproductions, 3rd party printing, equipment rental, and special supplies related to the work.
- b. Consultants, soils engineers, surveyors, contractors, and other outside services.
- c. Rented vehicles, local public transportation and taxis, travel and subsistence.
- d. Project specific telecommunications and delivery charges.
- e. Special fees, insurance, permits, and licenses applicable to the work.
- f. Outside computer processing, computation, and proprietary programs purchased for the work.

Reimbursement for vehicles used in connection with the work will be at the federally approved mileage rates or at a negotiated monthly rate.

Overtime for non-exempt employees will be billed at one and a half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the agreement for the services provided, effective January 1, 2026 through December 31, 2026.

Client: Castle Pines North Metro District

Contract/Proposal Date: Water Distribution Mains Risk Assessment and CIP, 4/17/26

## Standard Conditions

1 August 2021

CLIENT and KENNEDY/JENKS CONSULTANTS, INC. ("CONSULTANT") agree that the following provisions shall be a part of their agreement.

1. **TERMS OF PAYMENT.** CLIENT will be invoiced at the end of the first billing period following commencement of work and at the end of each billing period thereafter. Payment in full of an invoice must be received by CONSULTANT within thirty (30) days of the date of such invoice.
2. **EFFECT OF INVOICE.** The work performed shall be deemed approved and accepted by CLIENT as and when invoiced unless CLIENT objects within fifteen (15) days of invoice date by written notice specifically stating the details in which CLIENT believes such work is incomplete or defective, and the invoice amount(s) in dispute. CLIENT shall pay undisputed amounts as provided for in the preceding paragraph.
3. **INTEREST; SUSPENSION OF WORK.** Failure of CLIENT to make full payment of an invoice so that it is received by CONSULTANT within said sixty (60) days of the date thereof subjects the amount overdue to a delinquent account charge of one percent (1%) of the invoice amount per month, compounded monthly, but not to exceed the maximum rate permitted by law. Failure of CLIENT to submit full payment of an invoice within sixty (60) days of the date thereof subjects this agreement and the work herein contemplated to suspension or termination at CONSULTANT's discretion.
4. **ADVANCE PAYMENT: WITHHOLDING OF WORK PRODUCT.** CONSULTANT reserves the right to require payment in advance for work it estimates will be done during a given billing period. CONSULTANT, without any liability to CLIENT, reserves the right to withhold any services and work products herein contemplated pending payment of CLIENT's outstanding indebtedness or advance payment as required by CONSULTANT. Where work is performed on a reimbursable basis, budget may be increased by amendment to complete the scope of work. CONSULTANT is not obligated to provide services in excess of the authorized budget.
5. **STANDARD OF CARE.** CONSULTANT's services performed under this agreement will be performed in a manner consistent with the care and skill ordinarily exercised by members of the profession practicing under similar conditions at the same time and in the same or similar locality. When the findings and recommendations of CONSULTANT are based on information supplied by CLIENT and others, such findings and recommendations are correct to the best of CONSULTANT's knowledge and belief. No warranty, express or implied, is made or intended by this agreement, or by the foregoing statement of the applicable standard of care, or by providing consulting services or by furnishing oral or written reports of findings made. No entity other than CLIENT or CONSULTANT shall be construed as a beneficiary to this Agreement.
6. **INSURANCE COVERAGE.** CONSULTANT is protected by Worker's Compensation insurance as required by applicable state laws and will maintain employer's liability coverage of \$1,000,000 each accident for bodily injury, \$1,000,000 each employee and \$1,000,000 policy limit for bodily injury by disease. During the performance of this agreement CONSULTANT will maintain professional liability insurance with a limit of \$1,000,000 on a claims made, annual aggregate basis, and commercial general liability and automobile liability insurance each with a limit of not less than \$1,000,000 million on an occurrence basis.
7. **ALLOCATION OF RISK.** CLIENT and CONSULTANT have discussed the risks associated with this project and the extent to which those risks should be shared by CLIENT and by CONSULTANT, and have agreed:
  - (a) To the fullest extent permitted by law, CLIENT agrees to limit the liability of CONSULTANT, its officers, employees, and subconsultants to CLIENT, all landowners, contractors, subcontractors, lenders, suppliers, manufacturers, third parties, and their employees such that the total aggregate liability, including all attorneys fees and costs shall not exceed \$50,000.00 or the total fees paid for CONSULTANT's services on this project, whichever is greater. (b) All damages such as loss of use, profits, anticipated profits, and the like losses are consequential damages for which CONSULTANT is not liable. (c) CLIENT shall give written notice to CONSULTANT of any claim of negligent act, error or omission within one (1) year after the completion of the work performed by CONSULTANT. Failure to give notice herein required shall constitute a waiver of said claim by CLIENT.
8. **SERVICES DURING CONSTRUCTION.** Any construction inspection or testing provided by CONSULTANT is for the purpose of determining compliance by contractors with the functional provisions of project documents only. CLIENT agrees that CONSULTANT will have no inspection responsibilities at the jobsite except to the extent specifically provided for in the agreed upon scope of work. CONSULTANT shall not be held in any way to guarantee any contractor's work, nor to assume responsibility for means, methods or appliances used by any contractor nor to assume responsibility for a contractor's compliance with laws and regulations or for contractor's errors, omissions, or defective work. CLIENT agrees that in accordance with generally accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for jobsite conditions during the course of construction of the project, including safety of all persons and property and that this responsibility shall be continuous and not be limited to normal working hours. CLIENT agrees to require in all construction contracts for the project, provisions that CLIENT and CONSULTANT shall be defended and indemnified by the contractor and its subcontractors and named additional insureds on contractor's and subcontractor's insurance. Any Opinion of Probable Construction Cost furnished by CONSULTANT are based on professional opinions and judgment, and CONSULTANT will not be responsible for fluctuations in construction costs.
9. **SERVICES BY CLIENT.** CLIENT will provide access to site of work, obtain all permits, provide all legal services in connection with the project, and provide environmental impact reports and energy assessments unless specifically included in the scope of work. CLIENT shall pay the costs of checking and inspection fees, zoning application fees, soils engineering fees, testing fees, surveying fees, and all other fees, permits, bond premiums, and all other charges not specifically covered by the scope of work. CLIENT shall designate to CONSULTANT the location of all subsurface utility lines and other subsurface man-made objects (in this agreement collectively called "buried utilities") within the boundaries of the jobsite. CONSULTANT will conduct at CLIENT's expense such additional research as in CONSULTANT's professional opinion is appropriate to attempt to verify the location of buried utilities at the jobsite, but CLIENT shall remain responsible for the accurate designation of their location and, CONSULTANT shall not be responsible for claims or loss arising from the failure to accurately locate buried utilities.
10. **COMPLIANCE WITH LAWS.** CLIENT and CONSULTANT shall each use reasonable care in its efforts to comply with laws, codes, ordinances and regulations in force at the time of the performance by each under this agreement, insofar as such laws are applicable to a party's performance. Unless otherwise provided for in the scope of work of this agreement or by law, the responsibility for making any disclosures or reports to any third party, for notifying all governmental authorities of the discovery of hazardous materials on the jobsite, and for taking corrective, remedial, or mitigative action shall be solely that of CLIENT. It is CONSULTANT's belief that the work is not subject to Colorado or any applicable state Prevailing Wage Law, unless expressly identified as such within the scope of work. Should it be alleged or determined that some or all of the work is subject to Colorado's or any applicable state Prevailing Wage Law, then CLIENT shall reimburse CONSULTANT for the additional costs associated with CONSULTANT complying with those laws.

**Standard Conditions (Page 2)**

11. **USE OF DOCUMENTS.** Drawings, reports, writings and other original documents (documents) furnished by CONSULTANT are for the exclusive use of CLIENT and CONSULTANT retains all intellectual property rights including copyrights. Documents are furnished to CLIENT upon CLIENT's specific agreement that it assumes all liability resulting from the further distribution of such documents, or any portion of them, and that CLIENT will not hold CONSULTANT responsible for any claims associated with the unauthorized use of such documents. In no event will CLIENT or any person acting on its behalf edit, abridge, or modify any document prepared by CONSULTANT without CONSULTANT's express written consent.
12. **ELECTRONIC DATA.** Documents provided by CONSULTANT in electronic formats are provided under the following conditions unless detailed otherwise in the scope of work or by a written amendment. Documents are provided in CONSULTANT's standard software formats. CLIENT recognizes that electronic data and its transmission can be easily damaged, may not be compatible with CLIENT'S software formats and systems, may develop inaccuracies during conversion or use, and may contain viruses or other destructive programs, and that software and hardware operating systems may become obsolete. As a condition of delivery of electronic data, CLIENT agrees that CONSULTANT, its subconsultants, agents and employees will not be responsible for claims, loss, damages, expense and liability arising from or connected with its use, reuse, misuse, modification or misinterpretation. In no event shall CONSULTANT be liable for any loss of use, profit or any other damage.
13. **TERMINATION.** This agreement may be terminated by either party by written notice should the other party fail substantially to perform its obligations under this agreement and continue such default after the expiration of a seven (7) day notice period. Either party may terminate this agreement without necessity of cause upon the expiration of a thirty (30) day notice period. If this agreement is terminated by CLIENT in the absence of default by CONSULTANT, CONSULTANT shall be paid for services performed and costs incurred by it prior to its receipt of notice of termination from CLIENT, including reimbursement for direct expenses due, plus an additional amount, not to exceed ten percent (10%) of charges incurred to the termination notice date, to cover services to orderly close the work and prepare project files and documentation, plus any additional direct expenses incurred by CONSULTANT including but not limited to cancellation fees or charges. CONSULTANT will use reasonable efforts to minimize such additional charges.
14. **PRECEDENCE OF CONDITIONS.** Should any conflict exist between the terms herein and the terms of any purchase order or confirmation issued by CLIENT, the terms of these Standard Conditions shall prevail in the absence of CONSULTANT's express written agreement to the contrary.
15. **ASSIGNMENT: SUBCONTRACTING.** Neither CLIENT nor CONSULTANT shall assign any of its rights including a right to sue, or delegate its duties under this agreement without the written consent of the other.
16. **FORCE MAJEURE.** Any delay or default in the performance of any obligation of CONSULTANT under this agreement resulting from any cause(s) beyond CONSULTANT's reasonable control shall not be deemed a breach of this agreement. The occurrence of any such event shall suspend the obligations of CONSULTANT as long as performance is delayed or prevented thereby, and the fees due hereunder shall be equitably adjusted.
17. **MERGER: WAIVER: SURVIVAL.** This agreement constitutes the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations and/or agreements, written or oral. One or more waiver of any term, condition or other provision of this agreement by either party shall not be construed as a waiver of a subsequent breach of the same or any other provision. Any provision hereof which is legally deemed void or unenforceable shall not void this entire agreement and all other provisions shall survive and be enforceable.
18. **APPLICABLE LAW.** This agreement shall be interpreted and enforced according to the laws of the State of Colorado. In the case of invalidity or unenforceability of any provision or portion thereof, the provision shall be rewritten and enforced to the maximum extent permitted by laws to accomplish as near as possible the intent of the original provision. Nothing herein shall be construed to provide for indemnification against damages arising from a party's gross negligence or willful misconduct.
19. **COUNTERPARTS; SIGNATURES.** This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree that electronic (including without limitation .pdf), email or facsimile signatures of this Agreement shall have the same force and effect as original signatures. Each undersigned representative of the parties to this Agreement certifies that he or she is fully authorized to enter into the terms and conditions of this Agreement and to execute and legally bind such party to this Agreement.



**Employer Roth Affiliation  
Participation Agreement**

WHEREAS, PERA’s 401(k) and Defined Contribution Plan and Trust Document (the “PERA 401(k) Plan”) and the PERA Deferred Compensation Plan (the “PERA 457 Plan” and together with the PERA 401(k) Plan, the “Plans” and each a “Plan”), offer a Roth option which permits employees to make contributions to the Plan on a tax-paid basis to a designated Roth account;

WHEREAS, in accordance with section 13.10 of the PERA 401(k) Plan and section 11.7 of the PERA 457 Plan, PERA employers may elect to permit their employees to participate in the Roth portion of the Plans; and

WHEREAS, Castle Pines North Metropolitan District (Agency 923) a PERA-affiliated employer (“Employer”), intends to permit employees to participate in the Roth option in the Plans.

NOW THEREFORE, the undersigned has authority to sign this Agreement on behalf of Employer, and hereby agrees that:

1. Employer understands that all of Employer’s employees will have the opportunity to elect Roth contributions.
2. Employer has reviewed its payroll capabilities and is able to administer Roth elections.
3. Employer is solely responsible for administering Roth contributions on its payroll.

Employer, by and through its agent identified below, hereby adopts the Roth option in the Plans, effective as of \_\_\_\_\_.

**EMPLOYER**

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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

**COLORADO PUBLIC EMPLOYEES’ RETIREMENT  
ASSOCIATION**

Signed: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

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



Colorado Public Employees' Retirement Association  
Mailing Address: PO Box 5800, Denver, CO 80217-5800  
Office Locations: 1301 Pennsylvania Street, Denver  
1120 W. 122nd Avenue, Westminster  
303-832-9550 • 1-800-759-PERA (7372)  
www.copera.org

## **Employer Participation Agreement Colorado PERA Deferred Compensation Plan**

WHEREAS, in accordance with the provisions of Section 24-51-1601, C.R.S., *et seq.*, effective July 1, 2009, the PERA Board of Trustees assumed the administration of and fiduciary responsibility for the State of Colorado Deferred Compensation Plan (also known as the State of Colorado 457 Plan and now known as the Colorado PERA 457 Plan), previously administered under part 1 of article 52 of title 24, as said part existed prior to its repeal in 2009. Under the PERA Deferred Compensation Plan document ("Plan Document") adopted by the PERA Board of Trustees, effective July 1, 2009, and amended and restated effective September 19, 2014, PERA provides tax deferred retirement benefits under Internal Revenue Code Section 457(b) and its corresponding regulations to employees of PERA employers who have become affiliated with the plan pursuant to 24-51-1602, C.R.S. Pursuant to Section 24-51-1602 (2), C.R.S., subject to the approval by PERA, PERA employers may make application to PERA to become affiliated with the PERA Deferred Compensation Plan.

WHEREAS, by the signature below, Castle Pines North Metropolitan District (Agency 923), (hereinafter referred to as the "Employer"), which is a PERA affiliated employer, intends to become a participating employer under the Plan and allow its employees to make tax deferred contributions to the Plan.

NOW THEREFORE, the undersigned has authority to sign this Agreement on behalf of the participating employer, and upon execution of this Agreement, does hereby agree to the following:

1. The undersigned Employer has received a copy of the Plan Document, as amended and restated effective September 19, 2014, and hereby adopts the Plan Document, as may be amended, as a participating employer and agrees to follow the terms of the Plan Document in its discharge of its duties as an employer and to follow policies and procedures necessary as specified by PERA or its third party administrator.
2. The Employer agrees that all deferral amounts shall be approved by PERA or its third party administrator prior to deduction. The Employer agrees that all employee elections for deferral will be made through PERA or its third party administrator, not through the Employer.
3. The Employer agrees to electronically remit in a timely manner, all contributions and other information, including but not limited to employee termination dates, as required by PERA or its third party administrator to administer the Plan. Pursuant to Section 24-51-1603(3), C.R.S., the Employer shall deliver all deferred compensation contributions to the trust fund via the third party administrator designated by PERA, within five days after the date the employees are paid. The Employer understands that pursuant to Section 24-51-1603(3), C.R.S. and Section 24-51-401(1.7), C.R.S., interest and penalties may apply if the contributions are not remitted within five days. The Employer agrees that pursuant to Section 24-51-1603(2), C.R.S., all voluntary

deferrals by a participating PERA member shall be included in the salary of such member in accordance with Section 24-51-101(42), C.R.S., for purposes of calculating member and employer contributions pursuant to the provisions of Section 24-51-401, C.R.S.

4. The Employer acknowledges that the PERA Board of Trustees is the fiduciary of the Plan and has the sole and exclusive authority to interpret the Plan and decide all claims and appeals for Plan benefits. The Employer agrees to abide by the Board's decisions on all matters involving the Plan.
5. PERA may terminate the Employer's participation in the Plan if the Employer does not administer the Employer's payroll in accordance with the Plan, if the Employer allows or facilitates operational defects in its administration of the payroll, contributions and loan repayments, or if PERA determines that it is in the best interest of the Plan participants.

IN WITNESS WHEREOF, the undersigned hereby executes this Employer Participation Agreement on \_\_\_\_\_ effective as of \_\_\_\_\_.

Participating Employer  
Castle Pines North Metropolitan District  
#923

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Name (please print) \_\_\_\_\_  
Title \_\_\_\_\_  
Entity \_\_\_\_\_

Colorado Public Employees' Retirement Association

Approved By:

\_\_\_\_\_  
Andrew Roth  
Executive Director

17 April 2026

Nathan Tavis  
District Manager  
Castle Pines North Metropolitan District (CPNMD)  
7404 Yorkshire Drive  
Castle Pines, CO 80108

Subject: Castle Pines North Metropolitan District (CPNMD) Security Master Plan, Risk and Resilience Assessment – Update 2026, and the Emergency Response Plan - Update 2026  
KJ 2646058

## **Purpose**

Castle Pines North Metropolitan District (CPNMD) requested Kennedy/Jenks Consultants, Inc. (“KJ”) to assess and enhance the organization’s overall cybersecurity and physical security posture across its operational and facility infrastructure. This project will evaluate current systems and provide recommendations to improve several key areas: 1) Physical access control system; 2) Site surveillance solution; 3) Cybersecurity assessment and recommended mitigation strategies aligned with industry standards (AWWA Cybersecurity Guidance, EPA Guidelines for Water and Wastewater Management, ISA/IEC 62443, NIST CSF). Along with the above-mentioned assessment and strategies for the cyber-security and physical security, KJ will also be updating the Risk and Resilience Assessment (RRA) as well as the Emergency Response Plan (ERP). These documents are scheduled to be updated per the EPA guidelines and the RRA is due by the end of June 2026 and the ERP needs to be completed by December of 2026. These documents are currently required by the EPA to be updated every five years.

## **Background**

CPNMD operates a water treatment plant that relies on industrial control systems and Operational Technology (OT) infrastructure to manage critical operational processes. In addition to the primary facility, the system includes remote sites consisting of booster pump stations, storage tanks, and wells that are essential to maintaining reliable water collection and distribution systems. The Board of Directors has raised concerns about both cybersecurity and physical security vulnerabilities across these facilities, particularly regarding the protection of OT networks and the monitoring of remote infrastructure. The current physical security environment relies on independently managed camera systems with locally stored recordings, resulting in the absence of centralized management, unified monitoring, or coordinated incident response capabilities. CPNMD also intends to conduct a cybersecurity assessment of its OT and Supervisory Control and Data Acquisition (SCADA) environments to identify vulnerabilities, security gaps, and potential risks that could impact critical operations. The assessment will review key areas such as network architecture, Closed-Circuit Television (CCTV) infrastructure,

physical access controls, remote connectivity, and cybersecurity practices. Based on the findings, a prioritized remediation roadmap will be developed to guide improvements and strengthen protection of the OT environment, while aligning cybersecurity practices with EPA guidance, AWIA requirements, and industry standards.

## **Scope of Services**

### **Task 1: Project Initiation and Project Management**

This task establishes the project framework, communication process, and coordination mechanisms required to execute cybersecurity and physical security assessment.

KJ will develop and implement project management procedures and actions to facilitate timely and effective delivery of the Project. This task shall consist of supervision of in-house staff, planning and monitoring of the contract budget and schedule, preparing and reviewing monthly invoices, and coordination for meetings. This task assumes 7 months of project coordination.

#### **Task 1.1: Project Coordination**

KJ will develop and implement project management procedures and actions to facilitate timely and effective delivery of the Project. This task shall consist of supervision of in-house staff, planning and monitoring of the contract budget and schedule, preparing and reviewing monthly invoices, and coordination for meetings. This task assumes 7 months of project coordination.

##### **Assumptions:**

- Up to four (4) KJ staff will attend a Kickoff Meeting that will be held virtually, at (1) hour
- Monthly virtual check-in meetings, up to seven (7) meetings, at one (1) hour attended by up to two (2) KJ staff.

##### **Activities:**

- Conduct project kickoff meeting with IT, OT, and operational staff.
- Review project objectives, budget, and schedule. Confirm Risk Matrix and review recommendations and changes from the 2021 RRA.
- Identify key personnel responsible for SCADA, network infrastructure, and cybersecurity operations, and facility management.
- Coordinate with facility personnel responsible for access control
- Establish communication procedures for technical coordination and information requests.
- Develop a project schedule identifying key milestones and deliverable timelines.

##### **Deliverables:**

- Monthly invoices, PDF
- Meeting agenda and meeting notes, PDF

## **Task 1.2: Quality Assurance / Quality Control**

Quality assurance and quality control (QA/QC) reviews will be performed throughout the course of this project consistent with KJ's policies. KJ's QA/QC and quality management procedures establish and maintain a structure for providing reviews of work products and adherence to industry design standards. QA/QC activities are integrated into KJ's project management system from the inception of work through the delivery of the final product. Senior staff will perform QA/QC, but these individuals will not be directly involved in performing the project work. Deliverables will be assigned to and reviewed by a designated and qualified quality reviewer prior to submittal.

## **Task 2: Field Assessment and Asset Inventory**

### **Task 2.1 – General Data Collection and Background Information**

KJ will review the data collected during the first RRA and ERP development effort and work with CPNMD to identify any additional relevant data to update the RRA and ERP documents. KJ will prepare a formal information request to gather the additional relevant information from CPNMD, such as a list of capital improvement projects that have been completed in the past 5 years, mutual aid or emergency response agreements, or interconnection agreements. Relevant data review and needs will be discussed in the Kickoff Meeting.

Assumptions:

- CPNMD will provide information, in digital format if available, within two (2) weeks of the data request.

Deliverables:

- Tracking table documenting when data is requested and received (electronic format)

### **Task 2.2 – Security Systems Data Review**

KJ will review the existing record documents, consisting of the following:

#### Cybersecurity / OT Systems

- Cybersecurity and SCADA systems related to documentation.
- Network diagrams and OT architecture documentation.
- Existing cybersecurity policies, standards, and procedures.
- Results of any prior cybersecurity or OT risk assessments.

#### Physical Security – Card Access Control and CCTV

- Existing surveillance and access control system documentation
- Camera locations and facility/site layout drawings
- Building layouts, secure areas, and access points
- Door hardware, locking devices, and access control equipment

### **Task 2.3 – Security Systems Field Investigation**

KJ shall perform field investigations of the CPNMD's existing control networks and SCADA infrastructure, access control and camera systems to:

- Develop/validate OT asset inventory (PLCs, HMIs, servers, historians, switches, firewalls, radios).
- Review network segmentation, remote access paths (VPN, cellular, radio), and vendor connections.
- Evaluate logging, monitoring, and patch management practices
- Inspect existing camera installations at facilities and remote sites.
- Verify camera coverage areas and identify blind spots.
- Evaluate camera installation conditions and reliability.
- Inspect facility entry points including doors, gates, and restricted areas.
- Evaluate staff access procedures for facilities and remote sites.
- Identify potential locations for electronic key card access systems.

Field investigation will be conducted at the following locations:

- Main Water Treatment Plant (WTP)
- 8 Lift Stations
- 1 Booster Pump Station
- 1 Interconnect Pump Station
- 2 Storage Tanks
- 11 Well Sites

Assumptions:

- CPNMD staff will be made available to assist with site location and access as well as individual panel location and access
- Where required, CPNMD shall de-energize and provide safe access to any control panels containing 480V equipment.
- KJ may perform safe, non-intrusive scans on selected OT network assets (where permissible and approved) using network mapping and vulnerability scanning tools.

### **Task 2.4 – Data Collection Review Workshops**

KJ will schedule and conduct up to one (1) two-hour workshop to review the data and information gathered from the field investigation and staff interviews. The review of workshops will confirm alignment on the general interpretations and findings and provide expected outcomes prior to the development of future tasks.

Data Collection Review Workshop:

- OT / Control Systems
- WTP, Pumpstations, Wells and Remote Sites
- Camera Systems and Locations
- Facility Access Control Locations

Deliverables:

- Data Collection Review Workshop Notes
- (1) High level current-state SCADA architecture diagram

### **Task 3: Risk and Resilience Assessment - Update**

This task supports an update and validation of CPNMD's existing 2021 Water System Risk and Resilience Assessment (RRA) in accordance with Section 2013 of the America's Water Infrastructure Act (AWIA) of 2018 and EPA Risk and Resilience Assessment (RRA) guidance and templates.

Given a compliant RRA was completed in 2021, this effort will focus on confirming continued applicability of the existing Risk Assessment and Resilience Assessment, identifying material changes since 2021, and documenting updated risk and resilience considerations, rather than performing a full redevelopment of the RRA.

All Task 3 activities will be completed through one consolidated AWIA Risk and Resilience Update Workshop, replacing the multiple meetings, interviews, and workshops used in the original RRA development process.

#### **Task 3.1 Risk and Resilience Assessment Workshop**

Required Attendees:

CPN Capital Project Manager, Operations Representative, Financial and System Services Contractor, IT Contractor (as applicable)

Anticipated Time Commitment:

One (1) two-hour facilitated workshop

##### Workshop Objective:

The objective of the AWIA Risk and Resilience Update Workshop is to validate and document AWIA-required elements of the Risk and Resilience Assessment, including:

Identification and confirmation of Critical Assets whose loss or compromise would result in adverse public health, economic, or operational impacts

- Review of Reasonably Foreseeable Hazards, including malevolent acts and natural hazards
- Consideration of Vulnerabilities affecting prevention, mitigation, response, and recovery
- Review of Consequence considerations, including service disruption, public health impacts, financial impacts, and loss of public confidence
- Confirmation of priority risks and resilience gaps that inform Emergency Response Plan (ERP) updates

## Workshop Scope (Aligned with EPA AWIA RRA Templates)

### 1. Risk Assessment Validation

KJ will facilitate a review of the 2021 RRA methodology, assumptions, and risk framework, including validation of the Critical Asset inventory and confirmation of assets added or materially modified since 2021.

### 2. Reasonably Foreseeable Hazards Review

Consistent with EPA AWIA guidance, the workshop will review and confirm continued applicability of hazards, including:

- Malevolent acts (e.g., cyberattack, sabotage, contamination)
- Natural hazards (e.g., wildfire, flood, drought, extreme weather, power outages)
- Dependency hazards (e.g., power supply, communications, staffing, supply chain)
- Proximity hazards (e.g., transportation corridors, hazardous material facilities)

### 3. Vulnerability and Consequence Review

Participants will review vulnerabilities related to physical security, cybersecurity, operational practices, and SCADA/OT systems, and validate consequence considerations consistent with EPA AWIA guidance, including duration of service disruption, public health impacts, financial impacts, and loss of public confidence.

### 4. Risk Management and Resilience Measures

KJ will review the status of mitigation and resilience measures identified in the 2021 RRA and confirm priority risks and resilience gaps requiring further action or ERP updates.

## **Task 3.2 Risk and Resilience Deliverables**

- AWIA Risk and Resilience Update Workshop Notes
- Summary of validated updates to the 2021 RRA, including confirmed:
  - Critical Assets
  - Reasonably Foreseeable Hazards
  - Vulnerabilities and consequence considerations
  - Priority risks and resilience gaps

These materials will be suitable to support AWIA RRA recertification and ERP updates.

### Assumptions:

- The 2021 RRA remains the baseline AWIA Risk Assessment
- No additional interviews or standalone workshops are anticipated under Task 3
- This task supports, but does not replace, CPNMD's responsibility to submit the AWIA RRA Certification Statement to the EPA

### **Task 3.3 – Prepare RRA Report**

The information collected during the workshops will be summarized in a RRA report. Updated risk graphs and tables will be generated based on the updated scores. The report will provide an overview of the recommendations from 2021, their status, and any new recommendations based on the 2026 workshops. A draft report will be submitted to CPNMD for review. CPNMD's comments will be incorporated into a final report.

### **Task 3.4 – Risk and Resiliency Results Meeting**

KJ will conduct one 2-hour meeting to present the outcomes of the risk and resilience analysis, showcasing the hierarchy of risks and highlighting top risks. KJ will also present proposed countermeasures or mitigation actions to minimize risk and/or increase resilience. Order of magnitude costs for the countermeasures/mitigation actions will be provided and the results of high-level cost-benefit analysis will be presented to allow Workshop participants to provide input on the proposed countermeasures or mitigation actions.

#### Assumptions:

- CPNMD will coordinate the venue and attendance for the meetings and workshops.
- Workshops will be attended by up to three (3) KJ staff.
- Workshops/meetings will be held in-person.
- CPNMD is responsible for submitting the RRA Certification Statement to the EPA

#### Deliverables:

- Meeting agendas, materials, and notes for each meeting and workshop described in Task 3.
- Draft RRA report, electronic form (Microsoft Word document)
- Final RRA report, electronic form (PDF)

## **Task 4: Emergency Response Plan (ERP) Update**

This Task will update Castle Pines North Metropolitan District's (CPNMD's) existing Emergency Response Plan (ERP) using the outcomes of the AWIA Risk and Resilience Assessment Update (Task 3) and consistent with EPA AWIA ERP guidance and the approach used in Kennedy/Jenks' 2021 ERP development effort. The ERP update will focus on confirming continued applicability of the existing plan, incorporating validated updates to risks, assets, and resilience strategies, and ensuring the Plan reflects current operational, organizational, and regulatory conditions.

### **Task 4.1 – ERP Kickoff and Review Workshop**

KJ will conduct a facilitated two (2) hour ERP Workshop to initiate the ERP update effort and establish a shared understanding of current conditions, gaps, and priorities.

Workshop Objectives:

- Review the structure and content of the existing ERP
- Validate findings from the updated Risk and Resilience Assessment
- Confirm roles, responsibilities, and response expectations
- Identify areas requiring updates or expansion

#### **Task 4.2 – Emergency Response Plan Update (ERP Development)**

KJ will update CPNMD’s existing ERP using information validated during the Task 3 Risk and Resilience Update Workshop and Task 4.0 ERP Workshop.

##### **Section 1 – Introduction**

- Update regulatory references and goals
- Update ERP revision history

##### **Section 2 – Utility Information**

- Update system overview and service area
- Update emergency contacts and mutual aid references

##### **Section 3 – Resilience Strategies**

- Update ICS structure and communication protocols

##### **Section 4 – Emergency Plans and Procedures**

- Review and update incident-specific procedures

##### **Section 5 – Mitigation Actions and Detection Strategies**

- Update mitigation action tables and detection strategies

#### **Task 4.3 – ERP Review and Results Workshop**

KJ will conduct one facilitated two-hour ERP Review and Results Workshop to present key updates, confirm alignment with operational expectations, and finalize ERP content.

##### Deliverables:

- Draft Updated Emergency Response Plan (Microsoft Word)
- ERP Review and Results Workshop agenda and meeting notes
- Final Updated Emergency Response Plan (PDF)

## **Task 5: Cybersecurity Assessment & Roadmap**

### **Task 5.1 – Cybersecurity Assessment**

This task identifies vulnerabilities and security risks related to cybersecurity and physical security systems. KJ will prepare and submit a Draft Current State Assessment Report per listed system, in PDF and editable native format (MS Word, MS Excel, Visio, etc.), with the following information content:

- Assessment Approach
- System Access Vulnerabilities
- Operational Reliability Concerns
- Control System Architecture Summary
- Prioritized List of Security Vulnerabilities with Risk Assessment
- Prioritized List of Operational Reliability Concerns with Risk Assessment
- Preliminary Approach to Risk Mitigation and Initial Corrective Action Recommendations

### **Task 5.2 – Technology Evaluation – Access Control and CCTV Platforms**

KJ will evaluate Access Control and CCTV platforms consistent with the outcome of Task 2 Needs Assessment. This effort builds on the current-state findings and staff interview input to determine viable, scalable, and sustainable physical security solutions. Using a vendor-neutral and defensible methodology, KJ will shortlist up to three Access Control and CCTV platforms for detailed review and comparison, informed by KJ's experience implementing systems of similar size and complexity.

#### Activities:

##### 1. Evaluation Criteria

- a. KJ will develop evaluation criteria for CCTV and Access Control systems that address the District's functional, operational, security, maintainability, and lifecycle needs. The criteria will include weighted scoring factors to prioritize reliability, ease of configuration, system integration, security, and long-term IT/OT compatibility.
- b. KJ will lead a review meeting to present the Evaluation Criteria to key District interested parties and to solicit feedback. KJ generated meeting notes will serve to capture changes to be included in Evaluation Criteria.

##### 2. Platform Shortlist

- a. KJ will conduct a vendor-neutral screening based on industry practices and KJ's experience with comparable Districts to identify up to three platforms appropriate for detailed evaluation.

### 3. Weighted Scoring and Ranking of Platforms

- a. KJ will score each platform using the agreed-upon weighted criteria to produce a transparent and defensible ranking that reflects the District's operational priorities and technical requirements.

### 4. Total Cost of Ownership (TCO)

- a. Following completion of the technical evaluation, KJ will develop a Total Cost of Ownership analysis for each shortlisted CCTV and Access Control platform, including initial and long-term costs associated with licensing, server and network infrastructure, redundancy options, client and operator deployment models, system expansion, support and maintenance fees, and training requirements.

#### Assumptions:

- Meetings are virtual

#### Deliverables:

- Evaluation Criteria
- System architecture and technology evaluation summary
- Meeting Notes

### **Task 5.3 – Security Assessment & Roadmap**

KJ will prepare and submit a Draft and Final Consolidated Security Assessment & Roadmap report in PDF and editable native format (MS Word, MS Excel, Visio, etc.), with the following information content:

#### 1) OT Cybersecurity Assessment and Implementation Plan (No IT Cybersecurity)

- Area based Implementation Plan
- Develop prioritized roadmap (short/medium/long-term).
- Provide technical and procedural recommendations with dependencies.
- Include order-of-magnitude cost planning to support budgeting.
- Existing SCADA Network Block Diagram
- Proposed Control System Architecture Diagram (Utility Level)
- Cybersecurity Risk & Gap Assessment (mapped to NIST CSF).
- Prioritize risk reduction measures considering likelihood, consequence, and resilience.
- Proposed Security Policy/Program Outline

#### 2) Access Control and Site Surveillance Assessment Report and Implementation Plan

- System based Implementation Plan
- Recommended CCTV platform

- Recommended card access control system
- Develop prioritized roadmap (short/medium/long-term).
- Provide technical and procedural recommendations with dependencies.
- Include order-of-magnitude cost planning to support budgeting.
- Conceptual high-level CCTV architecture diagram
- Conceptual high-level card access system architecture diagram
- Identify network requirements for camera management systems
- Identify network requirements for access control systems.

Assumptions:

- Task 5.1 - Assessment report will be included as Appendix to the Consolidated Assessment Report.

Deliverables:

- Consolidated Assessment Report – Draft
- Consolidated Assessment Report - Final
- Opinion of Probable Cost Estimate

Note: These recommendations will be conceptual and non-implementable without a subsequent design/implementation phase.

**Task 5.4 – Draft Consolidated Assessment Report and Implementation Plan Review Meeting**

KJ will prepare an agenda and lead a review meeting to present the Draft Consolidated Assessment Report and Implementation Plan to the CPNMD and to solicit feedback for the Final Consolidated Assessment report. KJ generated meeting notes will serve to capture initial comments to be included in the Final Consolidated Assessment report.

Assumptions:

- CPNMD will review the Draft Consolidated Assessment Report and Implementations Plan and provide comments within two weeks. KJ review and incorporate applicable CPNMD comments and finalize the Consolidated Assessment Report.

Meetings:

- Draft Consolidated Assessment Report Review Meeting

Deliverables:

- Draft Consolidated Assessment Report Review Meeting Notes

## **Exclusions (Out of Scope Services)**

Unless expressly authorized in writing, the following are excluded from this proposal:

- Detailed engineering, final design, stamped drawings, construction documents, or system implementation
- Installation, configuration, programming, commissioning, integration, construction management, or inspection
- Procurement of hardware, software, licenses, subscriptions, cloud services, or vendor contracting activities
- Enterprise IT cybersecurity services, web application testing, penetration testing, or active/intrusive security testing
- Operational, process, mechanical, instrumentation, control strategy, hydraulic, or capacity engineering
- Regulatory filings, certifications, legal opinions, or representation before regulatory agencies
- Ongoing operations, maintenance, managed services, monitoring, or incident response execution
- Detailed training, drills, tabletop exercises, simulations, or development of training curricula
- Delays or impacts caused by third parties, regulatory agencies, or lack of District access, information, or decisions

## **Acceptance Criteria**

The following acceptance criteria apply to all deliverables under this proposal:

- Deliverables shall be submitted electronically in the specified formats and identified as draft or final.
- CPNMD shall have **ten (10) business days** to review draft deliverables; lack of response constitutes acceptance.
- One (1) round of revisions per deliverable is included and limited to comments within the defined Scope of Services.
- Deliverables are accepted upon written approval, resubmittal addressing comments, or expiration of the review period.
- Requests for additional scope, analysis, or deliverables require a contract amendment.
- Acceptance does not transfer regulatory, certification, or filing responsibilities to Kennedy/Jenks.
- Workshops and meetings are accepted upon completion and delivery of agendas and meeting notes.

## Preliminary Schedule

The project duration for all tasks is anticipated to be 28 weeks as outlined below.

Task/Deliverable	Weeks After NTP
Virtual Kickoff Meeting	1
Documentation Review	3
Field Assessment and Asset Inventory	5
Risk & Resiliency Assessment Report (Due end of Jun 2026)	8*
Emergency Response Plan (Due end of Dec 2026)	28*
Security Assessment & Roadmap Plan	28

\*Time sensitive due to set EPA deadlines

## Basis of Compensation

We propose that compensation for our services be on a time and expense reimbursement basis in accordance with our Schedule of Charges dated January 1, 2026, attached. Payments shall be made monthly based on invoices which describe services and list actual costs and expenses.

Based on our estimate of services required, we propose a budget of \$122,012, which will not be exceeded without authorization. The budget may be increased if necessary to complete the scope of work. We will notify you prior to expenditure of 80 percent of the budget if the need for a budget increase is anticipated. We will not be obligated to continue providing services upon expenditure of authorized funding if the increased budget needed to complete the scope of work is not authorized.

A breakdown of compensation based on work task is as follows:

Security Master Plan	Budget
Task 1 - Project Initiation and Project Management	\$11,446
Task 2 - Field Assessment and Asset Inventory	\$29,165
Task 3 – Risk and Resiliency Assessment – Update	\$19,548
Task 4 – Emergency Response Plan (ERP) - Update	\$27,806
Task 5 - Security Assessment & Roadmap	\$30,865
<b>Total:</b>	<b>\$122,012</b>

Where KJ has provided a breakdown of total compensation into phases and/or tasks, such breakdowns are estimates only. KJ may re-allocate compensation between phases and/or tasks, provided total compensation is not exceeded without the approval of the District.

**Terms and Conditions**

This proposal is based on current projections of staff availability and costs and, therefore, is valid for 90 days following the date of this letter.

To assure a clear understanding of all matters related to our mutual responsibilities, the attached Standard Conditions dated August 1, 2021 are made a part of our agreement. We have found these terms to be appropriate for use with agreements for the provision of engineering and scientific services, and accordingly, should any conflict exist between the attached terms and the form of any purchase order or confirmation issued, the terms of this proposal and the attached Standard Conditions shall prevail in the absence of our express written agreement.

If this proposal meets with your approval, please sign where noted below and return a copy to our office to serve as our authorization.

Thank you for considering us for this work. We look forward to working with you.

Very truly yours,

KENNEDY/JENKS CONSULTANTS, INC.



Alex Page, P.E.  
Vice President  
Client Service Manager



Jeffery M. Killingsworth, P.E.  
Project Manager

Enclosures:  
Fee Estimate  
Billing Rates  
Standard Conditions

**AUTHORIZATION:**

CASTLE PINES NORTH METROPOLITAN DISTRICT

By: \_\_\_\_\_  
(Signature)

\_\_\_\_\_  
(Print Name)

Title: \_\_\_\_\_

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

Proposal Fee Estimate

CLIENT Name: CPNMD																				
PROJECT Description: Security Master Plan, RRP Update, and ERP Update																				
Proposal/Job Number: 2646058		4/17/2026																		
January 1, 2026 Rates																				
Classification:	Eng-Sci-8 Sanki Naderajan (O/TTL)	Eng-Sci-7 L Schwien (QA/QC)	Eng-Sci-7 Larry Reisinger / Thomas Marantz (I&C/QC)	Eng-Sci-7 Kaiser Sijit (Cyber)	Eng-Sci-7 Jeff Killingsworth (PM)	Eng-Sci-4 Rachael Kiser	Project Assistant	Admin. Assist.	DONT USE	Total	KJ Labor	KJ Escalation	KJ Assoc. Proj. Costs	Sub Contr. #1	Sub Contr. #2	KJ Sub-Markup	KJ ODCs	Total Labor	Total Expenses	Total Labor + Expenses
Hourly Rate:	\$272	\$252	\$252	\$252	\$252	\$181	\$145	\$135		Hours	Fees	0%	\$7.50	Fees	Fees	10%	Fees			Fees
<b>Task 1: Project Initiation and Project Management (PM)</b>																				
<b>01 PM - Project Coordination</b>																				
01 Project Coordination					8					12	\$2,416	\$0	\$90			\$0		\$2,506	\$0	\$2,506
Monthly Meetings	4		2	10	7					23	\$5,876	\$0	\$173					\$6,049	\$0	\$6,049
02 Project Invoicing					7					17	\$2,764	\$0	\$128			\$0		\$2,892	\$0	\$2,892
<b>02 PM - QA/QC</b>		2	18		4					24	\$6,048	\$0	\$180			\$0	\$0	\$0	\$0	\$0
<b>Task 1 - Subtotal</b>	4	2	20	10	26	0	0	0	0	76	\$17,104	\$0	\$570	\$0	\$0	\$0	\$0	\$11,446	\$0	\$11,446
<b>Task 2: Field Assessment and Asset Inventory</b>																				
<b>01 General Data Collection and Background Information</b>																				
01 Existing Document Review	2			8						10	\$2,560	\$0	\$75			\$0		\$2,635	\$0	\$2,635
<b>02 Security Systems Data Review</b>																				
01 Staff Interviews - 3 workshop @ 1 hr each				6	3					9	\$2,268	\$0	\$68			\$0		\$2,336	\$0	\$2,336
04 Data Collection Review Workshop - 1 workshop @ 2 hrs each	4			6	2	0				12	\$3,104	\$0	\$90			\$0		\$3,194	\$0	\$3,194
<b>03 Security Systems Field Investigation</b>																				
01 Field Investigations - 24 sites (1 WTP, 11 wells, 10 pump stations, 2 storage tanks)	24			32						56	\$14,592	\$0	\$420			\$0	\$4,500	\$15,012	\$4,950	\$19,962
02 Field Investigation Notes				4						4	\$1,008	\$0	\$30			\$0		\$1,038	\$0	\$1,038
<b>Task 2 - Subtotal</b>	30	0	0	56	5	0	0	0	0	91	\$23,532	\$0	\$683	\$0	\$0	\$0	\$4,500	\$24,215	\$4,950	\$29,165
<b>Task 3: Risk and Resiliency Assessment - Update</b>																				
<b>01 Risk and Resiliency Assessment Workshop</b>																				
01 RRA Workshop (One (1) two-hour focus session)	2	2		2	2					8	\$2,056	\$0	\$60			\$0		\$2,116	\$0	\$2,116
02 Risk and Resilience Deliverables		1		2	1	8				12	\$2,456	\$0	\$90			\$0		\$2,546	\$0	\$2,546
<b>02 Cybersecurity Assessment</b>																				
01 Cybersecurity Assessment	4			20						24	\$6,128	\$0	\$180			\$0		\$6,308	\$0	\$6,308
<b>03 Prepare RRA Report</b>																				
04 Risk and Resiliency Results Meeting (One (1) two-hour meeting)	2	2		2	2	8				16	\$3,504	\$0	\$120			\$0		\$3,624	\$0	\$3,624
<b>Task 3 - Subtotal</b>	8	7	0	26	7	56	0	0	0	88	\$18,888	\$0	\$660	\$0	\$0	\$0	\$0	\$19,548	\$0	\$19,548
<b>Task 4: Emergency Response Plan (ERP) Updates</b>																				
<b>01 ERP Kickoff and Review Workshop</b>																				
01 Workshop (One (1) 2-hour workshop)		2			2	2				6	\$1,370	\$0	\$45			\$0		\$1,415	\$0	\$1,415
<b>02 Emergency Response Plan Update (ERP Development)</b>																				
01 Review Existing ERP, Resilience strategies		1			2	12				15	\$2,928	\$0	\$113			\$0		\$3,041	\$0	\$3,041
02 Emergency Plan and Procedure updates					2	12				14	\$2,676	\$0	\$105			\$0		\$2,781	\$0	\$2,781
03 Mitigation Actions and Detection Strategies updates					2	12				14	\$2,676	\$0	\$105			\$0		\$2,781	\$0	\$2,781
04 Results Presentation		2			2					4	\$1,008	\$0	\$30			\$0		\$1,038	\$0	\$1,038
<b>03 ERP Review and Results Workshop</b>																				
01 ERP Draft Report - updates		1			6	60				67	\$12,624	\$0	\$503			\$0		\$13,127	\$0	\$13,127
02 Draft Report Review Meeting		1			2	2				5	\$1,118	\$0	\$38			\$0		\$1,156	\$0	\$1,156
03 Final Report		1			1	8				10	\$1,952	\$0	\$75			\$0		\$2,027	\$0	\$2,027
<b>Task 4 - Subtotal</b>	0	8	0	0	19	108	0	0	0	136	\$26,786	\$0	\$1,020	\$0	\$0	\$0	\$0	\$27,806	\$0	\$27,806
<b>Task 5: Security Roadmap &amp; Implementation Plan</b>																				
<b>01 Security Roadmap &amp; Implementation Plan</b>																				
01 Cybersecurity Assessment - Current State Report	4			24						29	\$7,236	\$0	\$218			\$0		\$7,454	\$0	\$7,454
02 Technology Evaluation - Access Control and CCTV Platforms	4			20						25	\$6,228	\$0	\$188			\$0		\$6,416	\$0	\$6,416
03 Security Roadmap & Implementation Plan - Draft	4			28						32	\$8,144	\$0	\$240			\$0		\$8,384	\$0	\$8,384
04 Security Roadmap & Implementation Plan - Final	4			10						15	\$3,708	\$0	\$113			\$0		\$3,821	\$0	\$3,821
05 AACE 5 Cost Estimate	2			6						8	\$2,056	\$0	\$60			\$0		\$2,116	\$0	\$2,116
<b>02 Draft Consolidation Assessment Report and Implementatin Plan Review Meeting</b>																				
01 Assessment Report Review Meeting - 1 meeting @ 2 hrs each	4			4	2					10	\$2,600	\$0	\$75			\$0		\$2,675	\$0	\$2,675
<b>Task 5 - Subtotal</b>	22	0	0	92	2	0	0	0	0	119	\$29,972	\$0	\$893	\$0	\$0	\$0	\$0	\$30,865	\$0	\$30,865
<b>All Phases Total</b>	64	17	20	184	59	164	0	0	0	525	\$119,352	\$0	\$3,938	\$0	\$0	\$0	\$4,500	\$117,062	\$4,950	\$122,012

**2026 BILLING RATES**

<u>Classification</u>	<u>Hourly Rate</u>
Engineer-Scientist-Specialist 9 .....	\$294
Engineer-Scientist-Specialist 8 .....	\$272
Engineer-Scientist-Specialist 7 .....	\$252
Engineer-Scientist-Specialist 6 .....	\$225
Engineer-Scientist-Specialist 5 .....	\$202
Engineer-Scientist-Specialist 4 .....	\$181
Engineer-Scientist-Specialist 3 .....	\$163
Engineer-Scientist-Specialist 2 .....	\$143
Engineer-Scientist-Specialist 1 .....	\$121
Field Specialist .....	\$148
Senior CAD - Designer .....	\$170
CAD-Designer .....	\$157
Senior CAD - Technician .....	\$145
CAD-Technician .....	\$125
Administrative Manager/Project Administrator/Marketing Manager .....	\$109
Administrative Assistant.....	\$100

In addition to the above Hourly Rates, a 3% Communications Surcharge will be added to Personnel Compensation for normal and incidental copies, communications and postage.

**Direct expenses**

Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost plus 5% for items such as:

- a. Maps, photographs, 3rd party reproductions, 3rd party printing, equipment rental, and special supplies related to the work.
- b. Consultants, soils engineers, surveyors, contractors, and other outside services.
- c. Rented vehicles, local public transportation and taxis, travel and subsistence.
- d. Project specific telecommunications and delivery charges.
- e. Special fees, insurance, permits, and licenses applicable to the work.
- f. Outside computer processing, computation, and proprietary programs purchased for the work.

Reimbursement for vehicles used in connection with the work will be at the federally approved mileage rates or at a negotiated monthly rate.

Overtime for non-exempt employees will be billed at one and a half times the Hourly Rates specified above.

The foregoing Schedule of Charges is incorporated into the agreement for the services provided, effective January 1, 2026 through December 31, 2026.

Client: Castle Pines North Metro District

Contract/Proposal Date: Security Assessment, RRA - Update, and ERP - Update, 4/17/26

## Standard Conditions

1 August 2021

CLIENT and KENNEDY/JENKS CONSULTANTS, INC. ("CONSULTANT") agree that the following provisions shall be a part of their agreement.

1. **TERMS OF PAYMENT.** CLIENT will be invoiced at the end of the first billing period following commencement of work and at the end of each billing period thereafter. Payment in full of an invoice must be received by CONSULTANT within thirty (30) days of the date of such invoice.
2. **EFFECT OF INVOICE.** The work performed shall be deemed approved and accepted by CLIENT as and when invoiced unless CLIENT objects within fifteen (15) days of invoice date by written notice specifically stating the details in which CLIENT believes such work is incomplete or defective, and the invoice amount(s) in dispute. CLIENT shall pay undisputed amounts as provided for in the preceding paragraph.
3. **INTEREST; SUSPENSION OF WORK.** Failure of CLIENT to make full payment of an invoice so that it is received by CONSULTANT within said sixty (60) days of the date thereof subjects the amount overdue to a delinquent account charge of one percent (1%) of the invoice amount per month, compounded monthly, but not to exceed the maximum rate permitted by law. Failure of CLIENT to submit full payment of an invoice within sixty (60) days of the date thereof subjects this agreement and the work herein contemplated to suspension or termination at CONSULTANT's discretion.
4. **ADVANCE PAYMENT: WITHHOLDING OF WORK PRODUCT.** CONSULTANT reserves the right to require payment in advance for work it estimates will be done during a given billing period. CONSULTANT, without any liability to CLIENT, reserves the right to withhold any services and work products herein contemplated pending payment of CLIENT's outstanding indebtedness or advance payment as required by CONSULTANT. Where work is performed on a reimbursable basis, budget may be increased by amendment to complete the scope of work. CONSULTANT is not obligated to provide services in excess of the authorized budget.
5. **STANDARD OF CARE.** CONSULTANT's services performed under this agreement will be performed in a manner consistent with the care and skill ordinarily exercised by members of the profession practicing under similar conditions at the same time and in the same or similar locality. When the findings and recommendations of CONSULTANT are based on information supplied by CLIENT and others, such findings and recommendations are correct to the best of CONSULTANT's knowledge and belief. No warranty, express or implied, is made or intended by this agreement, or by the foregoing statement of the applicable standard of care, or by providing consulting services or by furnishing oral or written reports of findings made. No entity other than CLIENT or CONSULTANT shall be construed as a beneficiary to this Agreement.
6. **INSURANCE COVERAGE.** CONSULTANT is protected by Worker's Compensation insurance as required by applicable state laws and will maintain employer's liability coverage of \$1,000,000 each accident for bodily injury, \$1,000,000 each employee and \$1,000,000 policy limit for bodily injury by disease. During the performance of this agreement CONSULTANT will maintain professional liability insurance with a limit of \$1,000,000 on a claims made, annual aggregate basis, and commercial general liability and automobile liability insurance each with a limit of not less than \$1,000,000 million on an occurrence basis.
7. **ALLOCATION OF RISK.** CLIENT and CONSULTANT have discussed the risks associated with this project and the extent to which those risks should be shared by CLIENT and by CONSULTANT, and have agreed:
  - (a) To the fullest extent permitted by law, CLIENT agrees to limit the liability of CONSULTANT, its officers, employees, and subconsultants to CLIENT, all landowners, contractors, subcontractors, lenders, suppliers, manufacturers, third parties, and their employees such that the total aggregate liability, including all attorneys fees and costs shall not exceed \$50,000.00 or the total fees paid for CONSULTANT's services on this project, whichever is greater. (b) All damages such as loss of use, profits, anticipated profits, and the like losses are consequential damages for which CONSULTANT is not liable. (c) CLIENT shall give written notice to CONSULTANT of any claim of negligent act, error or omission within one (1) year after the completion of the work performed by CONSULTANT. Failure to give notice herein required shall constitute a waiver of said claim by CLIENT.
8. **SERVICES DURING CONSTRUCTION.** Any construction inspection or testing provided by CONSULTANT is for the purpose of determining compliance by contractors with the functional provisions of project documents only. CLIENT agrees that CONSULTANT will have no inspection responsibilities at the jobsite except to the extent specifically provided for in the agreed upon scope of work. CONSULTANT shall not be held in any way to guarantee any contractor's work, nor to assume responsibility for means, methods or appliances used by any contractor nor to assume responsibility for a contractor's compliance with laws and regulations or for contractor's errors, omissions, or defective work. CLIENT agrees that in accordance with generally accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for jobsite conditions during the course of construction of the project, including safety of all persons and property and that this responsibility shall be continuous and not be limited to normal working hours. CLIENT agrees to require in all construction contracts for the project, provisions that CLIENT and CONSULTANT shall be defended and indemnified by the contractor and its subcontractors and named additional insureds on contractor's and subcontractor's insurance. Any Opinion of Probable Construction Cost furnished by CONSULTANT are based on professional opinions and judgment, and CONSULTANT will not be responsible for fluctuations in construction costs.
9. **SERVICES BY CLIENT.** CLIENT will provide access to site of work, obtain all permits, provide all legal services in connection with the project, and provide environmental impact reports and energy assessments unless specifically included in the scope of work. CLIENT shall pay the costs of checking and inspection fees, zoning application fees, soils engineering fees, testing fees, surveying fees, and all other fees, permits, bond premiums, and all other charges not specifically covered by the scope of work. CLIENT shall designate to CONSULTANT the location of all subsurface utility lines and other subsurface man-made objects (in this agreement collectively called "buried utilities") within the boundaries of the jobsite. CONSULTANT will conduct at CLIENT's expense such additional research as in CONSULTANT's professional opinion is appropriate to attempt to verify the location of buried utilities at the jobsite, but CLIENT shall remain responsible for the accurate designation of their location and, CONSULTANT shall not be responsible for claims or loss arising from the failure to accurately locate buried utilities.
10. **COMPLIANCE WITH LAWS.** CLIENT and CONSULTANT shall each use reasonable care in its efforts to comply with laws, codes, ordinances and regulations in force at the time of the performance by each under this agreement, insofar as such laws are applicable to a party's performance. Unless otherwise provided for in the scope of work of this agreement or by law, the responsibility for making any disclosures or reports to any third party, for notifying all governmental authorities of the discovery of hazardous materials on the jobsite, and for taking corrective, remedial, or mitigative action shall be solely that of CLIENT. It is CONSULTANT's belief that the work is not subject to Colorado or any applicable state Prevailing Wage Law, unless expressly identified as such within the scope of work. Should it be alleged or determined that some or all of the work is subject to Colorado's or any applicable state Prevailing Wage Law, then CLIENT shall reimburse CONSULTANT for the additional costs associated with CONSULTANT complying with those laws.

**Standard Conditions (Page 2)**

11. **USE OF DOCUMENTS.** Drawings, reports, writings and other original documents (documents) furnished by CONSULTANT are for the exclusive use of CLIENT and CONSULTANT retains all intellectual property rights including copyrights. Documents are furnished to CLIENT upon CLIENT's specific agreement that it assumes all liability resulting from the further distribution of such documents, or any portion of them, and that CLIENT will not hold CONSULTANT responsible for any claims associated with the unauthorized use of such documents. In no event will CLIENT or any person acting on its behalf edit, abridge, or modify any document prepared by CONSULTANT without CONSULTANT's express written consent.
12. **ELECTRONIC DATA.** Documents provided by CONSULTANT in electronic formats are provided under the following conditions unless detailed otherwise in the scope of work or by a written amendment. Documents are provided in CONSULTANT's standard software formats. CLIENT recognizes that electronic data and its transmission can be easily damaged, may not be compatible with CLIENT'S software formats and systems, may develop inaccuracies during conversion or use, and may contain viruses or other destructive programs, and that software and hardware operating systems may become obsolete. As a condition of delivery of electronic data, CLIENT agrees that CONSULTANT, its subconsultants, agents and employees will not be responsible for claims, loss, damages, expense and liability arising from or connected with its use, reuse, misuse, modification or misinterpretation. In no event shall CONSULTANT be liable for any loss of use, profit or any other damage.
13. **TERMINATION.** This agreement may be terminated by either party by written notice should the other party fail substantially to perform its obligations under this agreement and continue such default after the expiration of a seven (7) day notice period. Either party may terminate this agreement without necessity of cause upon the expiration of a thirty (30) day notice period. If this agreement is terminated by CLIENT in the absence of default by CONSULTANT, CONSULTANT shall be paid for services performed and costs incurred by it prior to its receipt of notice of termination from CLIENT, including reimbursement for direct expenses due, plus an additional amount, not to exceed ten percent (10%) of charges incurred to the termination notice date, to cover services to orderly close the work and prepare project files and documentation, plus any additional direct expenses incurred by CONSULTANT including but not limited to cancellation fees or charges. CONSULTANT will use reasonable efforts to minimize such additional charges.
14. **PRECEDENCE OF CONDITIONS.** Should any conflict exist between the terms herein and the terms of any purchase order or confirmation issued by CLIENT, the terms of these Standard Conditions shall prevail in the absence of CONSULTANT's express written agreement to the contrary.
15. **ASSIGNMENT: SUBCONTRACTING.** Neither CLIENT nor CONSULTANT shall assign any of its rights including a right to sue, or delegate its duties under this agreement without the written consent of the other.
16. **FORCE MAJEURE.** Any delay or default in the performance of any obligation of CONSULTANT under this agreement resulting from any cause(s) beyond CONSULTANT's reasonable control shall not be deemed a breach of this agreement. The occurrence of any such event shall suspend the obligations of CONSULTANT as long as performance is delayed or prevented thereby, and the fees due hereunder shall be equitably adjusted.
17. **MERGER: WAIVER: SURVIVAL.** This agreement constitutes the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations and/or agreements, written or oral. One or more waiver of any term, condition or other provision of this agreement by either party shall not be construed as a waiver of a subsequent breach of the same or any other provision. Any provision hereof which is legally deemed void or unenforceable shall not void this entire agreement and all other provisions shall survive and be enforceable.
18. **APPLICABLE LAW.** This agreement shall be interpreted and enforced according to the laws of the State of Colorado. In the case of invalidity or unenforceability of any provision or portion thereof, the provision shall be rewritten and enforced to the maximum extent permitted by laws to accomplish as near as possible the intent of the original provision. Nothing herein shall be construed to provide for indemnification against damages arising from a party's gross negligence or willful misconduct.
19. **COUNTERPARTS; SIGNATURES.** This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The parties agree that electronic (including without limitation .pdf), email or facsimile signatures of this Agreement shall have the same force and effect as original signatures. Each undersigned representative of the parties to this Agreement certifies that he or she is fully authorized to enter into the terms and conditions of this Agreement and to execute and legally bind such party to this Agreement.

April 21, 2026

Mr. Nathan Travis, District Manager  
Castle Pines North Metropolitan District  
7404 Yorkshire Drive  
Castle Pines, CO 80108

Subject: Croft Court Water Line Replacement – Engineering Proposal  
Castle Pines North Metropolitan District  
KJ Job# 2646062\*00

Dear Nathan:

Kennedy Jenks Consultants (KJ) is pleased to provide you with our proposed scope of services and estimated fee to complete the design, bidding, and construction phase services for the Croft Court Water Line Replacement Project. Our estimated fee is based on the approach and scope of work detailed in this proposal. The estimated fee is broken down into major tasks and includes our estimated hours and rates for each KJ personnel category. Fees for design survey are also included.

## **PROJECT OVERVIEW**

The purpose of this project is to replace the water line in Croft Court from Yorkshire Drive to the end of the cul-de-sac due to deteriorating pipe condition. A 6" PVC line will be installed parallel to the existing water line. Approximately 275 feet of 6" existing DIP line will be abandoned in place. Refer to the attached location map.

## **SCOPE OF SERVICES**

The proposed scope of work for this project is based on our discussions with you regarding the project and our understanding of the District's water system. The scope is divided into three (3) phases: Design, Bidding, and Construction Administration.

- Phase 1 – Design
- Phase 2 – Bidding
- Phase 3 – Construction Administration

The proposed work under each of these phases is presented below.

### ***Phase 1 – Design***

***Task 1.1 – Design Survey and Existing Utility Information:*** Coordinate survey consultant for performance of field survey along alignment route. The survey will document existing utilities, surface features, and contours across the survey area. *True North Surveying & Mapping* will perform survey services and will be contracted by the District. *Utilo* will locate existing utilities and will be contracted by the District. *True North* will be responsible for coordinating with *Utilo* in the

field. This item includes one site visit for Kennedy/Jenks to review existing field conditions and utility locates.

**Task 1.2 – Project Manual:** Prepare and compile required specifications for construction.

**Task 1.3 – Construction Plans:** Prepare final construction plans to include the following sheets: cover, general notes, plan, and details.

**Task 1.4 – Potholing:** Not included. Water line alignment and elevation will be adjusted during construction, if needed, to avoid existing utilities.

**Task 1.5 – Erosion Control Plans:** Prepare Erosion Control Plan to include the following sheets: cover, plan, and details.

**Task 1.6 – Coordination/Meetings:** We have included time for meetings and coordination with the District and the City for review and approval of the construction plans.

**Task 1.7 – Reviews:**

- Internal - Conduct an internal quality review consisting of two (2) meetings at the 60% and at the 90% design levels. The internal review focuses on plan development and project constructability.
- External - Submit 90% plans to the District and City for review.
- Incorporate comments and coordinate final (100% design) plans.

**Task 1.8 – Opinion of Probable Cost (OPC):** Prepare an opinion of probable cost at the 90% design phase to be used to evaluate bids received.

## **Phase 2 – Bidding**

**Task 2.1 – Advertise for Bids:** Prepare an advertisement for bids to be placed in a paper of local circulation.

**Task 2.2 – Prepare and Distribute Bid Documents:** Plans and Contract Documents will be printed and distributed to prospective bidders or posted to a web-based bidding site.

**Task 2.3 – Prepare Addenda, if needed:** Based on questions from contractors, addenda to the contract documents may need to be prepared and distributed to all plan holders. Time for preparation of one (1) addendum has been included in this proposal.

**Task 2.4 – Assistance to Contractors / Suppliers Prior to Bid:** Contractors and material suppliers will have questions regarding the project prior to the bid. Time has been estimated for these questions.

**Task 2.5 – Bid Opening:** Conduct bid opening at District office and prepare bid tabulation. Present results to the District for review.

**Task 2.6 – Evaluate Bid Proposals:** Evaluate bid proposals and qualifications and provide information to the District.

**Task 2.7 – Prepare Contract Documents for Signature and Execution:** Prepare Notice of Award based on the District’s direction and review the bond and insurance information provided by the Contractor. This item also includes coordinating with the District and the Contractor for completing all required signatures.

### **Phase 3 – Construction Support Services**

The goal of the construction administration phase is to monitor, observe, and administer the construction of the project on behalf of the District. The scope of services outlined below is based on information we have assumed about the project at the time this proposal was developed.

**Task 3.1 – Pre-construction Meeting:** Conduct pre-construction meeting at the District’s office. We will prepare and distribute the pre-construction meeting minutes.

**Task 3.2 – Review Shop Drawings:** Review material submittals from the Contractor.

**Task 3.3 – Part-Time Construction Observation:** The total active construction time is estimated to be 4 weeks. We have estimated three (3) hours per working day for construction observation by a Field Specialist.

**Task 3.4 – Change Order, if needed:** Review change order request from the Contractor and prepare a formal change order cover sheet with backup information for approval by the District. One (1) change order is estimated for the project.

**Task 3.5 – Pay Estimates:** Coordinate field measurements and prepare pay estimates. Two (2) pay estimates are estimated for the project.

**Task 3.6 – Record Drawings:** Add as-constructed information to the plans and submit copies to the District.

#### **Task 3.7 – Project Acceptance:**

- Conduct Final Walk-Through: Perform walk-through of the construction and prepare punch list indicating all items that must be corrected.
- Project Completion: Review punch list items for completion and coordinate final advertisement, warranty dates and probationary acceptance.

**SERVICES NOT INCLUDED**

The following services are not included in this agreement:

- Geotechnical Investigation
- Potholing
- Plan Review Fees by Agencies
- Meetings in addition to what has been estimated
- Public Notification and Neighborhood Meetings
- Additional coordination time for reviews

**SCHEDULE**

We propose the following schedule for completing the project.

Phase	Duration	Estimated Completion Date
Notice to Proceed	-	April 28, 2026
60% Design	5 weeks	June 5, 2026
90% Design	4 weeks	July 3, 2026
Agency Reviews	4 weeks	July 31, 2026
Final Design	4 weeks	August 28, 2026
Bidding	4 weeks	September 25, 2026
Notice to Proceed	4 weeks	October 23, 2026
Construction	8 weeks	December 18, 2026

**DELIVERABLES**

We propose to provide the following deliverables throughout the course of the project:

- Construction plans to the District and City for review.
- Final contract documents to the District.
- Contract documents to prospective bidders.
- Final contract documents to the District for signature and execution.
- Correspondence throughout project as required.

**COMPENSATION**

Compensation for our services will be on a time and materials reimbursement basis in accordance with our 2026 Billing Rates, attached. The initial fee budgets indicated below are based on our current level of understanding of the project and the assumptions made in the scope of services. Payments shall be made monthly based on invoices which describe services and list actual costs and expenses.

Mr. Nathan Travis  
 Castle Pines North Metropolitan District  
 April 21, 2026  
 Page 5

We propose a budget for each phase as follows:

Consultant	Design Phase	Bidding Phase	Construction Admin Phase	Total
Kennedy/Jenks	\$28,850	\$7,040	\$22,740	\$58,630
Advertising Costs	-	\$1,000	-	\$ 1,000
Utility Locates – Utilo (contracted by client)	-	-	-	-
Design Survey – True North (contracted by client)	-	-	-	-
Potholes – N/A	-	-	-	-
<b>Totals</b>	<b>\$28,850</b>	<b>\$8,040</b>	<b>\$22,740</b>	<b>\$59,630</b>

The estimated number of hours for each scope of service task item is enclosed.

Attached are the Standard Conditions that apply to this Agreement as well as our 2026 Billing Rates. If this is acceptable, please sign below and return a copy to me.

Sincerely,  
 Kennedy/Jenks Consultants, Inc.



Lisa Schwien, P.E.  
 Project Manager



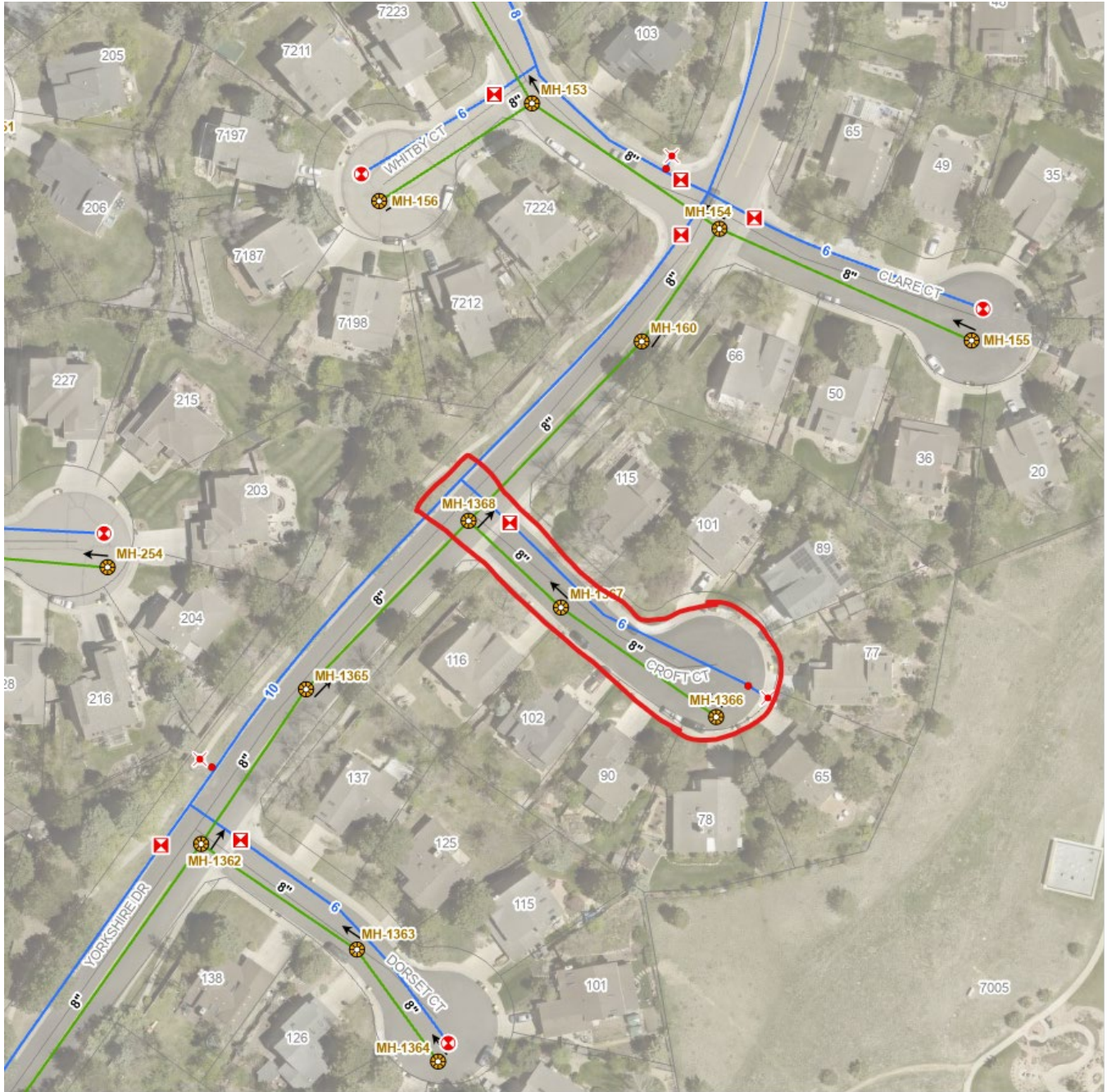
Greg S. Sekera, P.E.  
 Principal

ACCEPTED BY:  
 Castle Pines North Metropolitan District

\_\_\_\_\_  
 Nathan Travis, District Manager      Date

Encl: Engineering Fee Estimate  
 2026 Billing Rates  
 KJ Standard Conditions

**Project Location Map**



**Proposal Fee Estimate**

**Kennedy/Jenks Consultants**

CLIENT Name: <b>CASTLE PINES NORTH METRO DISTRICT</b>																
PROJECT Description: <b>CROFT CT WATER LINE REPLACEMENT</b>																
Proposal/Job Number: <b>2646062*00</b>		Date: <b>4/21/2026</b>														
January 1, 2026 Rates	Eng-Sci-8	Eng-Sci-7	Eng-Sci-6	Eng-Sci-5	Eng-Sci-4	Eng-Sci-3	Field Specialist	Senior CAD Technician	Project Admin	Total	KJ Total Labor	KJ Comm. Charges	Sub Survey - True North	KJ ODCs	Total Expenses	Total Labor + Expenses
Classification:										Hours	Fees	3%	Fees	Fees		Fees
Hourly Rate:	\$272	\$252	\$225	\$202	\$181	\$163	\$148	\$145	\$109							
<b>Phase 1 - Design</b>																
1.1 - Design Survey		2				4				6	\$1,156	\$35		\$60	\$95	\$1,251
1.2 - Project Manual		2				16			2	20	\$3,330	\$100			\$100	\$3,430
1.3 - Construction Plans		4				12		60		76	\$11,664	\$350			\$350	\$12,014
1.4 - Potholes - N/A										0	\$0	\$0			\$0	\$0
1.5 - Erosion Control Plan		1				4		12		17	\$2,644	\$79			\$79	\$2,723
1.6 - Coordination/Meetings		4				8				12	\$2,312	\$69		\$120	\$189	\$2,501
1.7 - Reviews and QA/QC	8	4	4			4	2			22	\$5,032	\$151			\$151	\$5,183
1.8 - Opinion of Probable Cost	2	2				4				8	\$1,700	\$51			\$51	\$1,751
<b>Phase 1 - Subtotal</b>	10	19	4	0	0	52	2	72	2	161	\$27,838	\$835	\$0	\$180	\$1,015	\$28,853
<b>Phase 2 - Bidding</b>																
2.1 - Advertise for Bids		1				2			1	4	\$687	\$21		\$1,000	\$1,021	\$1,708
2.2 - Prepare and Distribute Bid Documents		1				4			1	6	\$1,013	\$30			\$30	\$1,043
2.3 - Prepare Addenda, if needed		2				4			1	7	\$1,265	\$38			\$38	\$1,303
2.4 - Assistance to Contractors/Suppliers Prior to Bid		2				4				6	\$1,156	\$35			\$35	\$1,191
2.5 - Bid Opening		1				1				2	\$415	\$12			\$12	\$427
2.6 - Evaluate Bid Proposals	1	1				4			1	7	\$1,285	\$39			\$39	\$1,324
2.7- Prepare Contract Docs for Signature and Execution		1				4			1	6	\$1,013	\$30			\$30	\$1,043
<b>Phase 2 - Subtotal</b>	1	9	0	0	0	23	0	0	5	38	\$6,834	\$205	\$0	\$1,000	\$1,205	\$8,039
<b>Phase 3 - Construction</b>																
3.1 - Preconstruction Meeting		4				4	4		1	13	\$2,361	\$71		\$120	\$191	\$2,552
3.2 - Review Shop Drawings		1				8	1			10	\$1,704	\$51			\$51	\$1,755
3.3 - Part-Time Construction Observation		4				4	60			68	\$10,540	\$316		\$600	\$916	\$11,456
3.4 - Change Order, if needed		1				4			1	6	\$1,013	\$30			\$30	\$1,043
3.5 - Pay Estimates		1				2			1	4	\$687	\$21			\$21	\$708
3.6 - Record Drawings		2				4	2	12		20	\$3,192	\$96			\$96	\$3,288
3.7 - Project Acceptance	1	1				4	4		1	11	\$1,877	\$56			\$56	\$1,933
<b>Phase 3 - Subtotal</b>	1	14	0	0	0	30	71	12	4	132	\$21,374	\$641	\$0	\$720	\$1,361	\$22,735
<b>All Phases Total</b>	12	42	4	0	0	105	73	84	11	331	\$56,046	\$1,681	\$0	\$1,900	\$3,581	\$59,627

**2026 BILLING RATES**

<u>Classification</u>	<u>Hourly Rate</u>
Engineer-Scientist-Specialist 9 .....	\$294
Engineer-Scientist-Specialist 8 .....	\$272
Engineer-Scientist-Specialist 7 .....	\$252
Engineer-Scientist-Specialist 6 .....	\$225
Engineer-Scientist-Specialist 5 .....	\$202
Engineer-Scientist-Specialist 4 .....	\$181
Engineer-Scientist-Specialist 3 .....	\$163
Engineer-Scientist-Specialist 2 .....	\$143
Engineer-Scientist-Specialist 1 .....	\$121
Field Specialist .....	\$148
Senior CAD - Designer .....	\$170
CAD-Designer .....	\$157
Senior CAD - Technician .....	\$145
CAD-Technician .....	\$125
Administrative Manager/Project Administrator/Marketing Manager .....	\$109
Administrative Assistant.....	\$100

In addition to the above Hourly Rates, a 3% Communications Surcharge will be added to Personnel Compensation for normal and incidental copies, communications and postage.

**Direct expenses**

Reimbursement for direct expenses, as listed below, incurred in connection with the work, will be at cost plus 5% for items such as:

- a. Maps, photographs, 3rd party reproductions, 3rd party printing, equipment rental, and special supplies related to the work.
- b. Consultants, soils engineers, surveyors, contractors, and other outside services.
- c. Rented vehicles, local public transportation and taxis, travel and subsistence.
- d. Project specific telecommunications and delivery charges.
- e. Special fees, insurance, permits, and licenses applicable to the work.
- f. Outside computer processing, computation, and proprietary programs purchased for the work.

Reimbursement for vehicles used in connection with the work will be at the federally approved mileage rates or at a negotiated monthly rate.

The foregoing Schedule of Charges is incorporated into the agreement for the services provided, effective January 1, 2026 through December 31, 2026.

**Client:** Castle Pines North Metropolitan District

**Contract/Proposal Date:** 2646062\*00 April 21, 20236

## Standard Conditions

**January 1, 2017**

CLIENT and KENNEDY/JENKS CONSULTANTS, INC. ("CONSULTANT") agree that the following provisions shall be a part of their agreement.

1. **TERMS OF PAYMENT.** CLIENT will be invoiced at the end of the first billing period following commencement of work and at the end of each billing period thereafter. Payment in full of an invoice must be received by CONSULTANT within thirty (30) days of the date of such invoice.
2. **EFFECT OF INVOICE.** The work performed shall be deemed approved and accepted by CLIENT as and when invoiced unless CLIENT objects within fifteen (15) days of invoice date by written notice specifically stating the details in which CLIENT believes such work is incomplete or defective, and the invoice amount(s) in dispute. CLIENT shall pay undisputed amounts as provided for in the preceding paragraph.
3. **INTEREST; SUSPENSION OF WORK.** Failure of CLIENT to make full payment of an invoice so that it is received by CONSULTANT within said thirty (30) days of the date thereof subjects the amount overdue to a delinquent account charge of one percent (1%) of the invoice amount per month, compounded monthly, but not to exceed the maximum rate permitted by law. Failure of CLIENT to submit full payment of an invoice within thirty (30) days of the date thereof subjects this agreement and the work herein contemplated to suspension or termination at CONSULTANT's discretion.
4. **ADVANCE PAYMENT: WITHHOLDING OF WORK PRODUCT.** CONSULTANT reserves the right to require payment in advance for work it estimates will be done during a given billing period. CONSULTANT, without any liability to CLIENT, reserves the right to withhold any services and work products herein contemplated pending payment of CLIENT's outstanding indebtedness or advance payment as required by CONSULTANT. Where work is performed on a reimbursable basis, budget may be increased by amendment to complete the scope of work. CONSULTANT is not obligated to provide services in excess of the authorized budget.
5. **STANDARD OF CARE.** CONSULTANT's services performed under this agreement will be performed in a manner consistent with the care and skill ordinarily exercised by members of the profession practicing under similar conditions at the same time and in the same or similar locality. When the findings and recommendations of CONSULTANT are based on information supplied by CLIENT and others, such findings and recommendations are correct to the best of CONSULTANT's knowledge and belief. No warranty, express or implied, is made or intended by this agreement, or by the foregoing statement of the applicable standard of care, or by providing consulting services or by furnishing oral or written reports of findings made. No entity other than CLIENT or CONSULTANT shall be construed as a beneficiary to this Agreement.
6. **INSURANCE COVERAGE.** CONSULTANT is protected by Worker's Compensation insurance as required by applicable state laws and will maintain employer's liability coverage. During the performance of this agreement CONSULTANT will maintain professional liability insurance with a limit of \$1 million on a claims made, annual aggregate basis, and commercial general liability and automobile liability insurance each with a limit of not less than \$1 million on an occurrence basis.
7. **ALLOCATION OF RISK.** CLIENT and CONSULTANT have discussed the risks associated with this project and the extent to which those risks should be shared by CLIENT and by CONSULTANT, and have agreed: (a) To the fullest extent permitted by law, CLIENT agrees to limit the liability of CONSULTANT, its officers, employees, and subconsultants to CLIENT, all landowners, contractors, subcontractors, lenders, suppliers, manufacturers, third parties, and their employees such that the total aggregate liability, including all attorneys fees and costs shall not exceed \$50,000.00 or the total fees paid for CONSULTANT's services on this project, whichever is greater. (b) All damages such as loss of use, profits, anticipated profits, and the like losses are consequential damages for which CONSULTANT is not liable. (c) CLIENT shall give written notice to CONSULTANT of any claim of negligent act, error or omission within one (1) year after the completion of the work performed by CONSULTANT. Failure to give notice herein required shall constitute a waiver of said claim by CLIENT.
8. **SERVICES DURING CONSTRUCTION.** Any construction inspection or testing provided by CONSULTANT is for the purpose of determining compliance by contractors with the functional provisions of project documents only. CLIENT agrees that CONSULTANT will have no inspection responsibilities at the jobsite except to the extent specifically provided for in the agreed upon scope of work. CONSULTANT shall not be held in any way to guarantee any contractor's work, nor to assume responsibility for means, methods or appliances used by any contractor nor to assume responsibility for a contractor's compliance with laws and regulations or for contractor's errors, omissions, or defective work. CLIENT agrees that in accordance with generally accepted construction practices, the construction contractor will be required to assume sole and complete responsibility for jobsite conditions during the course of construction of the project, including safety of all persons and property and that this responsibility shall be continuous and not be limited to normal working hours. CLIENT agrees to require in all construction contracts for the project, provisions that CLIENT and CONSULTANT shall be defended and indemnified by the contractor and its subcontractors and named additional insureds on contractor's and subcontractor's insurance. Any statements of estimated construction costs furnished by CONSULTANT are based on professional opinions and judgment, and CONSULTANT will not be responsible for fluctuations in construction costs.
9. **SERVICES BY CLIENT.** CLIENT will provide access to site of work, obtain all permits, provide all legal services in connection with the project, and provide environmental impact reports and energy assessments unless specifically included in the scope of work. CLIENT shall pay the costs of checking and inspection fees, zoning application fees, soils engineering fees, testing fees, surveying fees, and all other fees, permits, bond premiums, and all other charges not specifically covered by the scope of work. CLIENT shall designate to CONSULTANT the location of all subsurface utility lines and other subsurface man-made objects (in this agreement collectively called "buried utilities") within the boundaries of the jobsite. CONSULTANT will conduct at CLIENT's expense such additional research as in CONSULTANT's professional opinion is appropriate to attempt to verify the location of buried utilities at the jobsite, but CLIENT shall remain responsible for the accurate designation of their location and, shall indemnify, defend, and hold CONSULTANT harmless from any claims or loss arising from the failure to accurately locate buried utilities.
10. **COMPLIANCE WITH LAWS.** CLIENT and CONSULTANT shall each use reasonable care in its efforts to comply with laws, codes, ordinances and regulations in force at the time of the performance by each under this agreement, insofar as such laws are applicable to a party's performance. Unless otherwise provided for in the scope of work of this agreement or by law, the responsibility for making any disclosures or reports to any third party, for notifying all governmental authorities of the discovery of hazardous materials on the jobsite, and for taking corrective, remedial, or mitigative action shall be solely that of CLIENT. It is CONSULTANT's belief that the work is not subject to California Prevailing Wage Law, unless expressly identified as such within the scope of work. Should it be alleged or determined that some or all of the work is subject to California's Prevailing Wage Law, then CLIENT shall reimburse CONSULTANT for the additional costs associated with CONSULTANT complying with those laws.
11. **USE OF DOCUMENTS.** Drawings, reports, writings and other original documents (documents) furnished by CONSULTANT are for the exclusive use of CLIENT and CONSULTANT retains all intellectual property rights including copyrights. Documents are furnished to CLIENT upon CLIENT's specific agreement that it assumes

resulting from the further distribution of such documents, or any portion of them, and that CLIENT will indemnify CONSULTANT and hold it harmless against any claims associated with the unauthorized use of such documents. In no event will CLIENT or any person acting on its behalf edit, abridge, or modify any document prepared by CONSULTANT without CONSULTANT's express written consent.

12. **ELECTRONIC OR MAGNETIC DATA.** Documents provided by CONSULTANT in electronic or magnetic formats are provided under the following conditions unless detailed otherwise in the scope of work or by a written amendment. Documents are provided in CONSULTANT's standard software formats. CLIENT recognizes that electronic or magnetic data and its transmission can be easily damaged, may not be compatible with CLIENT'S software formats and systems, may develop inaccuracies during conversion or use, and may contain viruses or other destructive programs, and that software and hardware operating systems may become obsolete. As a condition of delivery of electronic or magnetic data, CLIENT agrees to defend indemnify and hold CONSULTANT, its subconsultants, agents and employees harmless from and against all claims, loss, damages, expense and liability arising from or connected with its use, reuse, misuse, modification or misinterpretation. In no event shall CONSULTANT be liable for any loss of use, profit or any other damage.
13. **TERMINATION.** This agreement may be terminated by either party by written notice should the other party fail substantially to perform its obligations under this agreement and continue such default after the expiration of a seven (7) day notice period. Either party may terminate this agreement without necessity of cause upon the expiration of a thirty (30) day notice period. If this agreement is terminated by CLIENT in the absence of default by CONSULTANT, CONSULTANT shall be paid for services performed and costs incurred by it prior to its receipt of notice of termination from CLIENT, including reimbursement for direct expenses due, plus an additional amount, not to exceed ten percent (10%) of charges incurred to the termination notice date, to cover services to orderly close the work and prepare project files and documentation, plus any additional direct expenses incurred by CONSULTANT including but not limited to cancellation fees or charges. CONSULTANT will use reasonable efforts to minimize such additional charges.
14. **PRECEDENCE OF CONDITIONS.** Should any conflict exist between the terms herein and the terms of any purchase order or confirmation issued by CLIENT, the terms of these Standard Conditions shall prevail in the absence of CONSULTANT's express written agreement to the contrary.
15. **ASSIGNMENT: SUBCONTRACTING.** Neither CLIENT nor CONSULTANT shall assign any of its rights including a right to sue, or delegate its duties under this agreement without the written consent of the other.
16. **FORCE MAJEURE.** Any delay or default in the performance of any obligation of CONSULTANT under this agreement resulting from any cause(s) beyond CONSULTANT's reasonable control shall not be deemed a breach of this agreement. The occurrence of any such event shall suspend the obligations of CONSULTANT as long as performance is delayed or prevented thereby, and the fees due hereunder shall be equitably adjusted.
17. **MERGER: WAIVER: SURVIVAL.** This agreement constitutes the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations and/or agreements, written or oral. One or more waiver of any term, condition or other provision of this agreement by either party shall not be construed as a waiver of a subsequent breach of the same or any other provision. Any provision hereof which is legally deemed void or unenforceable shall not void this entire agreement and all other provisions shall survive and be enforceable.
18. **APPLICABLE LAW.** This agreement shall be interpreted and enforced according to the laws of the State of California. In the case of invalidity or unenforceability of any provision or portion thereof, the provision shall be rewritten and enforced to the maximum extent permitted by law to accomplish as near as possible the intent of the original provision. Nothing herein shall be construed to provide for indemnification against damages arising from a party's gross negligence or willful misconduct.

# CASTLE PINES NORTH



## METROPOLITAN DISTRICT

**TO:** Board of Directors – Castle Pines North Metropolitan District  
**FROM:** Eric Harris, Elevated Clarity (EC)  
**DATE:** April 27, 2026  
**RE:** Financial Report – April 2026 Board of Directors Meeting

### **General Fund Activity**

Actual revenues as of February 28, 2026, were \$673,734. As of February 2026, the District recognized \$396,964 in property tax revenues received from Douglas County and \$11,442 in specific ownership tax revenues. This represents 40.90% of the budgeted property taxes from the District’s mill levy year-to-date. The District receives the majority of annual property taxes February through June of each year. Indirect cost revenue amounts received to date in the General Fund from the Water and Wastewater Funds totals \$229,579, \$176,839 from the Water Fund and \$52,740 from the Wastewater Fund.

Total actual expenditures as of February 28, 2026, were \$459,093, The current net result is a positive change in funds available of \$214,641.

For most categories of revenues and expenditures, the actual amounts align well with the amounts budgeted. Two categories of expenditures that are trending over the amounts budgeted are Property and Liability Insurance and Software Support. The amount anticipated in the 2026 budget for Property and Liability Insurance was reduced to compensate for the parcels that were transferred to the City of Castle Pines. We will be conducting a review of the insured properties in the 2026 policy which may result in a decrease to the 2026 cost. Software support includes the financial software in 2026; this was recorded in 2025 in Accounting and Payroll so was not anticipated in the amount budgeted for Software Support.

We will begin projecting annual costs and providing further analysis with the first quarter financials that will be presented at next month’s board meeting.

### **Enterprise Fund Activity**

Billed water usage in the month of February 2026 was 20,709,000 gallons, a 7.35% increase from water usage in February 2025.

	Total Billable Usage (Gallons)							
	2023	Cumulative	2024	Cumulative	2025	Cumulative	2026	Cumulative
January	26,439,000	26,439,000	20,217,000	20,217,000	20,222,000	20,222,000	21,463,000	21,463,000
February	17,334,000	43,773,000	16,844,000	37,061,000	18,852,000	39,074,000	20,709,000	42,172,000
March	17,766,000	61,539,000	17,744,000	54,805,000	18,810,000	57,884,000		
April	24,839,000	86,378,000	25,517,000	80,322,000	30,472,000	88,356,000		
May	37,307,000	123,685,000	44,494,000	124,816,000	61,357,000	149,713,000		
June	45,739,003	169,424,003	104,276,000	229,092,000	82,618,000	232,331,000		
July	82,846,000	252,270,003	111,770,000	340,862,000	116,398,000	348,729,000		
August	77,494,000	329,764,003	90,502,000	431,364,000	97,641,000	446,370,000		
September	69,434,000	399,198,003	93,912,000	525,276,000	78,316,000	524,686,000		
October	61,514,000	460,712,003	72,133,000	597,409,000	52,041,000	576,727,000		
November	20,852,000	481,564,003	22,591,000	620,000,000	25,644,000	602,371,000		
December	17,116,000	498,680,003	20,563,000	640,563,000	20,648,000	623,019,000		

Water services revenues (volumetric charges) for February 2026 were \$140,214. Wastewater services revenues (volumetric charges) for the same period were \$165,809. Wastewater service charges are assessed and set based upon the winter usage for individual account holders.

The following table summarizes year-to-date accounts receivable and revenues activity:

YTD ACCOUNTS RECEIVABLE AND REVENUES (unaudited)				
	BEGINNING BALANCE	REVENUES	PAYMENTS / ADJUSTMENTS	ENDING BALANCE
1/31/2026	\$ 623,359	\$ 603,649	\$ (563,650)	\$ 663,358
2/28/2026	663,358	598,480	(594,280)	667,558
3/31/2026				-
4/30/2026				-
5/31/2026				-
6/30/2026				-
7/31/2026				-
8/31/2026				-
9/30/2026				-
10/31/2026				-
11/30/2026				-
12/31/2026				-
<b>YTD</b>		<b>\$ 1,202,129</b>	<b>\$ (1,157,930)</b>	

### **Water Enterprise Fund**

Actual revenues as of February 28, 2026, were \$1,003,836, consisting of \$398,978 in operating revenues and \$604,858 in non-operating revenues (interest earnings and capital improvement fees). The amount budgeted for these revenues was \$7,967,647, consisting of \$4,184,142 in operating revenues and \$3,783,505 in non-operating revenues.

Total actual expenditures as of February 28, 2026, were \$2,120,645, consisting of \$1,355,767 in operating expenditures and \$764,878 in non-operating expenditures compared to total budgeted of \$19,238,916 (\$6,068,916 in operating expenditures and \$13,170,000 in non-operating expenditures). The net variance is a result of timing associated with operating and non-operating (capital) expenditures. Staff and contractors will continue to monitor these expenditures throughout the year and report other differences.

As mentioned in the prior financial report, we do anticipate some further adjustments as we review the 2025 transactions to ensure completeness for the 2025 audit; however, we do not expect those adjustments to materially affect the financial statements.

Major year-to-date capital (non-operating expenditures) consists of the following:

- City of Castle Pines – Monarch Project: \$75,040
- Myers & Sons Construction LLC – Filter Beds Rehab: \$486,248
- Kennedy Jenks – Filter Beds Rehab: \$115,554

**Wastewater Enterprise Fund**

Actual revenues as of February 28, 2026, were \$495,677, consisting of \$461,271 in operating revenues and \$34,406 in non-operating revenues (interest earnings). The amount budgeted for these revenues is \$7,938,589, consisting of \$3,038,589 in operating revenues and \$4,900,000 in non-operating revenues.

Total actual expenditures as of February 28, 2026, were \$1,428,729 (\$404,343 in operating expenditures and \$1,024,386 in non-operating expenditures) compared to total budgeted of \$9,556,601 (\$2,047,273 in operating expenditures and \$7,509,328 in non-operating expenditures).

As mentioned in the prior financial report, we do anticipate some further adjustments as we review the 2025 transactions to ensure completeness for the 2025 audit; however, we do not expect those adjustments to materially affect the financial statements.

Major year-to-date capital (non-operating expenditures) consists of the following:

- T Lowell Construction Inc – Lift Stations Upgrades: \$937,676

**Cash and Investment Activity**

The following table summarizes the District’s Monthly Cash Position:

CASH BALANCE BY MONTH - unaudited				
	CITYWIDE/UMB	COLOTRUST	1ST BANK	TOTAL
3/31/2025	\$ 935,698	\$ 48,715,129	\$ -	\$ 49,650,827
4/30/2025	703,181	48,936,087	-	49,639,268
5/31/2025	1,075,527	48,258,410	-	49,333,937
6/30/2025	879,796	48,537,702	-	49,417,498
7/31/2025	902,244	49,032,569	-	49,934,813
8/31/2025	801,581	49,097,776	-	49,899,357
9/30/2025	683,418	49,300,256	-	49,983,674
10/31/2025	988,795	49,451,543	-	50,440,338
11/30/2025	746,352	49,625,162	-	50,371,514
12/31/2025	769,203	49,321,024	-	50,090,227
1/31/2026	451,581	48,448,294	-	48,899,875
2/28/2026	718,648	47,110,528	-	47,829,176

## Accounts Payable Activity

The following table summarizes the District's year-to-date monthly disbursements summary:

<b>DISBURSEMENTS SUMMARY (unaudited)</b>		
<b>BOARD MEETING MONTH</b>	<b>DISBURSEMENT DATES</b>	<b>TOTAL</b>
MAY 2025	4/18/25-5/13/25	\$ 773,582.60
JUNE 2025	5/14/25-6/11/25	1,244,934.75
JULY 2025	6/12/25-7/16/25	1,021,172.57
AUGUST 2025	7/17/25-8/13/25	938,297.29
SEPTEMBER 2025	8/14/25-9/9/25	1,246,538.25
OCTOBER 2025	9/10/25-10/15/25	1,077,226.22
NOVEMBER 2025	10/16/25-11/13/25	1,255,195.94
JANUARY 2026	11/14/25-1/13/26	2,665,662.73
FEBRUARY 2026	1/14/26-2/11/26	1,895,968.59
MARCH 2026	2/12/26-3/11/26	1,859,339.06
APRIL 2026		1,425,616.50
		<b>\$ 15,403,534.50</b>

District staff and consultants presented \$1,425,616.50 in expenditures for review at the work session held on April 20, 2026. These expenditures were brought to the attention of the Board for consideration of ratification at the Board of Directors Meeting to be held April 27, 2026.

### Current Projects

Currently, EC is formalizing and documenting the District's closing schedule related to its financial processes as well as working with District staff and contractors on implementing the following process changes and projects:

- Assist with the implementation of CUSI (billing system) UB4. CUSI has converted rates and account information to the new platform. Staff and contractor training is occurring this week. We are now expecting to go live with the system in June 2026.
- Coordinate with Blackbaud Advisory consultants on improvements to the district's general ledger and setup in the financial system. This includes updates to report groupings and the chart of account structure as well as exploring utilization of additional features within the financial system to achieve efficiencies.
- Streamline and enhance monthly financial reporting.
- Begin preparation for the 2025 annual audit, anticipated to begin the week of May 11, 2026. Preparation will include documenting and removing from the District's balance sheet any assets transferred from the District to the City of Castle Pines in 2025.
- Begin updates to organizing electronic records for the District.
- Recommend that the Board authorize a phased restructuring of the District's cash management framework and implement changes accordingly.
- Recommend that the Board authorize the adoption of the Colorado PERA Roth option and Colorado PERA 457 Deferred Compensation Plan and implement changes accordingly.
- Evaluate reserve levels and types of reserves to develop, recommend, and ultimately adopt a reserves policy.

### Anticipated Upcoming Schedule (subject to change)

- April 27, 2026** – Monthly Board Meeting
- May 11, 2026** – Start Date for Audit Testing Procedures
- May 18, 2026** – Monthly Board Meeting
- May 26, 2026** – Monthly Board Work Session

# CASTLE PINES NORTH



METROPOLITAN DISTRICT

## **STATEMENT OF REVENUES & EXPENDITURES**

BUDGETARY (NON-GAAP) BASIS

December 31, 2025 Actual, 2026 Adopted Budget

2026 Actuals, Budget and Variance Through February 28, 2026

CASTLE PINES NORTH METROPOLITAN DISTRICT  
 STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS  
 BUDGETARY (NON-GAAP) BASIS  
 December 31, 2025 Actual  
 Actual, Budget and Variance Through February 28, 2026

SUMMARY - ALL FUNDS					
DESCRIPTION	12/31/2025 UNAUDITED ACTUAL	2026 ADOPTED BUDGET	ACTUAL THROUGH 2/28/2026	BUDGET THROUGH 2/28/2026	FAVORABLE (UNFAVOR- ABLE) VARIANCE
<b>GENERAL FUND</b>					
<b>Beginning Funds Available</b>					
Restricted for TABOR	\$ 57,298	\$ 75,372	\$ 72,420	\$ 75,372	\$ (2,952)
Unrestricted	95,832	122,410	290,145	122,410	167,735
<b>Total Beginning Funds Available</b>	<b>\$ 153,130</b>	<b>\$ 197,782</b>	<b>\$ 362,565</b>	<b>\$ 197,782</b>	<b>\$ 164,783</b>
<b>Revenues</b>	<b>\$ 2,571,040</b>	<b>\$ 2,556,272</b>	<b>\$ 673,734</b>	<b>\$ 719,188</b>	<b>\$ (45,454)</b>
<b>Expenditures</b>					
<b>Salaries and Benefits</b>	<b>\$ 436,838</b>	<b>\$ 698,356</b>	<b>\$ 77,731</b>	<b>\$ 120,558</b>	<b>\$ 42,827</b>
<b>Other</b>					
Professional Services	\$ 1,066,939	\$ 942,608	\$ 115,502	\$ 158,620	\$ 43,118
Insurance	116,146	85,000	125,755	85,000	(40,755)
Office & Other	248,189	288,491	98,025	80,489	(17,536)
Staff Support	33,190	28,649	429	3,108	2,679
Operations Support	63,629	78,564	8,643	14,134	5,491
<b>Total Expenditures - Other</b>	<b>\$ 1,528,093</b>	<b>\$ 1,423,312</b>	<b>\$ 348,354</b>	<b>\$ 341,351</b>	<b>\$ (7,003)</b>
<b>Firm Commitments</b>	<b>\$ 396,674</b>	<b>\$ 184,559</b>	<b>\$ 33,008</b>	<b>\$ 37,843</b>	<b>\$ 4,835</b>
<b>Total Expenditures</b>	<b>\$ 2,361,605</b>	<b>\$ 2,306,227</b>	<b>\$ 459,093</b>	<b>\$ 499,752</b>	<b>\$ 40,659</b>
<b>Change in Funds Available</b>	<b>\$ 209,435</b>	<b>\$ 250,045</b>	<b>\$ 214,641</b>	<b>\$ 219,436</b>	<b>\$ (4,795)</b>
Restricted for TABOR	\$ 72,420	\$ 75,203	\$ 19,976	\$ 21,278	\$ (1,302)
Unrestricted	290,145	372,624	557,230	395,940	161,290
<b>ENDING FUNDS AVAILABLE</b>	<b>\$ 362,565</b>	<b>\$ 447,827</b>	<b>\$ 577,206</b>	<b>\$ 417,218</b>	<b>\$ 159,988</b>
<b>CONSERVATION TRUST FUND</b>					
<b>Beginning Funds Available</b>	\$ 46	\$ -	\$ -	\$ -	\$ -
<b>Revenues</b>	\$ 78,332	\$ 100,500	\$ 19	\$ 84	\$ (65)
<b>Expenditures</b>	78,378	100,500	19	84	65
<b>Change in Funds Available</b>	\$ (46)	\$ -	\$ -	\$ -	\$ -
<b>ENDING FUNDS AVAILABLE</b>	\$ -	\$ -	\$ -	\$ -	\$ -
<b>WATER ENTERPRISE FUND</b>					
<b>Beginning Funds Available</b>					
Restricted for Renewable Water	\$ 15,383,518	\$ 15,464,451	\$ 15,565,618	\$ 15,464,451	\$ 101,167
Restricted for Capital	20,911,236	18,453,564	19,456,461	18,453,564	1,002,897
Unrestricted	7,419,482	7,738,943	8,169,252	7,738,943	430,309
<b>Total Beginning Funds Available</b>	<b>\$ 43,714,236</b>	<b>\$ 41,656,958</b>	<b>\$ 43,191,331</b>	<b>\$ 41,656,958</b>	<b>\$ 1,534,373</b>
<b>Operating Revenues</b>	<b>\$ 4,543,023</b>	<b>\$ 4,184,142</b>	<b>\$ 398,978</b>	<b>\$ 359,351</b>	<b>\$ 39,627</b>
<b>Operating Expenditures - Direct</b>					
Annual Charges/Assessments	\$ 658,936	\$ 644,958	\$ 626,231	\$ 637,380	\$ 11,149
Centennial Delivery Charges	93,161	350,000	115,281	130,690	15,409
Operations	565,755	754,998	68,839	106,330	37,491
Professional Services	428,030	583,503	59,608	69,735	10,127
Repairs and Maintenance	2,014,037	1,611,427	231,834	330,238	98,404
Salaries and Benefits - Water Specific	31,361	90,330	14,804	15,055	251
Utilities	1,110,685	1,242,102	62,331	25,463	(36,868)
<b>Total Operating Expenditures - Direct</b>	<b>\$ 4,901,965</b>	<b>\$ 5,277,318</b>	<b>\$ 1,178,928</b>	<b>\$ 1,314,891</b>	<b>\$ 135,963</b>
<b>Indirect Costs to General Fund (15% of Direct Costs)</b>	<b>\$ 734,767</b>	<b>\$ 791,598</b>	<b>\$ 176,839</b>	<b>\$ 158,717</b>	<b>\$ (18,122)</b>
<b>Total Operating Expenditures</b>	<b>\$ 5,636,732</b>	<b>\$ 6,068,916</b>	<b>\$ 1,355,767</b>	<b>\$ 1,473,608</b>	<b>\$ 117,841</b>
<b>Operating Income/(Loss)</b>	<b>\$ (1,093,709)</b>	<b>\$ (1,884,774)</b>	<b>\$ (956,789)</b>	<b>\$ (1,114,257)</b>	<b>\$ 157,468</b>
<b>Non-Operating Revenues</b>	<b>\$ 4,319,379</b>	<b>\$ 3,783,505</b>	<b>\$ 604,858</b>	<b>\$ 630,582</b>	<b>\$ (25,724)</b>
<b>Non-Operating Expenditures</b>	<b>\$ 3,748,575</b>	<b>\$ 13,170,000</b>	<b>\$ 764,878</b>	<b>\$ 3,215,000</b>	<b>\$ 2,450,122</b>
<b>Non-Operating Income/(Loss)</b>	<b>\$ 570,804</b>	<b>\$ (9,386,495)</b>	<b>\$ (160,020)</b>	<b>\$ (2,584,418)</b>	<b>\$ 2,424,398</b>
<b>Change in Funds Available</b>	<b>\$ (522,905)</b>	<b>\$ (11,271,269)</b>	<b>\$ (1,116,809)</b>	<b>\$ (3,698,675)</b>	<b>\$ 2,581,866</b>
Restricted for Renewable Water	\$ 15,565,618	\$ 15,464,451	\$ 15,565,618	\$ 15,464,451	\$ 101,167
Restricted for Capital	19,456,461	7,316,069	19,031,295	15,577,314	(1,446,263)
Unrestricted	8,169,252	7,605,169	7,477,609	6,916,518	5,461,335
<b>ENDING FUNDS AVAILABLE</b>	<b>\$ 43,191,331</b>	<b>\$ 30,385,689</b>	<b>\$ 42,074,522</b>	<b>\$ 37,958,283</b>	<b>\$ 4,116,239</b>

CASTLE PINES NORTH METROPOLITAN DISTRICT  
 STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS  
 BUDGETARY (NON-GAAP) BASIS  
 December 31, 2025 Actual  
 Actual, Budget and Variance Through February 28, 2026

SUMMARY - ALL FUNDS (CONTINUED)					
DESCRIPTION	12/31/2025 UNAUDITED ACTUAL	2026 ADOPTED BUDGET	ACTUAL THROUGH 2/28/2026	BUDGET THROUGH 2/28/2026	FAVORABLE (UNFAVOR- ABLE) VARIANCE
<b>WASTEWATER ENTERPRISE FUND</b>					
<b>Beginning Funds Available</b>					
Restricted for Capital	\$ 2,702,189	\$ 1,185,196	\$ 1,351,927	\$ 1,185,196	\$ 166,731
Unrestricted	3,059,662	4,125,435	4,337,495	4,125,435	212,060
<b>Total Beginning Funds Available</b>	<b>\$ 5,761,851</b>	<b>\$ 5,310,631</b>	<b>\$ 5,689,422</b>	<b>\$ 5,310,631</b>	<b>\$ 378,791</b>
<b>Operating Revenues</b>	<b>\$ 2,650,270</b>	<b>\$ 3,038,589</b>	<b>\$ 461,271</b>	<b>\$ 473,288</b>	<b>\$ (12,017)</b>
<b>Operating Expenditures - Direct</b>					
PCWRA Sewer Charges	\$ 723,490	\$ 777,200	\$ 131,383	\$ 129,534	\$ (1,849)
Operations	380,983	496,525	81,975	81,359	(616)
Professional Services	12,537	13,736	3,771	2,290	(1,481)
Repairs and Maintenance	193,131	310,271	110,060	125,055	14,995
Salaries and Benefits - Wastewater Specific	7,840	22,153	3,702	3,694	(8)
Utilities	97,768	160,352	20,712	18,762	(1,950)
<b>Total Operating Expenditures - Direct</b>	<b>\$ 1,415,749</b>	<b>\$ 1,780,237</b>	<b>\$ 351,603</b>	<b>\$ 360,694</b>	<b>\$ 9,091</b>
<b>Indirect Costs to General Fund (15% of Direct Costs)</b>	<b>\$ 212,362</b>	<b>\$ 267,036</b>	<b>\$ 52,740</b>	<b>\$ 21,341</b>	<b>\$ (31,399)</b>
<b>Total Operating Expenditures</b>	<b>\$ 1,628,111</b>	<b>\$ 2,047,273</b>	<b>\$ 404,343</b>	<b>\$ 382,035</b>	<b>\$ (22,308)</b>
<b>Operating Income/(Loss)</b>	<b>\$ 1,022,159</b>	<b>\$ 991,316</b>	<b>\$ 56,928</b>	<b>\$ 91,253</b>	<b>\$ (34,325)</b>
<b>Non-Operating Revenues</b>	\$ 344,678	\$ 4,900,000	\$ 34,406	\$ 16,666	\$ 17,740
<b>Non-Operating Expenditures</b>	\$ 1,439,266	\$ 7,509,328	\$ 1,024,386	\$ 1,007,890	\$ (16,496)
<b>Non-Operating Income/(Loss)</b>	<b>\$ (1,094,588)</b>	<b>\$ (2,609,328)</b>	<b>\$ (989,980)</b>	<b>\$ (991,224)</b>	<b>\$ 1,244</b>
<b>Change in Funds Available</b>	<b>\$ (72,429)</b>	<b>\$ (1,618,012)</b>	<b>\$ (933,052)</b>	<b>\$ (899,971)</b>	<b>\$ (33,081)</b>
Restricted for Capital	\$ 1,351,927	\$ -	\$ 327,541	\$ 177,306	\$ 183,227
Unrestricted	4,337,495	3,692,619	4,428,829	4,233,354	162,483
<b>ENDING FUNDS AVAILABLE</b>	<b>\$ 5,689,422</b>	<b>\$ 3,692,619</b>	<b>\$ 4,756,370</b>	<b>\$ 4,410,660</b>	<b>\$ 345,710</b>

COMBINED WATER AND WASTEWATER ENTERPRISE FUNDS					
<b>Beginning Funds Available</b>					
Restricted for Renewable Water	\$ 15,383,518	\$ 15,464,451	\$ 15,565,618	\$ 15,464,451	\$ 101,167
Restricted for Capital	23,613,425	19,638,760	20,808,388	19,638,760	1,169,628
Unrestricted	10,479,144	11,864,378	12,506,747	11,864,378	642,369
<b>Total Beginning Funds Available</b>	<b>\$ 49,476,087</b>	<b>\$ 46,967,589</b>	<b>\$ 48,880,753</b>	<b>\$ 46,967,589</b>	<b>\$ 1,913,164</b>
<b>Operating Revenues</b>	<b>\$ 7,193,293</b>	<b>\$ 7,222,731</b>	<b>\$ 860,249</b>	<b>\$ 832,639</b>	<b>\$ 27,610</b>
<b>Operating Expenditures - Direct</b>					
Annual Charges/Assessments - Water Fund	\$ 658,936	\$ 644,958	\$ 626,231	\$ 637,380	\$ 11,149
Centennial Delivery Charges - Water Fund	93,161	350,000	115,281	130,690	15,409
PCWRA Sewer Charges - Wastewater Fund	723,490	777,200	131,383	129,534	(1,849)
Operations - Water and Wastewater Funds	946,738	1,251,523	150,814	167,689	36,875
Professional Services - Water and Wastewater Funds	440,567	597,239	63,379	72,025	8,646
Repairs and Maintenance - Water and Wastewater Funds	2,207,168	1,921,698	341,894	455,293	113,399
Salaries and Benefits - Water and Wastewater Funds	39,201	112,483	18,506	18,749	243
Utilities - Water and Wastewater Funds	1,208,453	1,402,454	83,043	44,225	(38,818)
<b>Total Operating Expenditures - Direct</b>	<b>\$ 6,317,714</b>	<b>\$ 7,057,555</b>	<b>\$ 1,530,531</b>	<b>\$ 1,675,585</b>	<b>\$ 145,054</b>
<b>Indirect Costs to General Fund (15% of Direct Costs)</b>	<b>\$ 947,129</b>	<b>\$ 1,058,634</b>	<b>\$ 229,579</b>	<b>\$ 180,058</b>	<b>\$ (49,521)</b>
<b>Total Operating Expenditures</b>	<b>\$ 7,264,843</b>	<b>\$ 8,116,189</b>	<b>\$ 1,760,110</b>	<b>\$ 1,855,643</b>	<b>\$ 95,533</b>
<b>Operating Income/(Loss)</b>	<b>\$ (71,550)</b>	<b>\$ (893,458)</b>	<b>\$ (899,861)</b>	<b>\$ (1,023,004)</b>	<b>\$ 123,143</b>
<b>Non-Operating Revenues</b>	\$ 4,664,057	\$ 8,683,505	\$ 639,264	\$ 647,248	\$ (7,984)
<b>Non-Operating Expenditures</b>	\$ 5,187,841	\$ 20,679,328	\$ 1,789,264	\$ 4,222,890	\$ 2,433,626
<b>Non-Operating Income/(Loss)</b>	<b>\$ (523,784)</b>	<b>\$ (11,995,823)</b>	<b>\$ (1,150,000)</b>	<b>\$ (3,575,642)</b>	<b>\$ 2,425,642</b>
<b>Change in Funds Available</b>	<b>\$ (595,334)</b>	<b>\$ (12,889,281)</b>	<b>\$ (2,049,861)</b>	<b>\$ (4,598,646)</b>	<b>\$ 2,548,785</b>
Restricted for Renewable Water	\$ 15,565,618	\$ 15,464,451	\$ 15,565,618	\$ 15,464,451	\$ 101,167
Restricted for Capital	20,808,388	7,316,069	19,358,836	15,754,620	(1,263,036)
Unrestricted	12,506,747	11,297,788	11,906,438	11,149,872	5,623,818
<b>ENDING FUNDS AVAILABLE</b>	<b>\$ 48,880,753</b>	<b>\$ 34,078,308</b>	<b>\$ 46,830,892</b>	<b>\$ 42,368,943</b>	<b>\$ 4,461,949</b>

**CASTLE PINES NORTH METROPOLITAN DISTRICT  
STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS  
BUDGETARY (NON-GAAP) BASIS  
December 31, 2025 Actual  
Actual, Budget and Variance Through February 28, 2026**

General Fund					
DESCRIPTION	12/31/2025 UNAUDITED ACTUAL	2026 ADOPTED BUDGET	ACTUAL THROUGH 2/28/2026	BUDGET THROUGH 2/28/2026	FAVORABLE (UNFAVOR- ABLE) VARIANCE
<b>Beginning Funds Available</b>					
Restricted for TABOR	\$ 57,298	\$ 75,372	\$ 72,420	\$ 75,372	\$ (2,952)
Unrestricted	95,832	122,410	290,145	122,410	167,735
<b>Total Beginning Funds Available</b>	<b>\$ 153,130</b>	<b>\$ 197,782</b>	<b>\$ 362,565</b>	<b>\$ 197,782</b>	<b>\$ 164,783</b>
<b>Revenues</b>					
General Property Taxes	\$ 985,509	\$ 970,577	\$ 396,964	\$ 411,816	\$ (14,852)
Specific Ownership Taxes	76,003	67,961	11,442	11,326	116
Indirect Cost Revenue - Water Fund	734,767	791,598	176,839	197,234	(20,395)
Indirect Cost Revenue - Wastewater Fund	212,362	267,036	52,740	54,104	(1,364)
Interest Earnings	13,430	5,000	1,449	834	615
CORE Electric Cooperative Rebate	28,037	25,000	-	-	-
City of Castle Pines IGA Reimbursable Costs	157,522	50,000	7,901	10,000	(2,099)
Farm Lease Revenues	42,600	42,600	-	-	-
Miscellaneous Revenues	-	-	507	-	507
Oil Royalty Revenues	253,970	266,500	14,640	22,208	(7,568)
Cell Phone Lease Revenues	66,840	70,000	11,252	11,666	(414)
<b>Total Revenues</b>	<b>\$ 2,571,040</b>	<b>\$ 2,556,272</b>	<b>\$ 673,734</b>	<b>\$ 719,188</b>	<b>\$ (45,454)</b>
<b>Expenditures</b>					
<b>Salaries and Benefits</b>					
Director Compensation	\$ 6,365	\$ 12,918	\$ 1,726	\$ 2,153	\$ 427
Salaries	269,407	428,980	45,586	71,496	25,910
Salaries - Hourly	55,995	55,432	9,100	9,238	138
Salaries - OT/Employee Bonuses	250	24,221	-	4,036	4,036
PERA Employer Contribution	47,257	75,020	8,640	12,504	3,864
Unemployment Insurance Taxes	378	210	109	35	(74)
Workers' Compensation Insurance	1,017	5,000	2,701	5,000	2,299
Employer Contributions Health Insurance	43,561	67,995	7,708	11,332	3,624
Employer Contributions Medicare	4,718	14,048	793	2,342	1,549
PERA Matchmaker Contribution	7,890	14,532	1,368	2,422	1,054
<b>Total Salaries and Benefits</b>	<b>\$ 436,838</b>	<b>\$ 698,356</b>	<b>\$ 77,731</b>	<b>\$ 120,558</b>	<b>\$ 42,827</b>
<b>Other</b>					
<b>Professional Services</b>					
Accounting and Payroll	\$ 417,898	\$ 303,330	\$ 47,319	\$ 50,555	\$ 3,236
Audit	53,000	57,240	-	-	-
Communications - Public Outreach	187,918	198,469	28,654	33,078	4,424
Election	1,650	-	-	-	-
Engineering Services	19,361	22,238	1,428	3,706	2,278
Engineering Services - Mineral Rights	30,006	-	-	-	-
GIS/Asset Management	19,240	22,908	10,600	14,716	4,116
Human Resources	6,916	15,000	3,995	4,995	1,000
Information Technology	25,368	26,931	2,056	4,488	2,432
Legal Services	233,412	276,492	20,632	46,082	25,450
Rates and Fees Study	72,170	20,000	818	1,000	182
<b>Sub-Total Professional Services</b>	<b>\$ 1,066,939</b>	<b>\$ 942,608</b>	<b>\$ 115,502</b>	<b>\$ 158,620</b>	<b>\$ 43,118</b>
<b>Insurance</b>					
Property and Liability Insurance	\$ 116,146	\$ 85,000	\$ 125,755	\$ 85,000	\$ (40,755)
<b>Sub-Total Property &amp; Liability Insurance</b>	<b>\$ 116,146</b>	<b>\$ 85,000</b>	<b>\$ 125,755</b>	<b>\$ 85,000</b>	<b>\$ (40,755)</b>
<b>Office &amp; Other</b>					
Bank and Credit Card Fees	\$ 15,088	\$ 15,708	\$ 2,567	\$ 2,618	\$ 51
Building Cleaning	9,745	10,100	1,649	1,684	35
Building Costs/Supplies	1,444	25,446	-	141	141
Building Repairs and Maintenance	10,302	4,000	1,138	666	(472)
Building Utilities	12,718	12,562	2,978	2,094	(884)
Fuel	125	-	-	-	-
Miscellaneous	6,870	1,000	-	166	166
Office Furniture/Equipment	23,263	5,000	7,606	5,000	(2,606)
Office Supplies	7,523	7,226	258	1,204	946
Phone/Security	72,081	95,527	14,415	19,754	5,339
Postage and Freight	24,433	23,873	6,807	3,978	(2,829)
Printing and Copying	16,258	16,058	2,950	2,676	(274)
Software Support	44,132	67,666	56,916	39,788	(17,128)
Trash Removal	4,207	4,325	741	720	(21)
<b>Sub-Total Office &amp; Other</b>	<b>\$ 248,189</b>	<b>\$ 288,491</b>	<b>\$ 98,025</b>	<b>\$ 80,489</b>	<b>\$ (17,536)</b>
<b>Staff Support</b>					
Professional Education/Conferences	\$ 11,540	\$ 14,453	\$ 144	\$ 2,408	\$ 2,264
Professional Memberships/Subscriptions	21,650	14,196	285	700	415
<b>Sub-Total Staff Support</b>	<b>\$ 33,190</b>	<b>\$ 28,649</b>	<b>\$ 429</b>	<b>\$ 3,108</b>	<b>\$ 2,679</b>
<b>Operations Support</b>					
SCADA	\$ 13,511	\$ 16,988	\$ 900	\$ 2,832	\$ 1,932
Small Tools	5,561	7,167	136	1,194	1,058
Snow Removal	4,500	6,240	-	2,080	2,080
Underground Utility Locates	40,057	48,169	7,607	8,028	421
<b>Sub-Total Operations Support</b>	<b>\$ 63,629</b>	<b>\$ 78,564</b>	<b>\$ 8,643</b>	<b>\$ 14,134</b>	<b>\$ 5,491</b>
<b>Total Expenditures - Other</b>	<b>\$ 1,528,093</b>	<b>\$ 1,423,312</b>	<b>\$ 348,354</b>	<b>\$ 341,351</b>	<b>\$ (7,003)</b>
<b>Firm Commitments</b>					
County Treasurer Collection Fees	\$ 14,791	\$ 14,559	\$ 5,954	\$ 6,177	\$ 223
IGA - City of Castle Pines - Cell Phone Lease Revenues	66,840	70,000	11,252	11,666	414
IGA - City of Castle Pines - Parcel Transfer Costs	315,043	100,000	15,802	20,000	4,198
<b>Sub-Total Firm Commitments</b>	<b>\$ 396,674</b>	<b>\$ 184,559</b>	<b>\$ 33,008</b>	<b>\$ 37,843</b>	<b>\$ 4,835</b>
<b>Total Expenditures</b>	<b>\$ 2,361,605</b>	<b>\$ 2,306,227</b>	<b>\$ 459,093</b>	<b>\$ 499,752</b>	<b>\$ 40,659</b>
<b>Change in Funds Available</b>	<b>\$ 209,435</b>	<b>\$ 250,045</b>	<b>\$ 214,641</b>	<b>\$ 219,436</b>	<b>\$ (4,795)</b>
Restricted for TABOR	\$ 72,420	\$ 75,203	\$ 19,976	\$ 21,278	\$ (1,302)
Unrestricted	290,145	372,624	557,230	395,940	161,290
<b>ENDING FUNDS AVAILABLE</b>	<b>\$ 362,565</b>	<b>\$ 447,827</b>	<b>\$ 577,206</b>	<b>\$ 417,218</b>	<b>\$ 159,988</b>

CASTLE PINES NORTH METROPOLITAN DISTRICT  
 STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS  
 BUDGETARY (NON-GAAP) BASIS  
 December 31, 2025 Actual  
 Actual, Budget and Variance Through February 28, 2026

Conservation Trust Fund					
DESCRIPTION	12/31/2025 UNAUDITED ACTUAL	2026 ADOPTED BUDGET	ACTUAL THROUGH 2/28/2026	BUDGET THROUGH 2/28/2026	FAVORABLE (UNFAVOR- ABLE) VARIANCE
<b>Beginning Funds Available</b>	\$ 46	\$ -	\$ -	\$ -	\$ -
<b>Revenues</b>					
Lottery Proceeds	\$ 77,851	\$ 100,000	\$ -	\$ -	\$ -
Interest Earnings	481	500	19	84	(65)
<b>Total Revenues</b>	<b>\$ 78,332</b>	<b>\$ 100,500</b>	<b>\$ 19</b>	<b>\$ 84</b>	<b>\$ (65)</b>
<b>Expenditures</b>					
IGA - City of Castle Pines - CTF Revenues	\$ 78,378	\$ 100,500	\$ 19	\$ 84	\$ 65
<b>Total Expenditures</b>	<b>\$ 78,378</b>	<b>\$ 100,500</b>	<b>\$ 19</b>	<b>\$ 84</b>	<b>\$ 65</b>
<b>Change in Funds Available</b>	<b>\$ (46)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>ENDING FUNDS AVAILABLE</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**CASTLE PINES NORTH METROPOLITAN DISTRICT  
STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS  
BUDGETARY (NON-GAAP) BASIS  
December 31, 2025 Actual  
Actual, Budget and Variance Through February 28, 2026**

Water Enterprise Fund					
DESCRIPTION	12/31/2025 UNAUDITED ACTUAL	2026 ADOPTED BUDGET	ACTUAL THROUGH 2/28/2026	BUDGET THROUGH 2/28/2026	FAVORABLE (UNFAVOR- ABLE) VARIANCE
<b>Beginning Funds Available</b>					
Restricted for Renewable Water	\$ 15,383,518	\$ 15,464,451	\$ 15,565,618	\$ 15,464,451	\$ 101,167
Restricted for Capital	20,911,236	18,453,564	19,456,461	18,453,564	1,002,897
Unrestricted	7,419,482	7,738,943	8,169,252	7,738,943	430,309
<b>Total Beginning Funds Available</b>	<b>\$ 43,714,236</b>	<b>\$ 41,656,958</b>	<b>\$ 43,191,331</b>	<b>\$ 41,656,958</b>	<b>\$ 1,534,373</b>
<b>Water Operating Revenues</b>					
Water Service Revenue	\$ 3,634,911	\$ 3,415,360	\$ 272,623	\$ 231,220	\$ 41,403
Golf Course Water Delivery	173,456	-	-	-	-
Water Customer Charges	617,754	642,582	106,111	107,097	(986)
Late Fees - Water Activity	26,978	20,000	4,125	3,334	791
Inspection Fees	7,800	-	-	-	-
Cross Connection Control Program	-	60,000	3,877	10,000	(6,123)
Reimbursable Costs	58,984	31,200	7,169	5,200	1,969
Miscellaneous	23,140	15,000	5,073	2,500	2,573
<b>Total Water Operating Revenues</b>	<b>\$ 4,543,023</b>	<b>\$ 4,184,142</b>	<b>\$ 398,978</b>	<b>\$ 359,351</b>	<b>\$ 39,627</b>
<b>Water Operating Expenditures - Direct</b>					
<b>Annual Charges/Assessments</b>					
Centennial Capacity Readiness	\$ 400,000	\$ 400,000	\$ 400,000	\$ 400,000	\$ -
Chatfield Reservoir Mitigation Annual Assessment	161,966	168,000	152,912	168,000	15,088
Ditch Operating Assessments	49,635	50,343	56,652	50,343	(6,309)
Reuter-Hess Maintenance Obligations	26,968	7,578	-	-	-
Sensus USA Annual Software Support	3,700	3,885	-	3,885	3,885
South Metro Water Supply Authority Dues	16,667	15,152	16,667	15,152	(1,515)
<b>Sub-Total Annual Charges/Assessments</b>	<b>\$ 658,936</b>	<b>\$ 644,958</b>	<b>\$ 626,231</b>	<b>\$ 637,380</b>	<b>\$ 11,149</b>
<b>Centennial Delivery Charges</b>					
Centennial Delivery Charges	\$ 93,161	\$ 350,000	\$ 115,281	\$ 130,690	\$ 15,409
<b>Sub-Total Centennial Delivery Charges</b>	<b>\$ 93,161</b>	<b>\$ 350,000</b>	<b>\$ 115,281</b>	<b>\$ 130,690</b>	<b>\$ 15,409</b>
<b>Operations</b>					
Chemicals	\$ 93,955	\$ 106,478	\$ 2,177	\$ 17,746	\$ 15,569
Ditch/Land Rights Operating Expenses	16,677	17,447	2,489	2,908	419
IPS Surge Modifications	44,066	46,826	-	-	-
Emergency Generators Fuel	-	-	849	-	(849)
Laboratory Testing	2,442	3,109	-	518	518
Leak Detection	50,625	70,200	-	-	-
Operations Staffing Contract	255,497	272,938	41,720	45,490	3,770
SCADA	33,616	30,993	-	5,166	5,166
Vehicle Fuel and Mileage	574	2,000	111	334	223
Vehicle Repairs and Maintenance	-	2,000	214	334	120
Water Meters	45,321	180,000	19,979	30,000	10,021
Water Programs	11,535	6,701	-	1,116	1,116
Water Quality Testing	11,447	16,306	1,300	2,718	1,418
<b>Sub-Total Operations</b>	<b>\$ 565,755</b>	<b>\$ 754,998</b>	<b>\$ 68,839</b>	<b>\$ 106,330</b>	<b>\$ 37,491</b>
<b>Professional Services</b>					
Backflow Program	\$ 120,000	\$ 150,000	\$ 22,020	\$ 25,000	\$ 2,980
Engineering Services	42,978	52,979	5,623	8,830	3,207
Engineering Services Reimbursable	58,984	31,200	7,169	5,200	(1,969)
Water Resource Study	21,728	50,000	-	8,334	8,334
Water Rights Consultants	89,466	103,733	13,088	17,288	4,200
Water Rights Legal Services	26,790	12,498	9,409	2,083	(7,326)
WTP Site Plan / O&M Manual Development	68,084	183,093	2,299	3,000	701
<b>Sub-Total Professional Services</b>	<b>\$ 428,030</b>	<b>\$ 583,503</b>	<b>\$ 59,608</b>	<b>\$ 69,735</b>	<b>\$ 10,127</b>
<b>Repairs and Maintenance</b>					
Grounds Maintenance	\$ -	\$ 30,000	\$ -	\$ -	\$ -
Valve, Hydrant and PRV Maintenance	255,784	256,427	77,157	42,738	(34,419)
Water Distribution Repairs	1,050,538	750,000	9,877	125,000	115,123
Water Treatment Plant Repairs	58,771	75,000	-	12,500	12,500
Wells Expenditures	648,944	500,000	144,800	150,000	5,200
<b>Sub-Total Repairs and Maintenance</b>	<b>\$ 2,014,037</b>	<b>\$ 1,611,427</b>	<b>\$ 231,834</b>	<b>\$ 330,238</b>	<b>\$ 98,404</b>
<b>Salaries and Benefits - Water Specific</b>					
Salaries	\$ 20,169	\$ 57,410	\$ 9,335	\$ 9,568	\$ 233
Salaries - OT/ Employee Bonuses	-	2,296	-	382	382
PERA Employer Contribution	2,987	9,071	1,475	1,512	37
Unemployment Insurance Taxes	40	34	19	6	(13)
Employer Contributions Health Insurance	7,873	18,132	3,840	3,022	(818)
Employer Contributions Medicare	292	1,665	135	278	143
PERA Matchmaker Contribution	-	1,722	-	287	287
<b>Sub-Total Salaries and Benefits - Water Specific</b>	<b>\$ 31,361</b>	<b>\$ 90,330</b>	<b>\$ 14,804</b>	<b>\$ 15,055</b>	<b>\$ 251</b>
<b>Utilities</b>					
Electricity for Booster Pump Station	\$ 25,673	\$ 27,218	\$ 4,203	\$ 4,536	\$ 333
Electricity for IPP Pumping Costs	42,024	34,252	25,181	5,708	(19,473)
Electricity for Water Treatment Plant	105,422	118,193	4,851	5,000	149
Electricity for Well Pumping	864,713	1,043,125	6,910	7,000	90
Phone/Security	21,608	19,314	21,186	3,219	(17,967)
Reuse Pumping	51,245	-	-	-	-
<b>Sub-Total Utilities</b>	<b>\$ 1,110,685</b>	<b>\$ 1,242,102</b>	<b>\$ 62,331</b>	<b>\$ 25,463</b>	<b>\$ (36,868)</b>
<b>Total Water Operating Expenditures - Direct</b>	<b>\$ 4,901,965</b>	<b>\$ 5,277,318</b>	<b>\$ 1,178,928</b>	<b>\$ 1,314,891</b>	<b>\$ 135,963</b>
<b>Indirect Costs to General Fund (15% of Direct Costs)</b>	<b>\$ 734,767</b>	<b>\$ 791,598</b>	<b>\$ 176,839</b>	<b>\$ 158,717</b>	<b>\$ (18,122)</b>
<b>Total Operating Expenditures</b>	<b>\$ 5,636,732</b>	<b>\$ 6,068,916</b>	<b>\$ 1,355,767</b>	<b>\$ 1,473,608</b>	<b>\$ 117,841</b>
<b>Operating Income/(Loss)</b>	<b>\$ (1,093,709)</b>	<b>\$ (1,884,774)</b>	<b>\$ (956,789)</b>	<b>\$ (1,114,257)</b>	<b>\$ 157,468</b>

**CASTLE PINES NORTH METROPOLITAN DISTRICT  
STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS  
BUDGETARY (NON-GAAP) BASIS  
December 31, 2025 Actual  
Actual, Budget and Variance Through February 28, 2026**

<b>Water Enterprise Fund</b>					
<b>DESCRIPTION</b>	<b>12/31/2025 UNAUDITED ACTUAL</b>	<b>2026 ADOPTED BUDGET</b>	<b>ACTUAL THROUGH 2/28/2026</b>	<b>BUDGET THROUGH 2/28/2026</b>	<b>FAVORABLE (UNFAVOR- ABLE) VARIANCE</b>
<b>Water Non-Operating Revenues</b>					
Interest Earnings	\$ 1,843,479	\$ 1,750,000	\$ 265,146	\$ 291,666	\$ (26,520)
Capital Improvement Fees	1,950,000	2,032,505	339,712	338,750	962
Miscellaneous	-	1,000	-	166	(166)
Renewable Water Resources Fees	182,100	-	-	-	-
Transfer from General Fund	-	-	-	-	-
Connect Fees	343,800	-	-	-	-
<b>Total Water Non-Operating Revenues</b>	<b>\$ 4,319,379</b>	<b>\$ 3,783,505</b>	<b>\$ 604,858</b>	<b>\$ 630,582</b>	<b>\$ (25,724)</b>
<b>Water Non-Operating Expenditures</b>					
Sampling Station Installation	\$ -	\$ 200,000	\$ -	\$ -	\$ -
Arapahoe Wells Re-Drill	-	250,000	-	-	-
Backwash Reclaim Tank Upgrade	-	-	-	-	-
Monarch Waterline Replacement - Phase III	1,827,040	800,000	86,486	5,000	(81,486)
Water Equipment Purchase	-	-	-	-	-
Vehicle Purchase	28,657	-	-	-	-
Well Control Vault Rehab Program	446,157	-	-	-	-
Well 4	-	-	-	-	-
Well 8	-	-	-	-	-
WTP Bldg. Construction/ Filter Room/Office	-	-	-	-	-
WTP Bldg. Construction/ Filter Room/Office - Capitalized	-	-	-	-	-
WTP Filter Rehabilitation Program	1,315,994	4,500,000	656,810	750,000	93,190
WTP HVAC	-	-	-	-	-
WTP Liquid Ammonia Sulfate	62,039	-	-	-	-
WTP Process Tank Rehab	44,126	-	-	-	-
WTP Pump Control Valve	-	-	-	-	-
System Condition Assessment - Distribution	-	140,000	-	-	-
Booster Pump Station	-	20,000	-	-	-
Water Tank Project - Rehabilitation	-	450,000	6,016	450,000	443,984
Well Electrical Equipment Replacement	-	75,000	-	75,000	75,000
Interconnect Pump Station - Surge Protection System	-	135,000	10,604	135,000	124,396
Castle Pines Parkway Waterline Replacement - Phase II	24,562	1,800,000	4,962	1,800,000	1,795,038
Transfer to Wastewater Enterprise Fund	-	4,800,000	-	-	-
<b>Total Water Non-Operating Expenditures</b>	<b>\$ 3,748,575</b>	<b>\$ 13,170,000</b>	<b>\$ 764,878</b>	<b>\$ 3,215,000</b>	<b>\$ 2,450,122</b>
<b>Non-Operating Income/(Loss)</b>	<b>\$ 570,804</b>	<b>\$ (9,386,495)</b>	<b>\$ (160,020)</b>	<b>\$ (2,584,418)</b>	<b>\$ 2,424,398</b>
<b>Change in Funds Available</b>	<b>\$ (522,905)</b>	<b>\$ (11,271,269)</b>	<b>\$ (1,116,809)</b>	<b>\$ (3,698,675)</b>	<b>\$ 2,581,866</b>
Restricted for Renewable Water	\$ 15,565,618	\$ 15,464,451	\$ 15,565,618	\$ 15,464,451	\$ 101,167
Restricted for Capital	19,456,461	7,316,069	19,031,295	15,577,314	(1,446,263)
Unrestricted	8,169,252	7,605,169	7,477,609	6,916,518	5,461,335
<b>WATER - ENDING FUNDS AVAILABLE</b>	<b>\$ 43,191,331</b>	<b>\$ 30,385,689</b>	<b>\$ 42,074,522</b>	<b>\$ 37,958,283</b>	<b>\$ 4,116,239</b>

**CASTLE PINES NORTH METROPOLITAN DISTRICT  
STATEMENTS OF REVENUES AND EXPENDITURES WITH BUDGETS  
BUDGETARY (NON-GAAP) BASIS  
December 31, 2025 Actual  
Actual, Budget and Variance Through February 28, 2026**

Wastewater Enterprise Fund					
DESCRIPTION	12/31/2025 UNAUDITED ACTUAL	2026 ADOPTED BUDGET	ACTUAL THROUGH 2/28/2026	BUDGET THROUGH 2/28/2026	FAVORABLE (UNFAVOR- ABLE) VARIANCE
<b>Beginning Funds Available</b>					
Restricted for Capital	\$ 2,702,189	\$ 1,185,196	\$ 1,351,927	\$ 1,185,196	\$ 166,731
Unrestricted	3,059,662	4,125,435	4,337,495	4,125,435	212,060
<b>Total Beginning Funds Available</b>	<b>\$ 5,761,851</b>	<b>\$ 5,310,631</b>	<b>\$ 5,689,422</b>	<b>\$ 5,310,631</b>	<b>\$ 378,791</b>
<b>Wastewater Operating Revenues</b>					
Sewer Service Charges	\$ 1,912,389	\$ 2,057,618	\$ 330,652	\$ 342,936	\$ (12,284)
Sewer Customer Charges	736,646	781,115	130,344	130,186	158
Late Fees - Sewer Activity	1,013	-	275	-	275
Golf Course Water Delivery	-	198,856	-	-	-
Miscellaneous	222	1,000	-	166	(166)
<b>Total Wastewater Operating Revenues</b>	<b>\$ 2,650,270</b>	<b>\$ 3,038,589</b>	<b>\$ 461,271</b>	<b>\$ 473,288</b>	<b>\$ (12,017)</b>
<b>Wastewater Operating Expenditures - Direct</b>					
<b>PCWRA Sewer Fees</b>					
PCWRA Sewer Fees	\$ 723,490	\$ 777,200	\$ 131,383	\$ 129,534	\$ (1,849)
<b>Sub-Total PCWRA Sewer Fees</b>	<b>\$ 723,490</b>	<b>\$ 777,200</b>	<b>\$ 131,383</b>	<b>\$ 129,534</b>	<b>\$ (1,849)</b>
<b>Operations</b>					
Collection - Chemical Treatment	\$ -	\$ 18,420	\$ -	\$ 1,675	\$ 1,675
Collection - Main Inspection and Cleaning	221,259	306,812	53,782	51,136	(2,646)
Collection - Wet Well Cleaning	23,626	27,409	4,268	4,568	300
Operations Staffing Contract	126,087	132,396	21,890	22,066	176
Emergency Generators Fuel	-	-	991	-	(991)
SCADA	9,868	10,688	990	1,782	792
Vehicle Fuel and Mileage	143	400	-	66	66
Vehicle Repairs and Maintenance	-	400	54	66	12
<b>Sub-Total Operations</b>	<b>\$ 380,983</b>	<b>\$ 496,525</b>	<b>\$ 81,975</b>	<b>\$ 81,359</b>	<b>\$ (616)</b>
<b>Professional Services</b>					
Engineering Services	\$ 12,537	\$ 13,736	\$ 3,771	\$ 2,290	\$ (1,481)
Professional Services - S.S.M.H. Condition Assess	-	-	-	-	-
<b>Sub-Total Professional Services</b>	<b>\$ 12,537</b>	<b>\$ 13,736</b>	<b>\$ 3,771</b>	<b>\$ 2,290</b>	<b>\$ (1,481)</b>
<b>Repairs and Maintenance</b>					
Collection - Emergency Response	\$ 7,152	\$ 54,528	\$ -	\$ 9,088	\$ 9,088
Collection - Repairs and Maintenance	161,873	207,879	110,060	111,323	1,263
Grounds Maintenance	-	20,000	-	-	-
Lift Station - Generator Repairs and Maintenance	24,106	27,864	-	4,644	4,644
<b>Sub-Total Repairs and Maintenance</b>	<b>\$ 193,131</b>	<b>\$ 310,271</b>	<b>\$ 110,060</b>	<b>\$ 125,055</b>	<b>\$ 14,995</b>
<b>Salaries and Benefits - Wastewater Specific</b>					
Salaries	\$ 5,042	\$ 14,353	\$ 2,334	\$ 2,392	\$ 58
Salaries - OT/ Employee Bonuses	-	144	-	24	24
PERA Employer Contribution	747	2,268	369	378	9
Unemployment Insurance Taxes	10	8	5	2	(3)
Employer Contributions Health Insurance	1,968	4,533	960	756	(204)
Employer Contributions Medicare	73	416	34	70	36
PERA Matchmaker Contribution	-	431	-	72	72
<b>Sub-Total Salaries and Benefits - Wastewater Specific</b>	<b>\$ 7,840</b>	<b>\$ 22,153</b>	<b>\$ 3,702</b>	<b>\$ 3,694</b>	<b>\$ (8)</b>
<b>Utilities</b>					
Electricity for Wastewater Pumping	\$ 92,920	\$ 94,831	\$ 17,844	\$ 15,806	\$ (2,038)
Natural Gas for Lift Stations	4,278	4,539	785	756	(29)
Phone/Security	570	562	-	-	-
Reuse Pumping	-	60,420	2,083	2,200	117
<b>Sub-Total Utilities</b>	<b>\$ 97,768</b>	<b>\$ 160,352</b>	<b>\$ 20,712</b>	<b>\$ 18,762</b>	<b>\$ (1,950)</b>
<b>Total Wastewater Operating Expenditures - Direct</b>	<b>\$ 1,415,749</b>	<b>\$ 1,780,237</b>	<b>\$ 351,603</b>	<b>\$ 360,694</b>	<b>\$ 9,091</b>
<b>Indirect Costs to General Fund (15% of Direct Costs)</b>	<b>\$ 212,362</b>	<b>\$ 267,036</b>	<b>\$ 52,740</b>	<b>\$ 21,341</b>	<b>\$ (31,399)</b>
<b>Total Operating Expenditures</b>	<b>\$ 1,628,111</b>	<b>\$ 2,047,273</b>	<b>\$ 404,343</b>	<b>\$ 382,035</b>	<b>\$ (22,308)</b>
<b>Operating Income/(Loss)</b>	<b>\$ 1,022,159</b>	<b>\$ 991,316</b>	<b>\$ 56,928</b>	<b>\$ 91,253</b>	<b>\$ (34,325)</b>
<b>Wastewater Non-Operating Revenues</b>					
Interest Earnings	\$ 255,674	\$ 100,000	\$ 34,406	\$ 16,666	\$ 17,740
Connect Fees	89,004	-	-	-	-
Transfers In - Water Fund	-	4,800,000	-	-	-
<b>Total Wastewater Non-Operating Revenues</b>	<b>\$ 344,678</b>	<b>\$ 4,900,000</b>	<b>\$ 34,406</b>	<b>\$ 16,666</b>	<b>\$ 17,740</b>
<b>Wastewater Non-Operating Expenditures</b>					
Vehicle Purchase	\$ 15,431	\$ -	\$ -	\$ -	\$ -
Debt Service	347,844	344,690	-	-	-
Lift Station Renovations	1,075,991	5,465,000	1,016,007	1,000,000	(16,007)
Pond Lining Reuse System	-	200,000	-	-	-
Flume Replacement - Daniels Gate	-	300,000	-	-	-
PCWRA Golf Course Improvements Debt Service	-	47,343	8,379	7,890	(489)
PCWRA Golf Course Improvements Cash Funding	-	1,152,295	-	-	-
<b>Total Wastewater Non-Operating Expenditures</b>	<b>\$ 1,439,266</b>	<b>\$ 7,509,328</b>	<b>\$ 1,024,386</b>	<b>\$ 1,007,890</b>	<b>\$ (16,496)</b>
<b>Non-Operating Income/(Loss)</b>	<b>\$ (1,094,588)</b>	<b>\$ (2,609,328)</b>	<b>\$ (989,980)</b>	<b>\$ (991,224)</b>	<b>\$ 1,244</b>
<b>Change in Funds Available</b>	<b>\$ (72,429)</b>	<b>\$ (1,618,012)</b>	<b>\$ (933,052)</b>	<b>\$ (899,971)</b>	<b>\$ (33,081)</b>
Restricted for Capital	\$ 1,351,927	\$ -	\$ 327,541	\$ 177,306	\$ 183,227
Unrestricted	4,337,495	3,692,619	4,428,829	4,233,354	162,483
<b>WASTEWATER - ENDING FUNDS AVAILABLE</b>	<b>\$ 5,689,422</b>	<b>\$ 3,692,619</b>	<b>\$ 4,756,370</b>	<b>\$ 4,410,660</b>	<b>\$ 345,710</b>

## **SUPPLEMENTAL INFORMATION**

**CASTLE PINES NORTH METROPOLITAN DISTRICT**  
**Property Tax Reconciliation**  
**2026**

	Property Tax	Delinquent Tax, Rebates, Exempt Abatements, TIF	Specific Ownership Tax	Interest	Treasurer's Fees	Total Amount Received	% of Levied Property Tax Received	
							Monthly	Y-T-D
							January	\$ 15,825.55
February	382,054.43	(912.74)	5,346.48		(5,717.15)	380,771.02	39.27%	40.90%
March						-	0.00%	40.90%
April						-	0.00%	40.90%
May						-	0.00%	40.90%
June						-	0.00%	40.90%
July						-	0.00%	40.90%
August						-	0.00%	40.90%
September						-	0.00%	40.90%
October						-	0.00%	40.90%
November						-	0.00%	40.90%
December						-	0.00%	40.90%
<b>TOTAL</b>	<b>\$ 397,879.98</b>	<b>\$ (916.34)</b>	<b>\$ 11,441.77</b>	<b>\$ -</b>	<b>\$ (5,954.47)</b>	<b>\$ 402,450.94</b>	<b>40.90%</b>	<b>40.90%</b>

CUMULATIVE TAXES 2026
21,679.92
402,450.94
402,450.94
402,450.94
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2025			
Property Tax Received	% of Levied Property Tax Received		
	Monthly	Y-T-D	
\$ 19,702.34	2.00%	2.00%	
398,127.87	40.40%	42.40%	
38,878.32	3.94%	46.34%	
136,704.51	13.87%	60.21%	
62,349.32	6.33%	66.54%	
311,505.16	31.61%	98.15%	
10,953.98	1.11%	99.26%	
4,234.81	0.43%	99.69%	
1,130.24	0.11%	99.80%	
188.61	0.02%	99.82%	
1,733.87	0.18%	100.00%	
-	0.00%	100.00%	
<b>\$ 985,509.03</b>	<b>100.00%</b>	<b>100.00%</b>	

Assessed Valuation	Mill Levy	Amount Levied	% of Levied	Amount Received	% Amount Received to Amount Levied
\$ 277,307,858	3.500	\$ 970,577	100.00%	\$ 396,963.64	40.90%

**Property Tax from Mill Levy**  
 General Fund

Castle Pines North Metro District

**Aged Receivables**

As of **02/28/2026**

Service	0-30 days	31-60 days	61-90 days	91-120 days	> 120 days	Balance
<b>Grand Total</b>						
WATER	153262.57	101.25	-3575.88	-1358.01	-8197.03	140232.90
WATER Penalty	2741.07	154.12	121.81	0.00	12.39	3029.39
WATER Misc	36.00	0.00	0.00	0.00	0.00	36.00
SEWER	183697.49	4265.41	623.33	22.96	-375.39	188233.80
SEWER Penalty	225.00	25.00	25.00	25.00	425.00	725.00
DRAINAGE	0.00	0.00	0.00	0.00	-3.87	-3.87
CAP MAINT WT	188073.52	4412.71	631.35	50.95	618.14	193786.67
CAP MAINT WT Misc	0.00	12.00	0.00	0.00	0.00	12.00
CUST CHG WTR	60034.44	1764.90	251.24	19.07	232.75	62302.40
CUST CHG WTR Misc	0.00	12.00	0.00	0.00	0.00	12.00
CUST CHG SWR	74257.38	2182.80	306.88	23.33	283.80	77054.19
RENEWABL WTR	0.00	0.00	0.00	0.00	3.39	3.39
CROSS CONNEC	2134.31	0.00	0.00	0.00	0.00	2134.31
	664461.78	12930.19	-1616.27	-1216.70	-7000.82	667558.18
<b>Number of Accounts in Each Column:</b>	4055	184	44	14	43	
<b>Total Number of Outstanding Accounts:</b>	<b>4,078</b>					

**Castle Pines North Metropolitan District  
Payment Claims  
For the Period March 12, 2025 - April 15, 2026  
PRESENTED FOR APPROVAL**

**CHECKS - 29608 through 29651 (Refer to Check Detail Report)**

**Amount**

Voucher Checks	\$ 1,302,042.60
One-Time Checks (Customer Refunds)	781.16
One-Time Checks (Meter Deposit Returned)	3,500.00
<b>TOTAL CHECKS PRESENTED FOR APPROVAL</b>	<b><u>\$ 1,306,323.76</u></b>

**ELECTRONIC PAYMENTS**

**Item #**

1	Bank and Credit Card Fees	\$ 1,608.97
2	Centennial Water and Sanitation	62.06
3	CenturyLink	327.56
4	Chargeback Items (Returned Customer Payments)	2,084.43
5	Core Electric	16,087.50
6	Greystone Technology	4,547.35
7	HBS Monthly Trash Service	369.05
8	Home Depot	126.19
9	JAN-PRO Cleaning Systems	837.00
10	Konica Minolta Lease Payment	470.00
11	Payroll and Payroll-Related Items (Staff and Board of Directors)	70,068.07
12	Payroll Billing Fees	280.00
13	UMB Visa Credit Card Payment	6,842.06
14	Verizon	1,157.44
15	Xcel	14,425.06
<b>TOTAL ELECTRONIC PAYMENTS PRESENTED FOR APPROVAL</b>		<b><u>\$ 119,292.74</u></b>

**TOTAL PAYMENTS PRESENTED FOR APPROVAL**

**\$ 1,425,616.50**

**Check Detail Report**  
**March 13, 2026 - April 15, 2026**

Item #	Vendor name	Invoice number	Invoice description	Amount	Paid by
1	American Security Professionals Inc	2575	Alarm Monitoring- Quarterly-IPS	\$165.00	Check #29615
2	American Security Professionals Inc	2576	Alarm Monitoring-Quarterly-LS 3	\$165.00	Check #29615
3	American Security Professionals Inc	2577	Alarm Monitoring-Quarterly-BPS	\$165.00	Check #29615
4	American Security Professionals Inc	2578	Alarm Monitoring-Quarterly-7125 Monarch Blvd	\$165.00	Check #29615
5	American Security Professionals Inc	2579	Alarm Monitoring-Quarterly-7404 Yorkshire Dr	\$165.00	Check #29615
6	American Security Professionals Inc	2580	Alarm Monitoring-Quarterly-WTP	\$165.00	Check #29615
7	AtoZ Complete Home Repair	24-2317	WTP Door & LS Dead Bolt	\$1,336.28	Check #29646
8	Backflow Secure; Management Secure LLC	883	Backflow Services Program-March	\$9,000.00	Check #29647
9	Castle Pines Connection	15550	Full Page Ad	\$2,350.00	Check #29616
10	Colorado Mechanical Systems LLC	6758	Preventative Maintenance-Non LS Sites	\$5,736.00	Check #29617
11	Colorado Mechanical Systems LLC	6759	Preventative Maintenance- Lift Station Sites	\$414.00	Check #29617
12	COMCAST	8497202420365418	HS Internet-WTP	\$642.92	Check #29648
13	Comcast Business	001003606446	Ethernet Internet-7404 Yorkshire Drive	\$810.50	Check #29618
14	Continental Utility Solutions Inc.	INVC-14265	SSL Renewal- 2years	\$240.00	Check #29619
15	Distribution System Resources dba DSR	6617	ORC, WTP & LSs Ops- February	\$8,287.58	Check #29620
16	Dominion Water and Sanitation District	1090	Water Study-November	\$2,224.46	Check #29621
17	Elevated Clarity LLC	501042	Finance & Accounting-February	\$21,709.06	Check #29622
18	ENLIVE tv Services LLC	0198	CDN & Captioning-March	\$2,675.00	Check #29623
19	Highlands Ranch Water	111780455	Water Delivery-February	\$58,067.16	Check #29625
20	Highlands Ranch Water	111780457	Capacity Readiness Charge-2026	\$400,000.00	Check #29625
21	Jehn Water Consultants Inc.	125.1/3-26	General Water Rights-February	\$6,125.00	Check #29626
22	Jehn Water Consultants Inc.	125.6/3-26	Resume Review- February	\$125.00	Check #29626
23	Jehn Water Consultants Inc.	871.1/3-26	Hock Hocking Share-February	\$1,244.58	Check #29626
24	Kennedy Jenks Consultants Inc	186169	Lagae PA-7	\$1,045.32	Check #29627
25	Kennedy Jenks Consultants Inc	186170	Lagae Family Parcel	\$251.76	Check #29627
26	Kennedy Jenks Consultants Inc	186171	Lift Stations Permitting & Upgrades	\$36,154.61	Check #29627
27	Kennedy Jenks Consultants Inc	186172	Tank Rehabilitation Program	\$3,001.16	Check #29627
28	Kennedy Jenks Consultants Inc	186173	Facility Documentation Program	\$2,299.48	Check #29627
29	Kennedy Jenks Consultants Inc	186174	Monarch Water Line Repl Ph 2	\$1,189.39	Check #29627
30	Kennedy Jenks Consultants Inc	186175	Filter Beds Rehab	\$61,657.56	Check #29627
31	Kennedy Jenks Consultants Inc	186176	WL Relocations for Castle Pines Metro Tank	\$3,539.90	Check #29627
32	Kennedy Jenks Consultants Inc	186177	Monarch Water Line Repl Ph 3	\$1,515.13	Check #29627
33	Kennedy Jenks Consultants Inc	186178	CP Pkwy Water Line Replacement Ph 2	\$973.35	Check #29627
34	Kennedy Jenks Consultants Inc	186179	2026 General Engineering	\$3,468.53	Check #29627
35	Level Engineering and Inspection	2026-02	Contract 17571- Gen Consult, Parcel Transfer & Srg Tank Eval	\$14,283.59	Check #29628
36	Mountain Peak Controls	31425	Well Level Investigation	\$990.00	Check #29629
37	Mountain Peak Controls	31439	Site Visit-Cyber Security	\$720.00	Check #29629
38	Mountain Peak Controls	31447	Cyber Security Components Delivery	\$360.00	Check #29629
39	Myers & Sons Construction LLC	0471-06	Filter Beds Rehab-2/1/26 to 2/28/26	\$107,476.00	Check #29630
40	Parker Water and Sanitation Dist	INV00011100	2025 Rueter Hess Reservoir Shared Expenses	\$1,294.65	Check #29631
41	Plum Creek Water Reclamation Authority	CPNMD0226	Wastewater Treatment-February	\$64,649.72	Check #29632
42	Plum Creek Water Reclamation Authority	RCPN0226	Pond 16- Cap Replacement & Reservoir Rehab Project Loan	\$6,272.84	Check #29632
43	Power Systems West Colorado	SI2660000630	LS5 Generator Maintenance	\$894.33	Check #29633
44	Power Systems West Colorado	SI2660000631	Yorkshire- Generator Maintenance	\$894.33	Check #29633
45	Power Systems West Colorado	SI2660000632	LS3- Generator Maintenance	\$1,504.06	Check #29633
46	Power Systems West Colorado	SI2660000633	Generator Maintenance	\$1,504.06	Check #29633
47	Power Systems West Colorado	SI2660000635	LS1- Generator Maintenance	\$800.35	Check #29633
48	Power Systems West Colorado	SI2660000636	LS1- Generator Maintenance	\$800.35	Check #29633
49	Power Systems West Colorado	SI2660000638	LS7- Generator Maintenance	\$800.35	Check #29633
50	Power Systems West Colorado	SI2660000639	LS7- Generator Maintenance	\$800.35	Check #29633
51	Power Systems West Colorado	SI2660000640	LS 6- Maintenance	\$800.35	Check #29633
52	Power Systems West Colorado	SI2660000749	LS 2- Generator Repair	\$845.15	Check #29649
53	Principle Electric	3282	IPS Repair	\$592.50	Check #29650
54	Principle Electric	3295	A1 Well Assessment & Start Up	\$1,050.00	Check #29650
55	PROWT Law	5362	Legal Service-Water Rights-February	\$4,372.00	Check #29624
56	QP Services LLC	722-001	2026 MH Raising	\$8,295.21	Check #29634
57	QP Services LLC	732-001	LS Cleanings	\$4,268.36	Check #29634
58	QP Services LLC	Pay App 1-000719	SL Rat Acoustic Assessment	\$43,858.50	Check #29634
59	QP Services LLC	Pay App 1-000728	MVM Inspections	\$4,950.00	Check #29634
60	Quality of Colorado Inc	JC09406	First Aid Kit Refills	\$66.64	Check #29651
61	Richards Well Calibrations	26-1028	Meter Testing	\$956.33	Check #29635
62	Semocor Inc	10074	ORC, WTP & LSs Ops- February	\$42,804.62	Check #29636
63	Setzer, Vander Wall & Mielke, P.C.	89288	Legal Service-February	\$12,387.41	Check #29637
64	Sigler Communications Inc.	4087	Communications Support-February	\$5,801.25	Check #29638
65	SPOK INC.	K0382663O	Digital Pager	\$243.33	Check #29639
66	T Lowell Construction Inc	Pay App 4	Lift Stations Upgrades, Scope A-Job #2246035*00	\$309,770.01	Check #29640
67	TRUE NORTH Surveying & Mapping LLC	TN 24033-2	LS6- Revise Legal Description	\$1,425.00	Check #29641
68	TRUE NORTH Surveying & Mapping LLC	TN 26007-1	LS 6 Survey	\$16,000.00	Check #29641
69	USA Blue Book	INV00990142	Mounting Plate Adapter	\$235.36	Check #29642
70	USA Blue Book	INV00990395	Mounting Plate Adapters	\$613.54	Check #29642
71	Utility Notification Ctr - CO	226020267	Locate Service-February	\$193.33	Check #29643
72	Utilo LLC	5104	Locate Service-February	\$1,395.00	Check #29644
<b>Grand Total</b>				<b>\$1,302,042.60</b>	

**Check Detail Report - Totals by Vendor**  
**March 13, 2026 - April 15, 2026**

Item #	Row Labels	Sum of Amount
1	American Security Professionals Inc	\$990.00
2	AtoZ Complete Home Repair	\$1,336.28
3	Backflow Secure; Management Secure LLC	\$9,000.00
4	Castle Pines Connection	\$2,350.00
5	Colorado Mechanical Systems LLC	\$6,150.00
6	COMCAST	\$642.92
7	Comcast Business	\$810.50
8	Continental Utility Solutions Inc.	\$240.00
9	Distribution System Resources dba DSR	\$8,287.58
10	Dominion Water and Sanitation District	\$2,224.46
11	Elevated Clarity LLC	\$21,709.06
12	ENLIVE tv Services LLC	\$2,675.00
13	Highlands Ranch Water	\$458,067.16
14	Jehn Water Consultants Inc.	\$7,494.58
15	Kennedy Jenks Consultants Inc	\$115,096.19
16	Level Engineering and Inspection	\$14,283.59
17	Mountain Peak Controls	\$2,070.00
18	Myers & Sons Construction LLC	\$107,476.00
19	Parker Water and Sanitation Dist	\$1,294.65
20	Plum Creek Water Reclamation Authority	\$70,922.56
21	Power Systems West Colorado	\$9,643.68
22	Principle Electric	\$1,642.50
23	PROWT Law	\$4,372.00
24	QP Services LLC	\$61,372.07
25	Quality of Colorado Inc	\$66.64
26	Richards Well Calibrations	\$956.33
27	Semocor Inc	\$42,804.62
28	Seter, Vander Wall & Mielke, P.C.	\$12,387.41
29	Sigler Communications Inc.	\$5,801.25
30	SPOK INC.	\$243.33
31	T Lowell Construction Inc	\$309,770.01
32	TRUE NORTH Surveying & Mapping LLC	\$17,425.00
33	USA Blue Book	\$848.90
34	Utility Notification Ctr - CO	\$193.33
35	Utilo LLC	\$1,395.00
<b>Grand Total</b>		<b>\$1,302,042.60</b>

	Contracted				Project to-Date				Financial Information			Retainage Withheld	Notes	
	Effective as Report Date <sup>1</sup>				Engineering Contracted Total Costs	Paid to Contractor	Paid to Engineer	Total Expense	% Completion	2026 Budget	March 2026 YTD Actuals			March 2026 YTD Variance
	Contract	Change Order	Contracted Adjustments	Total										
<b>Capital Projects (Kennedy Jenks Managed)<sup>2</sup></b>														
Well Vaults Rehabilitation	\$ 659,000	\$ 79,648	\$ (30,000)	\$ 708,648	\$ 200,914	\$ 708,648	\$ 200,914	\$ 909,562	100%	\$ -	\$ -	\$ -	\$ -	Project is complete
Lift Stations Permitting and Upgrade (Scope A)	5,430,000	63,529	-	5,493,529	922,377	2,117,823	813,066	3,042,353	47%	2,215,000	1,048,012	(494,262)	111,464	Permitting and Upgrade, Scope A (\$4.7MM- LSs 2, 1 and 5) & B (\$XX - LS 3, 7, 4, 6) All done by 2027. Initially Projected \$11MM
Lift Stations Permitting and Upgrade (Scope B)	4,886,000	-	-	4,886,000					0%	3,250,000	-	-	-	
Monarch Water Line Replacement PH1 & PH2	2,077,562	152,063	(338,290)	1,891,335	244,990	1,891,335	244,448	2,135,783	100%	-	4,962	(4,962)	-	Project is complete. Costs are only for Schedule B - water line.
Monarch Water Line Replacement PH2B	726,660	166,208	(195,257)	697,612	156,580	697,612	33,996	731,608	86%	-	12,037	(12,037)	-	Project is complete. Costs are only for Schedule B - water line.
Monarch Water Line Replacement PH3	1,505,245	-	-	1,505,245	84,210	-	32,149	32,149	2%	2,600,000	-	-	-	
Liquid Ammonia Sulfate (LAS) Improvements	307,700	(12,987)	-	294,713	441,442	294,713	437,682	732,395	99%	-	-	-	-	Project is complete
CPN South Tanks Rehab Design	-	-	-	-	430,801	-	46,182	46,182	11%	450,000	6,016	6,016	-	Project Currently in Design Phase
CPN Water System Condition Assessment and CIP	-	-	-	-	-	-	-	-	0%	-	-	-	-	Project Currently in Design Phase
CPN District Wide Security Study-RRA-ERP	-	-	-	-	-	-	-	-	0%	-	-	-	-	Project Currently in Design Phase
CPN Croft Ct Water Line Replacement	-	-	-	-	-	-	-	-	0%	-	-	-	-	Project Currently in Design Phase
Filter Beds Rehabilitation	3,628,528	102,927	-	3,731,455	1,346,023	1,315,862	974,690	2,327,687	46%	4,500,000	1,080,993	44,007	37,136	This is a CMGC project. Construction is approx 60% complete.
<b>Totals - Capital Projects</b>	<b>\$ 19,220,695</b>	<b>\$ 551,388</b>	<b>\$ (563,547)</b>	<b>\$ 19,208,537</b>	<b>\$ 3,827,337</b>	<b>\$ 7,025,992</b>	<b>\$ 2,783,127</b>	<b>\$ 9,957,719</b>		<b>\$ 13,015,000</b>	<b>\$ 2,152,020</b>	<b>\$ (461,237)</b>	<b>\$ 148,600</b>	
<b>Capital Projects (CPNMD Managed)</b>														
<b>Assessments</b>														
Chatfield Reservoir Mitigation Company Assessments	\$ 161,996	\$ -	\$ -	\$ 161,996					0%	\$ 168,000	\$ 152,912	\$ 15,088	\$ -	Annual Assessments
<b>Total Operating Assessments</b>	<b>\$ 161,996</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 161,996</b>						<b>\$ 168,000</b>	<b>\$ 152,912</b>	<b>\$ 15,088</b>	<b>\$ -</b>	
<b>Maintenance Capital (Non-Operating)</b>														
25 Sampling Stations									0%	200,000			50,000	
System Condition Assessment									0%	140,000			35,000	
Arapahoe Well Re-Drill									0%	250,000			62,500	
Booster Pump Station									0%	20,000			5,000	
Well Electrical Equipment Replacement									0%	75,000			18,750	
Interconnect Pump Station - Surge Protection System									0%	135,000	10,604		23,146	
Pond Liner Reuse System									0%	200,000			50,000	
Flume Replacement - Daniels Gate									0%	300,000			75,000	
									0%	-			-	
									0%	-			-	
<b>Total Maintenance Capital</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>		<b>\$ -</b>		<b>\$ 1,320,000</b>	<b>\$ 10,604</b>	<b>\$ 319,396</b>	<b>\$ -</b>	

<sup>1</sup> Contracts in place as of Report Preparation Date

<sup>2</sup> Costs include Engineering Services

**RESOLUTION OF THE BOARD OF DIRECTORS  
OF THE  
CASTLE PINES NORTH METROPOLITAN  
DISTRICT**

Authorization re Opening and Access to Bank Accounts  
and Designation of Official Custodians

- A. The Castle Pines North Metropolitan District is a quasi-municipal entity and political subdivision of the State of Colorado (the “**District**”); and
- B. Pursuant to § 32-1-1101, C.R.S., the District has the power to levy taxes and collect revenue, which may be used to meet the obligations of the District for debt repayment, maintenance and operating charges and depreciation, and to provide extensions of and replacements and improvements to the facilities and property of the District; and
- C. Pursuant to the Special District Act, including, but not limited to § 32-1-1001, C.R.S., the District, through its Board, has the power to manage and control all affairs of the District, including the power to open and maintain bank accounts on behalf of the District as needed to conduct the affairs of the District; and
- D. Pursuant to § 11-47-118, C.R.S., all public funds to be deposited, including all moneys under the control of or in the custody of a special district, must be deposited in an eligible public depository as designated by the Colorado State Banking Board; and
- E. Pursuant to § 32-1-1101, the District’s Board of Directors (“**Board**”) may appoint, by written resolution, one or more persons to act as official custodians of the District’s funds; and
- F. The Board desires to deposit such District funds with InBank, an eligible public depository, and with other local government investment pools as needed and allowed by Part 7, Article 74 of Title 24, C.R.S.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CASTLE PINES NORTH METROPOLITAN DISTRICT AS FOLLOWS:

1. The District authorizes the following elected officers and consultants to act as official custodians of District public funds with the authority to establish accounts for holding the District’s public funds in banks and to make deposits, withdrawals, or disbursements of such public funds (each an “**Official Custodian**”):
  - a. Jason Blanckaert - President/Chair of the Board
  - b. Tera Radloff - Secretary
  - c. Nathan Travis – District Manager
2. The District authorizes the Official Custodians to open an account with InBank for the deposit of District public funds and to open or manage the District’s funds held with any local government investment pool.

3. Future elected officers of the Board will automatically be added as authorized signatories and Official Custodians, as evidenced by a duly executed Oath of Office for each Board member.

4. Any person who is not a current member of the Board is not authorized to act on behalf of the District. Removal of persons will be automatic once no longer a Board member as shown by any one of the following: (1) a letter of resignation; (2) certified election results showing a person was not re-elected to Board; (3) other events declaring the person's seat vacant under the Special District Act; (4) Court order; or (5) any other documents showing current members of the Board, including Oaths of Office and Certificates of Appointment.

APPROVED AND ADOPTED this 27<sup>th</sup> day of April, 2026, by the Board of Directors of the Castle Pines North Metropolitan District.

CASTLE PINES NORTH METROPOLITAN  
DISTRICT

---

Jason Blanckaert, President, Board of Directors

Attest:

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**CASTLE PINES NORTH METROPOLITAN DISTRICT  
DOUGLAS COUNTY, COLORADO**

**A RESOLUTION OF THE BOARD OF DIRECTORS  
REGARDING THE COLORADO SURPLUS ASSET FUND TRUST (CSAFE)**

WHEREAS, the Castle Pines North Metropolitan District (“District”) is a metropolitan district duly organized and existing pursuant to the Special District Act, C.R.S. § 32-1-101 et seq., serving the residents within its boundaries through the provision of essential public services including water, sanitation, and other critical infrastructure;

WHEREAS, the District desires to pool its funds with other local government entities by becoming a participant in the Colorado Surplus Asset Fund Trust (“CSAFE”) and therefore passes the following resolution:

WHEREAS, pursuant to the provisions of C.R.S. Section 24-75-601 and 701, et seq., as amended and C.R.S. 24-75-702, et seq. as amended, any local government entity (including cities, towns, school districts, special districts, counties or political subdivisions of the state) is authorized to pool any moneys in its treasury, which are currently surplus funds and not immediately required to be disbursed, with similar moneys from other local government entities, in order for these entities to take advantage of short-term investments and maximize net interest earnings. CSAFE is formed as a common law trust under the laws of the state of Colorado.

WHEREAS, the governing body of the District desires to participate in CSAFE formed in accordance with the aforesaid statutes, in order to pool its surplus funds with other local government entities, it has passed, by majority vote the following resolution:

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Castle Pines North Metropolitan District as follows:

1. The District has reviewed C.R.S. Section 24-75-601, as amended and C.R.S. Section 24-75-701, et seq., as amended, of the Colorado Revised Statutes and the merits of investing in a trust as permitted by C.R.S. Section 24-75-601, as amended and C.R.S. Section 24-75-701, et seq. as amended, including the trust’s liquidity, risk diversification, flexibility, convenience, and cost compared to the alternative direct purchase of comparable investments and finds it is in the best interest of the local government entity and therefore hereby approves and adopts this Resolution, along with other local government entities in the trust for the purpose of pooling surplus funds. The terms of the above mentioned trust indenture shall be incorporated herein by this reference and a copy filed with the minutes of the meeting at which warranties, either expressed or implied, are part of this agreement between CSAFE and said governing body of the District unless as set forth in the Indenture of Trust, but that CSAFE shall use its best efforts in conjunction with District to accomplish these goals.

2. The District should implement proper security procedures to safeguard their account. CSAFE does not guarantee the prevention of fraud or theft from another participant account.

RESOLVE, further that Tera Radloff (the “Representative”), who is the government official empowered to invest funds of the District or her successor in function, is hereby authorized and directed to execute the Indenture of Trust and any other documents necessary to establish an account with CSAFE. The Representative is hereby designated the “Treasurer” as that term is defined in the Indenture of Trust and is therefore authorized to invest money from the District’s treasury, from time to time, which are not immediately required to be disbursed, by purchasing shares of CSAFE with those available funds and is authorized to redeem, from time to time, part or all of those shares as funds are needed for other purposes.

ADOPTED AND APPROVED THIS 27<sup>th</sup> DAY of APRIL, 2026.

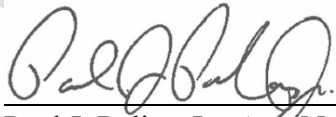
CASTLE PINES NORTH METROPOLITAN DISTRICT

By: \_\_\_\_\_  
President / Chair

ATTEST:

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

Approved as to Form:

By:  \_\_\_\_\_  
Paul J. Polito, Jr., Atty No. 60353

**CERTIFICATION**

I, \_\_\_\_\_, Secretary/Assistant Secretary of the Castle Pines North Metropolitan District, do hereby certify that the attached and foregoing Resolution is a true copy from the records of the proceedings of the Board of said District, on file with Seter, Vander Wall & Mielke, P.C., legal counsel to the District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the District, at Douglas County, Colorado, this 27<sup>th</sup> day of April, 2026.

\_\_\_\_\_  
Secretary / Assistant Secretary

[SEAL]

DRAFT

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**MEMORANDUM**

TO: Castle Pines North Metropolitan District Board

FROM: Paul Polito

DATE: April 24, 2026

RE: Colorado Statutory Restrictions on HOA Regulation of Water-Wise Landscaping and Lawn Maintenance

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This memorandum responds to the Board’s request for a summary of Colorado law governing the authority of homeowners’ associations (“HOAs”), particularly within the District’s service area, to regulate lawn watering, turf selection, xeriscaping, and related landscaping practices. The issue is presented against the backdrop of the District’s ongoing development of its water conservation and drought management framework and has practical implications for coordinating District drought stages with HOA enforcement activity.

**I. QUESTION PRESENTED**

Whether, and to what extent, Colorado law restricts HOAs from imposing requirements on unit owners regarding lawn watering, xeriscaping, turf type, vegetable gardens, and related lawn maintenance practices, and how those statutory restrictions intersect with the District’s water conservation and drought management authority.

**II. BRIEF ANSWER**

Colorado imposes substantial, and expanding, statutory limits on HOA authority over residential landscaping. The principal statute is C.R.S. § 38-33.3-106.5 (part of the Colorado Common Interest Ownership Act, or “CCIOA”), with a parallel provision in C.R.S. § 37-60-126 (the Water Efficiency Act). Through successive amendments, most significantly HB 19-1050, HB 21-1229, and SB 23-178, the General Assembly has (1) prohibited HOAs from banning xeriscape, drought-tolerant, or nonvegetative landscaping; (2) prohibited HOAs from requiring cool-season or water-intensive turf as the exclusive ground cover; (3) prohibited HOAs from fining homeowners for dormant lawns when the homeowner is complying with mandatory municipal or water-provider watering restrictions; (4) required associations of detached single-family homes to pre-approve at least three water-wise garden designs; (5) protected vegetable gardens in all yards of detached single-family homes; and (6) provided a private right of action with statutory damages. SB 24-005, effective in 2026, additionally restricts non-functional turf on certain non-residential and

public properties. These provisions materially constrain HOA enforcement within the District’s service area during mandatory drought stages and should inform the District’s drought-response framework, homeowner communications, and coordination with HOAs in the service area.

### III. DISCUSSION

**A. Statutory Framework.** Two statutory provisions govern HOA authority over residential landscaping in Colorado. CCIOA § 38-33.3-106.5 enumerates specific homeowner protections that override any contrary provision in an association’s declaration, bylaws, or rules. Subsection (1)(i) addresses “drought prevention measures.” The Water Efficiency Act, codified at C.R.S. § 37-60-126, contains parallel language applicable more broadly to restrictive covenants generally, and was amended concurrently with SB 23-178 to mirror the CCIOA changes.

**B. Protection of Water-Wise Landscaping.** Under CCIOA § 38-33.3-106.5(1)(i)(I), an HOA may not prohibit “the use of xeriscape, nonvegetative turf grass, or drought-tolerant or nonvegetative landscapes to provide ground covering to property for which a unit owner is responsible, including a limited common element or property owned by the unit owner and any right-of-way or tree lawn that is the unit owner’s responsibility to maintain.” For detached single-family homes, this protection extends to right-of-way and tree-lawn areas the unit owner is obligated to maintain.

Associations retain limited aesthetic authority. The statute permits an HOA to “adopt and enforce design or aesthetic guidelines or rules that apply to nonvegetative turf grass and drought-tolerant vegetative landscapes or regulate the type, number, and placement of drought-tolerant plantings and hardscapes.” § 38-33.3-106.5(1)(i)(I)(A). That retained authority, however, cannot be exercised in a manner that effectively prohibits what the statute protects. For attached single-family units (e.g., townhomes), an HOA may additionally restrict artificial turf to rear yards only; that rear-yard restriction is not available for detached single-family homes.

**C. SB 23-178: Affirmative Obligations and Vegetable Gardens.** SB 23-178 (effective August 9, 2023) went beyond the prior prohibition framework and imposed affirmative obligations on associations governing detached single-family homes. Such associations must develop and make available at least three pre-approved garden designs for installation in front yards. Pre-approved designs must adhere to the principles of water-wise landscaping or be part of a water conservation program operated by a local water provider. § 38-33.3-106.5(1)(i.5)(II).

SB 23-178 also prohibited HOAs of detached single-family home communities from banning vegetable gardens in the front, back, or side yard of a unit owner’s property. Associations may continue to regulate the placement, number, and aesthetics of garden installations, but may not prohibit them outright.

**D. Prohibition on Requiring Water-Intensive Turf.** Since HB 21-1229, Colorado law has prohibited HOAs from requiring homeowners to install ground cover consisting exclusively of turf, i.e., cool-season Kentucky bluegrass or comparable water-intensive grasses. § 38-33.3-106.5(1)(i); § 37-60-126. Covenants that mandate turf-only front yards, specify minimum turf area, or prohibit the conversion of existing turf to water-wise plantings are unenforceable to that extent. HOAs may still require some form of ground cover and may regulate the character of that ground

cover within the aesthetic-guideline authority described in Section B above, but they may not compel turfgrass as the exclusive or default option.

**E. Prohibition on Fines During Mandatory Water Restrictions.** Particularly relevant to the District’s drought-stage implementation, Colorado law precludes an HOA from fining a homeowner for failing to water in accordance with the HOA’s watering requirements where the homeowner is watering the maximum amount permitted under in-effect municipal or water-provider restrictions. In practical terms, when a water provider declares mandatory restrictions limiting outdoor watering to two days per week, HOA violation notices issued for dormant, yellowing, or brown lawns are unenforceable against homeowners who are complying with the applicable restriction. I advise that this preclusion be communicated with District residents in the District’s drought-stage notifications.

**F. Private Right of Action.** SB 23-178 added a statutory enforcement mechanism for its detached single-family home provisions. A unit owner affected by an HOA’s violation may, after providing the association with notice and a 45-day cure period, bring a civil action for injunctive relief and recover the greater of \$500 or actual damages. § 38-33.3-106.5. This cause of action applies to violations of the SB 23-178 provisions (pre-approved designs, vegetable gardens, etc.). Attached single-family unit owners remain protected by the broader § 38-33.3-106.5 framework but must rely on general CCIOA enforcement mechanisms rather than this statutory damages provision.

**G. Water Efficiency Act — C.R.S. § 37-60-126.** The parallel Water Efficiency Act provision prohibits restrictive covenants, not limited to those of CCIOA common interest communities, that forbid xeriscape or drought-tolerant vegetation or require ground cover consisting exclusively of turf. HB 19-1050 expanded the scope of this protection to common elements and to parkland and open space managed by special districts. The Water Efficiency Act operates as an independent, second basis for invalidating lawn-maintenance covenants that conflict with state water conservation policy, and is available even as to non-CCIOA communities where covenants predate the 1992 CCIOA effective date.

**H. SB 24-005 and the 2026 Non-Functional Turf Limitations.** Effective in 2026, SB 24-005 restricts the installation of non-functional turf, artificial turf, and certain invasive plant species on commercial properties, institutional properties, common interest community common areas, and state and local governmental properties. The statute does not reach single-family residential installations. For the District and the HOAs within its service area, the principal implication is that common elements within HOA communities (clubhouse grounds, entry monuments, pool surroundings, streetscape medians, and similar features) are subject to this limitation for new installations and turf replacements occurring after the effective date.

#### IV. IMPLICATIONS FOR THE DISTRICT

The statutory framework summarized above constrains HOA enforcement behavior in ways that align with the District’s water conservation objectives. Three points are particularly relevant to the Board’s ongoing deliberations on water conservation and drought management authority:

1. HOA enforcement cannot operate as an obstacle to homeowner compliance with District drought stages. Homeowners reducing irrigation in accordance with District restrictions

are statutorily protected from HOA fines for resulting lawn dormancy, provided the homeowner is watering up to the maximum permitted level.

2. The District may coordinate with HOAs in the service area to adopt pre-approved water-wise garden designs under § 38-33.3-106.5(1)(i)(II), leveraging the “water conservation program operated by a local water provider” pathway expressly contemplated by the statute. This provides a low-friction avenue for aligning HOA design guidelines with District conservation goals.
3. Homeowner communications concerning mandatory drought stages should reference the statutory protections described above to preempt customer confusion regarding potential HOA enforcement.

I am available to expand on any of the foregoing and to draft model language for homeowner communications, HOA outreach, or other materials as the Board may direct.

**CASTLE PINES NORTH METROPOLITAN DISTRICT  
DOUGLAS COUNTY, COLORADO**

**RESOLUTION NO. 2026-4-\_\_**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CASTLE PINES NORTH  
METROPOLITAN DISTRICT ADOPTING WATER USE RESTRICTIONS AND  
AMENDING THE DISTRICT'S WATER CONSERVATION REBATE PROGRAM**

**WHEREAS**, the Castle Pines North Metropolitan District (the "District") is a quasi-municipal corporation and political subdivision of the State of Colorado, organized pursuant to the Special District Act, C.R.S. § 32-1-101, *et seq.*; and

**WHEREAS**, pursuant to its Service Plan and the Special District Act, the District is authorized to own, operate, and maintain a water system and to provide water service to customers within and outside its boundaries; and

**WHEREAS**, pursuant to C.R.S. § 32-1-1001 and the District's Rules and Regulations (the "Rules and Regulations"), the District is authorized to adopt rules, regulations, and restrictions governing water service and water use, including the imposition of water use restrictions and conservation measures; and

**WHEREAS**, the State of Colorado continues to experience periodic drought conditions, and the Board recognizes the importance of responsible water use and conservation to ensure the long-term sustainability of the District's water supply; and

**WHEREAS**, Section 12.2 of the Rules and Regulations authorizes the Board, upon a determination that the District is facing an immediate shortage in its supply of water which threatens the health, safety and welfare of the property owners, inhabitants of, and visitors to, the District, and requires immediate action, to institute orders regulating or curtailing uses of water by those served by the District, including restrictions on irrigation use; and

**WHEREAS**, based upon current drought and water supply conditions, the Board hereby determines that the District is facing an immediate shortage in its supply of water within the meaning of Section 12.2 of the Rules and Regulations, which threatens the health, safety and welfare of the property owners, inhabitants of, and visitors to, the District, and which requires immediate action by the Board; and

**WHEREAS**, the Board has determined that the adoption of water use restrictions, including limitations on outdoor watering hours, a tiered watering day schedule based on customer type and service address, and the prohibition of water waste, together with limited exemptions for specific activities, is necessary and in the best interests of the District and its customers; and

**WHEREAS**, the District also administers a water conservation rebate program designed to incentivize water-efficient practices, fixtures, and landscaping, including rebates for sod removal and turf replacement, smart irrigation controllers, high-efficiency toilets, rotator sprinkler nozzles, rain sensors, and water-efficient showerheads; and

**WHEREAS**, the Board has reviewed updates to the water conservation rebate program, including adjustments to the per-square-foot rebate rates for sod removal conversions, modifications to the smart controller rebate, the addition of a Rachio Smart Controller discount program, and clarifications to the residential high-efficiency toilet rebate; and

**WHEREAS**, the Board intends to continue the District's existing water conservation programs, including the rotator sprinkler nozzle, rain sensor, and water-efficient showerhead rebates, as well as the District's free sprinkler evaluation program, commonly known as the "Slow the Flow" program; and

**WHEREAS**, the Board finds that the adoption of the water use restrictions and the amendments to the water conservation rebate program set forth herein is in the best interests of the District, its customers, and the long-term stewardship of the District's water resources.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE CASTLE PINES NORTH METROPOLITAN DISTRICT:**

1. **Outdoor Watering Hours.** Outdoor watering is prohibited after 8:00 a.m. and before 8:00 p.m. each day.

2. **Watering Day Schedule.** Outdoor watering is limited to the following schedule based on customer type and service address: (a) single-family residences with an address ending in an even number may water on Sunday, Tuesday, and Thursday; (b) single-family residences with an address ending in an odd number may water on Monday, Wednesday, and Saturday; and (c) multi-family properties, homeowner associations, irrigation accounts, and commercial properties may water on Monday, Wednesday, and Friday.

3. **Prohibition of Water Waste.** Water waste is prohibited at all times, including, without limitation, runoff from irrigated areas onto streets, sidewalks, gutters, or adjacent properties, overspray from irrigation systems onto non-landscaped surfaces, and uncorrected leaks in plumbing, irrigation systems, or fixtures.

4. **Exempted Activities.** The following activities are exempt from the watering day schedule and watering hour restrictions set forth in Sections 1 and 2 above: (a) drip irrigation; (b) hand-watering of trees, shrubs, and gardens, provided that a shut-off nozzle is used; (c) irrigation system testing or maintenance, provided that the zone being tested is actively monitored and in the view of the technician or resident; and (d) community sports fields used for organized sports, to the extent additional watering is reasonably necessary to maintain a safe playing surface or to establish new or replacement turf, with daytime watering kept to the minimum required.

5. **New Plant and Sod Installation Exemption.** Customers installing new sod or new plantings may apply for a twenty-one (21) day temporary exemption allowing daily watering, subject to the following conditions: (a) watering remains prohibited after 8:00 a.m. and before 8:00 p.m.; (b) the customer must apply for the exemption through the District's website; and (c) the exemption is not available during the months of July or August. Pursuant to Section 1.14 of the Rules and Regulations, the Board hereby delegates to the District Manager the authority to administer the application, approval, and denial of exemptions under this Section, including the

authority to adopt reasonable application procedures, evaluation criteria, and conditions consistent with this Resolution.

6. **Amended Water Conservation Rebate Program.** The District's water conservation rebate program is hereby amended as set forth in this Section. With respect to residential customers: (a) the sod removal rebate is \$3.00 per square foot for conversion to ColoradoScape and \$1.50 per square foot for conversion to low-water-use turf (DogTuff or Tahoma 31), with a minimum conversion area of 250 square feet and a maximum of 4,000 square feet eligible for rebate, one rebate per account per year, not retroactive, and the finished area must contain at least 50% healthy, living plant material; (b) the smart controller rebate is \$100 for each WaterSense-labeled smart controller, and customers are also eligible to participate in the Smart Controller discount program (one controller per household), the purchase of which remains eligible for the additional District rebate; and (c) the high-efficiency toilet rebate is \$100 per qualifying toilet, limited to three rebates per household, where qualifying toilets must be MaP (Maximum Performance) Premium-listed ultra-high-efficiency models rated at 0.8 gallons per flush or less, and dual-flush models do not qualify. With respect to commercial customers: (i) the sod removal rebate is \$2.50 per square foot for conversion to ColoradoScape and native grass and \$1.50 per square foot for conversion to low-water-use turf (DogTuff or Tahoma 31), with a minimum conversion area of 1,500 square feet and a maximum rebate area of 15,000 square feet (including combined ColoradoScape, low-water-use turf, and impervious areas), one rebate per account per year, not retroactive, and the finished area must contain at least 50% healthy, living plant material; and (ii) the smart controller rebate is \$100 for each WaterSense-labeled smart controller, limited to five rebates per account.

7. **Continuation of Existing Conservation Programs.** The District's existing water conservation programs, including the rotator sprinkler nozzle rebate, the rain sensor rebate, the water-efficient showerhead rebate, and the District's free sprinkler evaluation program (commonly known as the "Slow the Flow" program), shall continue in effect in accordance with the terms published by the District.

8. **Publication and Notice.** District staff and District legal counsel, Seter, Vander Wall & Mielke, P.C., are hereby authorized and directed to take all actions reasonably necessary to publish, post, and otherwise provide notice of the water use restrictions and the amended rebate program adopted herein to District customers, including, without limitation, updates to the District's website, the District's customer communications, the District's rebate request form, and the District's water conservation program materials.

9. **Enforcement.** District staff are authorized to enforce the water use restrictions adopted herein in accordance with the District's Rules and Regulations. Consistent with Section 12.3 of the Rules and Regulations, violations, as determined by the District Manager, shall subject the person billed for water service to the property on which the violation occurred to the following penalties: (a) for the first violation, a written warning with no monetary penalty; (b) for a second violation, a penalty of \$250.00; and (c) for a third and each subsequent violation, a penalty of \$500.00. Following the third violation, the District may also, at its discretion, install a flow restrictor on the customer's service line or terminate water service to the property in accordance with Section 12.1 of the Rules and Regulations. Penalties assessed under this Section shall be added to the customer's water service account, shall be collected in the same manner as other water

service charges, and shall be reflected in the District's Schedule of Rates, Fees, Penalties and Charges.

10. **Further Actions.** The officers of the District, District staff, and District legal counsel are hereby authorized to take all further actions reasonably necessary to implement and administer the water use restrictions and the amended water conservation rebate program set forth herein.

11. **Effective Date.** This Resolution shall take effect immediately upon its adoption.

ADOPTED AND APPROVED this 27<sup>th</sup> day of April, 2026.


CASTLE PINES NORTH METROPOLITAN DISTRICT

By: \_\_\_\_\_  
President / Chair

ATTEST:

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

Approved as to Form:

  
By: \_\_\_\_\_  
Paul J. Polito, Atty No. 60353

Memorandum

**From:** Nathan J. Travis

**To:** CPNMD Board of Directors

**Date:** 04/27/26

**Re:** District Manager's Report

### **AGENDA ITEMS**

#### **Douglas County Water Commission (Agenda item A)**

- Rene and I attended both scheduled meetings as part of the Douglas County Water Providers user group for the Douglas County 2050 Water Master Plan. The meetings were focused on gathering feedback from providers and presenting various potential solutions and approaches for the plan. Providers expressed concern that the plan's planning horizon only extends to 2050 and that its primary focus on groundwater may not adequately address long-term sustainability and the need for a more diversified, renewable water supply portfolio. Over the coming months, the County will be soliciting public comments before releasing the official document this fall. I will continue to provide updates as more information becomes available.

#### **Stantec Study, Regional water supply study (Agenda Item B)**

- Stantec has scheduled a virtual meeting for April 29 to discuss findings from the water yield analysis and will also be reaching out to gather availability for an in-person workshop in mid-May to review study findings prior to release of the draft final report. I previously encouraged them to send the scheduling request as soon as possible to avoid conflicts and ensure availability on calendars.
- The project remains on budget with approximately \$60,000 remaining. These funds will be spent on the water yield analysis, the remaining workshops, updating the data, and finalizing the report.
- The milestones for the remaining project schedule include:
  - Mid- April — Spheros Environmental – Finalize water yield analysis (complete)
  - End of April – Virtual meeting to review water yields findings (Scheduled)
  - Mid-May 2026 — Final in-person workshop
  - End of May 2026 — Draft Final review
  - June 2026 — Final Deliverable

#### **Interconnect Pump Station- Surge System Modifications (Agenda Item C)**

- Final adjustments are being made to the surge system modifications. The total project cost is anticipated to fall below the District's public bid threshold. We have begun procurement of long-lead items and are directly soliciting pricing from trusted contractors, with the goal of obtaining at least three bids prior to contractor selection. We plan to seek Board approval at the May Board Meeting. The project is targeted for construction

### **South Tank Rehab Capital Project (Agenda Item D)**

- South Tank Rehabilitation – Capital Project: The project will be delivered using the CM/GC method. Contract documents have been reviewed and approved by legal counsel. Site walks were conducted with four prospective contractors. Staff requests that the Board designate Vice President Jana Krell as the Board representative to participate in the evaluation of respondents.

### **ADDITIONAL UPDATES**

#### **Lift Station Renovation Program**

- Scope A (Lift Stations 1, 2, & 5) The project remains on schedule. Serena Drive and Hidden Point are open to traffic. T. Lowell is currently performing open space restoration and is largely off-site. They will demobilize for approximately two months pending equipment delivery, with construction activities scheduled to resume in June at Lift Station 1 and continue at Lift Station 2.
- Scope B (Lift Stations 3, 4, & 7) The pre-bid meeting for this scope was held on January 20, and bids were opened on March 11. The extended timeline allowed for the issuance of necessary addenda and provided plan holders sufficient time to review and incorporate them into their bid packages. Approval to award the contract was received at the March 23, 2026 board meeting. The contract documents have since been executed, and staff is in the process of scheduling the pre-construction meeting.

#### **Request for Service- Ventana Capital**

- Holdover: Last December I met with Darwin Horan to discuss the possibility of CPNMD providing water service to a development known as the “Crowsnest”, a property also being considered for annexation by the City of Castle Pines. Ventana hopes to develop this land with relatively high structure density, the location is non-contiguous to CPNMD’s current boundaries and would require a significant amount of infrastructure to connect to the area (located near Stroh Road, and Crowfoot Valley). This inclusion would require that we purchase water from Parker to provide service. After an informal discussion with Ron Redd of Parker water on the matter, Parker, understandably would not likely have an interest in providing water to us, to provide to Crowsnest. Sanitary Sewer treatment capacity is another strong issue with no clear answer on how we would be able to treat the wastewater for the proposed development. Unless something drastically changes, this development will need to find service through Parker Waters and Sanitation District.

#### **Well Status Updates**

- Holdover: Re-installation of wells A-1, A-2 and A6 is complete. All three wells are waiting for startup- however this will need to be completed after WTP filter rehab project is complete. The work on A-1 and A-2 was completed under warranty.

#### **PCWRA Reuse Pond Project**

- This project is well underway with completion expected this fall

#### **Conservation**

- A resolution is before the Board tonight to implement watering restrictions, increase turf removal rebate amounts, and add low-flow toilets to the District’s rebate offerings. In conjunction with these efforts, it is recommended that the Lawn Replacement Program be discontinued and that those funds instead be reallocated to enhance the District’s in-house rebate program, while continuing the partnership with F Central for the “Slow the Flow” program. After two years, the Lawn Replacement Program did not gair

meaningful participation, and reallocating those funds will allow for more effective use through the District's own program.

### **Project Updates (for additional information please refer to the engineering report)**

- Holdover: Filter Rehab Program: Construction on this project is well underway! We are on schedule and meeting the budget expectations. Completion is scheduled for June 1<sup>st</sup>.
- Documentation and Asset Management: Pending Board approval tonight, The next step is a distribution system condition assessment, Rene will spearhead this project. Work is also underway to incorporate the recently completed Well-Vault Rehabilitation Project, with associated equipment being added to the asset hierarchy.

### **JAM Ranch Inclusion**

- Holdover: Jam ranch is moving forward with the formation of their own metro district. Recently filed for a zoning change with the county. CPNMD provided a letter detailing our concerns, this letter was presented to the board at the February work session.

### **Staffing/ Human Resources**

- No updates

### **Upcoming Time Off**

- None planned

April 23, 2026

## Memorandum

To: Nathan Travis, District Manager  
Castle Pines North Metropolitan District

From: Greg S. Sekera, P.E.

Subject: District Engineer Report for Board of Directors Meeting on April 27, 2026  
*Castle Pines North Metropolitan District*  
KJ Job No. 2646002\*GENW

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Briefly presented below are the items that we have been involved in during the past month as well as on-going engineering related items.

### DISTRICT PROJECTS

#### Water Treatment Plant & Finished Water Upgrades – Projects in Progress:

- Filter Rehabilitation Project: Myers and Sons has maintained their construction schedule on this project to date. In filter structural and coating repairs have been completed. Filter bed equipment including under drains and troughs have been received on-site and will be installed over the next month.
- South Water Tanks Rehabilitation: KJ received NTP from the District for this Project and has started the project design efforts. This project is planned to be procured with a CMGC selection, similar to the Filter Rehab Project. The solicitation process of CMGC Contractors has begun.

#### Collection and Distribution Projects – Projects in Progress:

##### ❖ Lift Station Upgrades

Plan set A – Lift Stations 1, 2, and 5. T Lowell has installed two overflow vaults at Lift Station 1, gravity sewer from Lift Station 1 to Lift Station 2, and the 10" force main near Lift Station 2. Restoration is taking place in Serena and Hidden Point Blvd. Construction will start up again in June when the Gorman Rupp pump skids are available for delivery.

Plan set B – Lift Stations 3, 4, 6, and 7. GSE was awarded the project. The construction contract has been signed, and we are scheduling a kick-off meeting and/or preconstruction meeting.

- ❖ CP Tank Site Water Line Relocations – Garney completed the relocation of all three CPNMD water lines at the tank site (20" potable, 24" potable, and 8" raw water). All pipes have been filled, tested, and tie-ins are complete. We requested record drawings from Garney and CP Village.
- ❖ Monarch Water Line Phase 3 Operational Improvements – We provided water line plans and technical specs to the City, to be included in their bid package. HEI was awarded the project. We are coordinating closely with the City because the water line will be constructed with their roadway improvements in Castle Pines Pkwy.
- ❖ Castle Pines Parkway Phase 2 Water Line – We provided water line plans and technical specs to the City, to be included in their bid package. HEI was awarded the project. We are coordinating

## Memorandum

Engineer Report – Castle Pines North Metropolitan District  
April 23, 2026  
Page 2

closely with the City because the water line will be constructed with their roadway improvements in Castle Pines Pkwy.

- ❖ US 85 Sedalia to Meadows Pkwy Improvements – CDOT has provided 30% design plans for major improvements to Highway 85. These improvements will impact the CPN and the Villages sewer outfalls at the area near the PCWRA Plant. We reviewed the plans and provided comments to the design engineer, and we will continue coordination with them to address our comments. We also provided a high-level cost estimate for engineering design services.
- ❖ Submitted Engineering Proposals to the District – The following engineering proposals have been submitted to the District for review. These are pending future board approval.
  - Water System Condition Assessment & CIP
  - District-Wide Security Project
  - Tank 3 Pre-Design
  - Croft Court Water Line Replacement

### DEVELOPMENT PROJECTS

- ❖ Foundry Church – This project is for a proposed church in Lagae on Mira Vista Lane. We received the second set of design plans from the project engineer, and we are reviewing those. The Developer is responsible for our engineering costs related to the project.
- ❖ Castle Pines Self-Storage – Construction and testing of the new 12-inch water line is complete, and field punch list items are complete. We received record drawings, delivered those to Nathan, and added the information to AIMS. We received trench compaction results from the contractor/developer. The project is complete, in the probationary period for warranty purposes.
- ❖ Lagae Ranch PA-7 Site (Century Communities) – Construction of the water and sewer modifications on the south end of the development is complete. Punchlist items remain. Water services still need to be installed/inspected in this area.
- ❖ New Service Line Reviews – Several reviews were performed this past month. We have continued observations of new water and sewer taps and services in Lagae Ranch and Town Center for conformance to the District standards. We will continue the observations as requests are received by the District.

# Castle Pines North Systems Report March 2026

*Presented by:*  
Semocor, Inc.  
3995 Castlewood Canyon Rd.  
Castle Rock CO, 80104

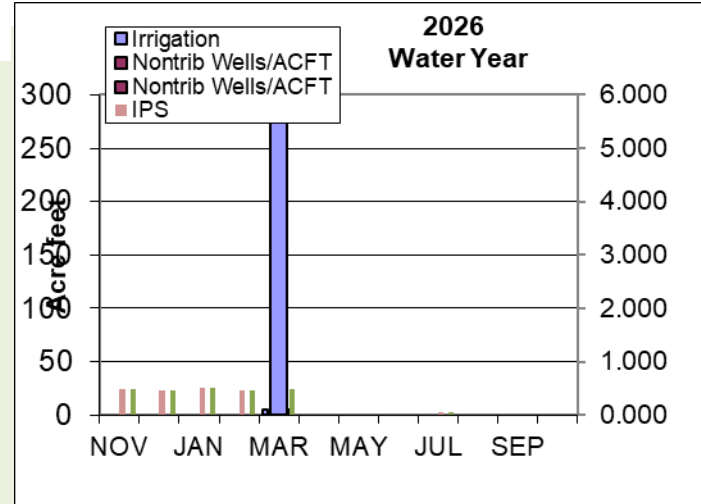
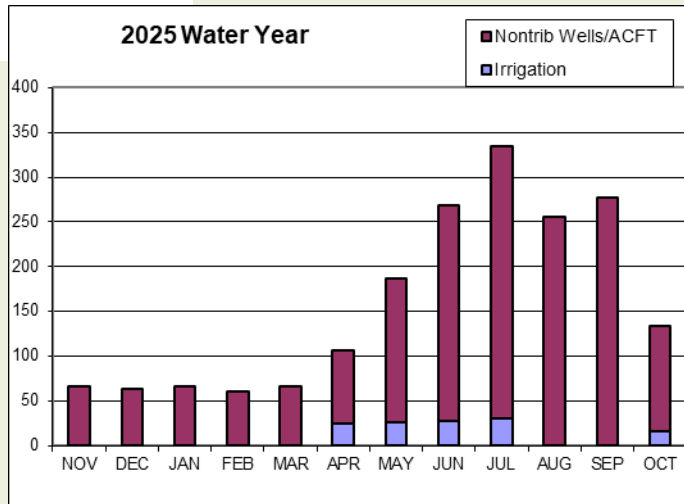
# Water Treatment

		Mar-25	Mar-25	
LDA-1	1	0.030	1.81	Normal Operation/To Irrigation
Reuse	2	0.000	0.00	Normal Operation/To Irrigation
A-1	3	0.000	0.00	Normal Operation
A-2	4	0.000	0.00	Normal Operation
A-3	4	0.000	0.00	Normal Operation
A-4	1	11.960	0.00	Normal Operation
A-5	1	0.000	0.00	Normal Operation
A-6	2	9.410	0.00	Normal Operation
DE-6	1	0.060	0.00	Normal Operation
A-7	1	0.000	0.00	Normal Operation
DE-7	2	<u>0.000</u>	<u>0.00</u>	Normal Operation

Total MG/Month	<b>21.433</b>	<b>0.000</b>	<i>LDA-1 and Reuse not into plant.</i>
Gallons/day	<b>715,892</b>	-	
Monthly Precipitation	<b>1.50</b>	<b>1.35</b>	

Water YTD Precipitation	<b>2.61</b>	<b>2.06</b>
Total MG/Water Year	<b>550.728</b>	<b>0.000</b>

**Water Year is from 11-1-2023 through 10-31-2026**



YTD 17% Irrigation used

YTD 2% Irrigation used

Water treatment Plant – 000 gallons/month and the Daily Avg. = 0.0%, maximum day demand = 0.00% of capacity.

## **Distribution System**- Mar. 2026

All Water Samples taken for March are good.

IPS Pipeline – Transferred 24.00 MG in Mar-Normal Operation  
(2026 water YTD transfer is 71.00 gallons to the district.)

Water Tanks – Normal Operation

Serena Drive PRV – Normal Operation

Monarch Blvd PRV – Normal Operation

Hidden point PRV – Normal Operation

Zone 4 BPS – Normal Operation.

Meter Readings – Normal Operation

Fire Hydrants – Normal Operation

Water Mains – Normal Operation

## **Miscellaneous**

Generators Water plant. Normal Operation

Work Orders – 0

Failed Inspections – 0.

Emergency call outs - 2

Non-payment shut-offs - 0.

Tag hangings – 0

Turn off and turn on (normal work orders) – 0.

Final and meter Re-reads – 0

Curb-stop valves/meter pit repairs – 0.

Extra work-

## **Collection System**

All lift stations have approval from CDPHE.

Lift stations will be cleaned and checked every three months for any Maintenance items.

All Maintenance completed on lift stations.

Lift station # 1 - Normal Operation

Lift station # 2 -Normal Operation

Lift station # 3 Normal Operation

Lift station vs. 4 -Normal Operation

Lift station # 5 –Normal Operation

Lift station # 6 –Normal Operation

Lift station #7 -Normal Operation

Lagae LS - Normal Operation