

RESOLUTION NO. 2026-009

**A RESOLUTION APPROVING THE SECOND AMENDMENT TO THE
AMENDED AND RESTATED INTERGOVERNMENTAL AGREEMENT
BETWEEN THE TOWN OF CASTLE ROCK AND DOUGLAS COUNTY
FOR THE HIGHWAY 85 WASTEWATER COLLECTION AND
TREATMENT SYSTEM**

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

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

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

WHEREAS, recently, the design-builder for the Project has submitted a guaranteed maximum price for the project of \$16,766,642, resulting in a total expected Project cost of \$19,784,296; and

WHEREAS, accordingly, there now exists an additional potential shortfall of \$984,296 over and above the amount accounted for in the First Amendment; and

WHEREAS, the Town is willing to fund the additional shortfall under specific terms and conditions related to the reimbursement of this shortfall from system development fees as set forth in a Second Amendment to the IGA (the “Second Amendment”); and

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

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

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

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

Section 2. Encumbrance and Authorization for Payment. In order to meet the Town's financial obligations under the Second Amendment, the Town Council authorizes the expenditure and payment of an additional amount not to exceed \$984,296, unless otherwise authorized in writing by the Town.

PASSED, APPROVED AND ADOPTED this 20th day of January, 2026, by the Town Council of the Town of Castle Rock, Colorado, on first and final reading, by a vote of ___ for and ___ against.

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Michael J. Hyman, Town Attorney

Mark Marlowe, Director of Castle Rock Water