



June 14, 2022

Castle Pines North Metro District  
7404 Yorkshire Dr.  
Castle Pines, CO 80108

Dear Mr. Lowen and Mr. Lewis,

Thank you for your letter and interest in exploring a potential inclusion of Castle Pines North Metropolitan District's (CPNMD's) water and wastewater utilities under the jurisdiction of Castle Rock Water. We are always interested in opportunities to cooperate on a regional basis with other water providers whether through intergovernmental agreements or if beneficial inclusion of the provider into Castle Rock Water. There are definitely opportunities to gain economies of scale and benefit customers financially with either of these arrangements. As you may know, Castle Rock Water worked with Bell Mountain Ranch Water District to include them into Castle Rock Water's service territory to the benefit of the customers of both entities. We are certainly open to similar opportunities with other small water providers.

We understand that CPNMD is currently working with PWSO on reviving the inclusion into Parker Water & Sanitation District (PWSO) that was approved by CPNMD's voters last year. We also understand that you are exploring the possibility of including into Centennial Water and Sanitation District (CWSD). In reviewing the location of CPNMD's service area relative to Castle Rock Water's current service area, there is a considerable distance between the two service areas. For PWSO and CWSD, however, their systems are immediately adjacent to CPNMD's system. CWSD also actually has a connection to CPNMD already. For this reason, the cost for inclusion of CPNMD into Castle Rock Water is likely to be significantly higher than it will be for inclusion into PWSO or CWSD. Castle Rock Water believes it would be best to first allow CPNMD to explore inclusion with PWSO and CWSD before taking time to evaluate a potential inclusion into Castle Rock Water. If these other options prove to be unavailable to CPNMD, Castle Rock Water will be happy to have discussions with CPNMD on what an inclusion into Castle Rock Water's system might entail.

Please feel free to call me with questions or if you would like to discuss this further.

Sincerely,

Mark Marlowe

C: Mayor Jason Gray  
Castle Rock Town Council  
Jim Worley, CPNMD District Manager  
Kim Seter, CPNMD General Counsel, Law Firm of Seter & Vander Wall, PC

