



MEMORANDUM

To: David L. Corliss, Town Manager

Thru: Mark Marlowe, Director Castle Rock Water

From: Shawn Griffith, Assistant Director Operations
John Chrestensen, Operations Manager

Date: December 7, 2023

Title: 2024 On-call Well Maintenance and Repair Services

Executive Summary

Castle Rock Water (CRW) staff requests the Town Manager's approval to enter into a first renewal of the services agreement, with Applied Ingenuity, LLC (Applied) for emergency deep and alluvial well repairs, on an as-needed basis. This as-needed services agreement will not exceed \$100,000, (*see Attachment A*). The original 2023 agreement allowed for two renewal terms which could extend the agreement through 2025. This is the first renewal.

Discussion

CRW requires a qualified well repair contractor to repair and maintain equipment, used in 65 deep wells and 14 alluvial wells, located throughout Town. The scope of work includes providing all labor and materials needed to conduct well maintenance, well pump and equipment troubleshooting and repairs, deep well video recording, and supply of temporary loaner pumps, motors, and equipment. This contractor will also assist with well startups and conduct well disinfections.

Applied's rates did not increase in 2024. In 2023 Applied completed six task orders, five were for deep well repairs and one was for an alluvial well repair. These task orders included troubleshooting problems with wells, pump pulls, replacing pumps and motors, and well-drive repairs, for the total amount of \$55,895. In 2024 the sum of all task orders shall not exceed \$100,000.

Budget Impact

This project will be funded through the Water and Water Resources Facility Maintenance Purchased Property Services Repair & Maintenance Wells line items as follows:

Fund Name	Account Number	Cost	2024 Account Balance
Repair & Maintenance Wells	210-4250-442.40-37	\$80,000	\$80,000
Repair & Maintenance Wells	211-4350-443.40-37	\$20,000	\$50,000
Total		\$100,000	\$130,000

Staff Recommendation

Staff recommends entering into a renewal of the on-call services agreement with Applied Ingenuity, LLC for an amount not to exceed \$100,000.

Attachments

Attachment A – Applied Ingenuity, LLC Service Agreement

CON-2023-0833



FIRST AMENDMENT TO TOWN OF CASTLE ROCK SERVICES AGREEMENT TO PROVIDE ON-CALL SERVICES (2024 On-Call Repair and Maintenance)

DATE: December 7, 2023.

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

APPLIED INGENUITY, LLC, a Colorado limited liability company, 14920 Harvest Road, Brighton, Colorado 80603 (“Contractor”).

RECITALS:

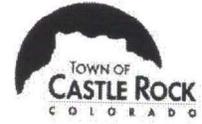
- I. The Town and Contractor entered into a Service Agreement on February 3, 2023 (the “Agreement”), to provide emergency deep and alluvial well repairs on an as needed basis set forth in the Agreement, and attached hereto as *Exhibit A-1*.
- II. Pursuant to the terms of the Agreement, the Parties may renew the Agreement under the same terms and conditions for up to two (2) additional one-year terms by executing a Renewal Agreement.
- III. The parties desire to amend the Agreement by eliminating the need to execute a Renewal Agreement, extend the Term of the Agreement by one year through a written amendment and incorporate Contractor’s 2024 rate sheet/schedule.
- IV. The Town and Contractor wish to memorialize these changes in this First Amendment to the Agreement (“First Amendment”).

TERMS:

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

“Section 2. Term/Completion. The Parties agree to extend the term of this Agreement by one (1) year, with an expiration date of December 31, 2024 (the “2024 Term”) under the same terms and conditions of the Agreement, unless otherwise amended. The Parties may mutually agree to extend the Term of this Agreement for one (1) additional one-year term under the same terms and conditions by executing a written amendment to this Agreement prior December 31, 2024. Nothing in this paragraph prohibits the parties from amending the payment section and/or incorporating an updated rate and fee schedule should the Parties elect to extend the term of the Agreement. Contractor shall devote adequate resources to assure timely completion of the Services. Contractor shall perform the Services under this Agreement using a standard of care, skill and diligence ordinarily used by reputable professionals performing under circumstances similar to those required by this Agreement.

CON-2023-0833



The Town shall have the right to terminate this Agreement at any time with thirty (30) days written notice to Contractor. The Town’s only obligation in the event of termination shall be payment of fees and expenses incurred up to and including the effective date of termination. Projects initiated before the expiration of this Agreement shall survive expiration of this Agreement and shall be completed pursuant to the terms of this Agreement unless Town gives Contractor notice of termination of the project.”

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

“Section 3. **Payment.** Contractor shall invoice Town for Services rendered under a Task Order at the rates designated in the attached *Exhibit B-1* (“2024 Rates”). Contractor shall submit invoices upon completion of a Task and Town shall pay such invoices within thirty (30) days receipt. In no event shall payment for the 2024 Term exceed **\$100,000.00**, unless authorized in writing by Town.”

3. **Certificate of Insurance.** An updated Certificate of Insurance for Contractor is attached as *Exhibit C-1*.

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

ATTACHED EXHIBITS:

EXHIBIT A-1 – AGREEMENT

EXHIBIT B-1 – 2024 RATE SHEET

EXHIBIT C-1 – CONTRACTOR’S CERTIFICATE OF INSURANCE

ATTEST:

DocuSigned by:
Lisa Anderson
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Lisa Anderson, Town Clerk



TOWN OF CASTLE ROCK

DocuSigned by:
David L. Corliss
1BB5457CFF75474...
David L. Corliss, Town Manager

Approved as to form:

DocuSigned by:
Lindsay M. Jordan
1C100C15C47A4A9...
Lindsay M. Jordan, Assistant Town Attorney

Approved as to content:

DocuSigned by:
Mark Marlowe
FEA6D2E651B241D...
Mark Marlowe, Director of Castle Rock Water

CONTRACTOR:

APPLIED INGENUITY, LLC

By: *Scott Martin*

Its: *President*

CON-2023-0833



EXHIBIT A-1

AGREEMENT



**TOWN OF CASTLE ROCK SERVICES AGREEMENT
TO PROVIDE ON-CALL SERVICES
(2023 On-Call Well Repair and Maintenance)**

DATE: February 3, 2023.

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

APPLIED INGENUITY, LLC, a Colorado limited liability company, 14920 Harvest Road, Brighton, Colorado 80603 ("Contractor").

RECITALS:

- A. The Town wishes to engage Contractor on an on-call basis to provide the services more fully described in the following Agreement and Exhibits.

TERMS:

Section 1. Scope of Services. Contractor shall provide emergency deep and alluvial well repairs as needed for the Town in accordance with the scope of services in *Exhibit 1* ("Services"). The Town shall issue task orders for Services on an as-needed basis generally in the form attached as *Exhibit 2* ("Task Order"). Contractor may decline to undertake the Task Order. The Town shall not be obligated to use Contractor for any specific task.

Section 2. Term / Renewal. The term of this Agreement shall commence upon execution and expire on December 31, 2023. Provided, this Agreement may be renewed by the parties under the same terms and conditions for up to two (2) additional one-year terms by executing the Renewal Agreement, attached as *Exhibit 3* ("Renewal Term"). Contractor shall devote adequate resources to assure timely completion of the Services. Contractor shall perform the Services under this Agreement using a standard of care, skill and diligence ordinarily used by reputable professionals performing under circumstances similar to those required by this Agreement.

The Town shall have the right to terminate this Agreement at any time with 30 days written notice to Contractor. The Town's only obligation in the event of termination shall be payment of fees and expenses incurred up to and including the effective date of termination. Contractor shall turn over all work product produced up to the date of termination. Projects initiated before the expiration of this Agreement shall survive expiration of this Agreement and shall be completed pursuant to the terms of this Agreement unless Town gives Contractor notice of termination of the project.

Section 3. Payment. Contractor shall invoice Town for the Services rendered under a Task Order at the rates designated in the attached *Exhibit 1*. Contractor shall submit invoices upon completion of a Task and Town shall pay such invoices within 30 days of



receipt. In no event shall the cumulative payments to Contractor under this Agreement exceed \$100,000.00, unless authorized in writing by the Town.

Section 4. Annual Appropriation. The continuance of this Agreement is contingent upon the appropriation of funds to fulfill the requirements of the Agreement by the Town. If the Town fails to appropriate sufficient monies to provide for the continuance of the Agreement, the Agreement shall terminate on the final day preceding the date of the beginning of the first fiscal year for which funds are not appropriated. The Town's only obligation in the event of termination shall be payment of fees and expenses incurred up to and including the effective date of termination.

Section 5. Performance of Services. Contractor shall complete the Services for each task in accordance with the timeframe set forth in the Task Order. Contractor shall devote adequate resources to assure timely completion of the Services. Contractor shall perform the Services under this Agreement using a standard of care, skill and diligence ordinarily used by reputable professionals performing under circumstances similar to those required by this Agreement.

Section 6. Subcontractors. Contractor may utilize subcontractors to assist with non-specialized work as necessary to complete Task Orders. Contractor will submit any proposed subcontractor and the description of their services to the Town for approval prior to the execution of the Task Order. Contractor shall be solely responsible for payment to such approved subcontractor.

Section 7. Assignment. This Agreement shall not be assigned by Contractor without the written consent of the Town.

Section 8. Notice. Any notice required or permitted by this Agreement shall be in writing and shall be deemed to have been sufficiently given for all purposes if sent by certified mail or registered mail, postage and fees prepaid, addressed to the party to whom such notice is to be given at the address set forth on the first page of this Agreement, or at such other address as has been previously furnished in writing to the other party or parties. Such notice shall be deemed given when deposited in the United States mail.

Section 9. Insurance. Contractor agrees to procure and maintain, at its own cost, the following policy or policies of insurance. Contractor shall not be relieved of any liability, claims, demands or other obligations assumed pursuant to this Agreement by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types.

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



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

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

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

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

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

C. Certificates of insurance shall be completed by Contractor's insurance agent and submitted at the time of execution of this Agreement as *Exhibit 4* as evidence that policies providing the required coverage, conditions and minimum limits are in full force and effect, and shall be subject to review and approval by the Town. Each certificate shall identify the Project and shall provide that coverage afforded under the policies shall not be cancelled, terminated or materially changed until at least 30 days prior written notice has been given to the Town. If the words "endeavor to" appear in the portion of the certificate addressing cancellation, those words shall be stricken from the certificate by the agent(s) completing the



certificate. The Town reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

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

Section 10. Colorado Governmental Immunity Act. The parties understand and agree that the Town is relying on, and does not waive or intend to waive by any provision of this contract, the monetary limitations (presently \$424,000 per person, \$1,195,000 for two or more persons, per occurrence) or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, §24-10-101, *et seq.*, C.R.S., as from time to time amended, or otherwise available to Town, its officers, or its employees.

Section 11. Indemnification. Contractor expressly agrees to indemnify and hold harmless the Town or any of its officers or employees from any and all claims, damages, liability, or court awards including attorney's fees that are or may be awarded as a result of any loss, injury or damage sustained or claimed to have been sustained by anyone, including, but not limited to, any person, firm, partnership, or corporation, to the extent caused by the negligent acts, errors or omissions of Contractor or any of their employees or agents in performing work pursuant to this Agreement. In the event that any such suit or action is brought against the Town, the Town will give notice within ten (10) days thereof to Contractor.

Section 12. Delays. Any delays in or failure of performance by any party of their obligations under this Agreement shall be excused if such delays or failure are a result of acts of God, fires, floods, strikes, labor disputes, accidents, regulations or orders of civil or military authorities, shortages of labor or materials, or other causes, similar or dissimilar, which are beyond the control of such party.

Section 13. Additional Documents. The parties agree to execute any additional documents or take any additional action that is necessary to carry out this Agreement.

Section 14. Entire Agreement. This Agreement represents the entire agreement between the parties and there are no oral or collateral agreements or understandings. This Agreement may be amended only by an instrument in writing signed by the parties. If any other provision of this Agreement is held invalid or unenforceable, no other provision shall be affected by such holding, and all of the remaining provisions of this Agreement shall continue in full force and effect.

Section 15. Time of the Essence. Time is of the essence. If any payment or any other condition, obligation, or duty is not timely made, tendered or performed by either party, then this Agreement, at the option of the party who is not in default, may be terminated by the



non-defaulting party, in which case, the non-defaulting party may recover such damages as may be proper.

Section 16. Default and Remedies. In the event either party should default in performance of its obligations under this agreement, and such default shall remain uncured for more than 10 days after notice of default is given to the defaulting party, the non-defaulting party shall be entitled to pursue any and all legal remedies and recover its reasonable attorney's fees and costs in such legal action. In addition, no Party will be entitled to lost profits, economic damages, or actual, direct, incidental, consequential, punitive or exemplary damages in the event of a default.

Section 17. Waiver. A waiver by any party to this Agreement of the breach of any term or provision of this Agreement shall not operate or be construed as a waiver of any subsequent breach by either party.

Section 18. Governing Law. This Agreement shall be governed by the laws of the State of Colorado in the Douglas County District Court.

Section 19. Independent Contractor. Contractor has completed the Affidavit of Independent Contractor Status, attached as *Exhibit 5*, and submitted same at the time of execution of this Agreement. In addition to the Affidavit, Contractor and the Town hereby represent that Contractor is an independent contractor for all purposes hereunder. Contractor represents and warrants that they are free from the Town's direction and control in the performance of their work or services and that they have an independent business doing the specific type of work or services which are the subject of this Agreement. More specifically, Contractor represents and warrants that the Town does not control what work or services they will perform or the manner in which such work or services will be performed. As such, Contractor is not covered by any worker's compensation insurance or any other insurance maintained by Town except as would apply to members of the general public. Contractor shall not create any indebtedness on behalf of the Town.

Section 20. No Third Party Beneficiaries. It is expressly understood and agreed that enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to Town and Contractor, and nothing contained in this Agreement shall give or allow any such claim or right of action by any other third party on such Agreement. It is the express intention of the parties that any person other than Town or Contractor receiving services or benefits under this Agreement shall be deemed to be an incidental beneficiary only.

Section 21. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall be deemed to constitute one and the same instrument. Each of the Parties hereto shall be entitled to rely upon a counterpart of the instrument executed by the other Party and sent by electronic mail.



ATTEST:

DocuSigned by:
Lisa Anderson



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Lisa Anderson, Town Clerk

TOWN OF CASTLE ROCK

DocuSigned by:
David L. Corliss

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David L. Corliss, Town Manager

Approved as to form:

Michael J. Hyman
Michael J. Hyman, Town Attorney

Approved as to content:

Mark Marlowe
Mark Marlowe, Director of Castle Rock Water

CONTRACTOR:

APPLIED INGENUITY, LLC

By: *Fred [Signature]*

Its: *President*

Previously Executed



EXHIBIT 1

SERVICES AND RATES

Services: Contract will repair and maintain equipment used in 64 deep wells and 14 alluvial well located throughout the Town. The scope of work includes providing all labor and materials needed to conduct well maintenance, well pump and equipment troubleshooting and repairs, deep video recording, and supply temporary loaner pumps, motors and equipment. Contractor will also assist with well startups and conduct well disinfections.

Rates:

	A	B	C	D	E	F	G
2	APPLIED LABOR AND EQUIPMENT RATES						
3							
4	Unit #	DESCRIPTION	RATE				
5		ADMINISTRATION	\$110.00				
6		PROJECT MANAGER	\$82.50				
7		SHOP FAB 1M	\$77.00				
8		SHOP LOAD 1M	\$55.00				
9		TECHNICIAN TRAVEL	\$82.50				
10		PICK UP TRAV 1M	\$66.00				
11		FLATBED TRAV 1M	\$71.50				
12	110	15T/CRANE TRAV 1M	\$99.00				
13	100	50T TRAV 1M	\$110.00				
14		PICK UP MILEAGE 1M	\$1.91				
15		FLATBED MILEAGE 1M	\$2.23				
16		TRAILER ADD MILEAGE	\$0.84				
17		15T/CRANE MILEAGE	\$3.03				
18		50T MILEAGE	\$3.83				
19		PICK UP SITE 1M	\$71.50				
20		TECHNICIAN SITE 1M	\$105.00				
21	110	15T/CRANE SITE 1M	\$132.00				
22	100	50T SITE 1M	\$220.00				
23		BASE CHARGE RIG	\$300.00				
24		FORKLIFT SITE 1M	\$104.50				
25		PER DIEM 1M	\$250.00				
26		PER DIEM 2M	\$380.00				
27		PER DIEM 3M	\$500.00				
28		PER DIEM 4M	\$580.00				
29		ADD 1 MAN LABOR	\$44.00				
30		ADD 2 MEN LABOR	\$88.00				
31		ADD 3 MEN LABOR	\$132.00				
32		ADD 4 MEN LABOR	\$176.00				
33		ADD 5 MEN LABOR	\$220.00				
34		Overtime 1M	\$22.00				
35		Overtime 2M	\$44.00				
36		Overtime 3M	\$66.00				
37		Overtime 4M	\$88.00				
38		TOLL	\$3.00				

Not to exceed \$100,000 in 2023.



Task Order # _____

EXEMPLAR – NOT FOR EXECUTION

EXHIBIT 2

TASK ORDER

This Task Order, dated this ____ day of _____, 20__ is issued in accordance with the terms and conditions of the Town of Castle Rock Services Agreement to Provide On-Call __ Services dated _____ (“Agreement”), including rates and fees established therein. The scope of work to be performed under this Task Order is attached as **Exhibit A**. Consultant shall reference the Task Order number assigned above on all correspondence and billings.

Task Title:

Cost of Task:

Schedule:

Attest:

Lisa Anderson, Town Clerk

Town of Castle Rock

Dept. Dir/Manager/Mayor

Approved as to form:

Michael J. Hyman, Town Attorney

Approved as to content:

Contractor:

By: _____

Its: _____

Account Number:

Project Manager:

Previously Executed



EXHIBIT 3

**RENEWAL OF
TOWN OF CASTLE ROCK
SERVICES AGREEMENT**

(Click or tap here to enter text.)

DATE: _____

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

CLICK OR TAP HERE TO ENTER TEXT., Click or tap here to enter text. (“Contractor”).

RECITALS:

A. The Town and Contractor are parties to the Town of Castle Rock Click or tap here to enter text. Agreement () dated Click or tap here to enter text. (“Agreement”) and attached as *Exhibit A*.

B. The term of the Agreement expires Click or tap here to enter text.. The parties wish to renew the Agreement under the same terms and conditions for an additional one-year term, expiring on Click or tap here to enter text..

C. The parties desire to amend the Agreement to incorporate a new rate/fee schedule for 20____, attached as *Exhibit B* and extend the term of the Agreement.

TERMS:

Section 1. Renewal of Agreement. The Agreement shall be renewed for an additional one-year term, expiring Click or tap here to enter text..

Section 2. Amendment. The rate and fee schedule attached as *Exhibit B* to this Renewal Agreement is incorporated herein and made a part of the Agreement.

Section 3. Amendment. The updated Certificate of Insurance for the Contractor/ Consultant for 20__ is attached as *Exhibit C* to this Renewal Agreement is incorporated herein and made a part of the Agreement.

Section 4. Remaining Terms. All other terms and conditions set forth in the Agreement shall remain in full force and effect, including the rights to early termination.

[SIGNATURE BLOCK HERE]



EXHIBIT 4

CERTIFICATE OF INSURANCE (COI)

Previously Executed



EXHIBIT 5

**TOWN OF CASTLE ROCK
AFFIDAVIT OF INDEPENDENT CONTRACTOR STATUS**

I, Scott Martin, an authorized representative of Applied Ingenuity, LLC (“Applied Ingenuity”), holding legal authority to sign this Affidavit declare under oath that I am 18 years or older and have the capacity to sign this Affidavit.

In accordance with Section 8-70-115, C.R.S., I certify the following:

- With respect to the Agreement, Applied Ingenuity represents and warrants that it is its express intention to be employed as an independent contractor of the Town of Castle Rock (the “Town”) for purposes of performing the work or services which are the subject of the Agreement. Applied Ingenuity understands and confirms that the Town reasonably relied on this intention in entering into the Agreement.
- The Town does not require Applied Ingenuity work exclusively for the Town, except that Applied Ingenuity may choose to work exclusively for the Town for a finite period of time specified in the document.
- The Town does not establish a quality standard for the work or services performed pursuant to the Agreement, except that the Town may provide plans and specifications regarding the work but cannot oversee the actual work or provide instruction as to how the work is performed.
- The Town does not pay a salary or hourly rate but rather a fixed or contract rate, as noted in the terms and conditions of the Agreement, and any Exhibits made part of the Agreement.
- The Town cannot terminate the work or services performed during the contract period unless otherwise agreed to in the terms and conditions of the Agreement.
- Applied Ingenuity is not provided with anything, if at all, more than minimal training from the Town.
- The Town does not provide Applied Ingenuity with tools or benefits for the performance of the work or services which are the subject of the Agreement, except materials and equipment may be supplied.
- The Town does not dictate the time of performance, except that a completion schedule and a range of mutually agreeable work hours may be established in the Agreement.
- The Town issues checks payable to Applied Ingenuity, who is a party to the Agreement; and the Town does not combine their business operations in any way with Applied Ingenuity’s business, but instead maintains such operations as separate and distinct.



- Applied Ingenuity understands that if a professional license to practice a particular occupation under the laws of the State of Colorado requires the exercise of a supervisory function with regard to the work of services performed under this Agreement, such supervisory role shall not affect the independent contractor relationship with the Town.
- **APPLIED INGENUITY UNDERSTANDS THAT NEITHER APPLIED INGENUITY NOR ITS EMPLOYEES ARE ENTITLED TO UNEMPLOYMENT COMPENSATION COVERAGE PROVIDED BY THE TOWN.**
- **APPLIED INGENUITY UNDERSTANDS THAT IT IS OBLIGATED TO PAY FEDERAL AND STATE INCOME TAX ON MONEYS PAID PURSUANT TO THE AGREEMENT.**

CONTRACTOR

APPLIED INGENUITY, LLC

By: *Scott Martin*

Scott Martin

STATE OF COLORADO)

) ss.

COUNTY OF Adams)

The foregoing instrument as acknowledged before me this 7th day of February, 2023 by Scott Martin as President of the above mentioned Contractor.

Witness my official hand and seal.

My commission expires: Sep 27, 2026

Daniel Jimenez
Notary Public

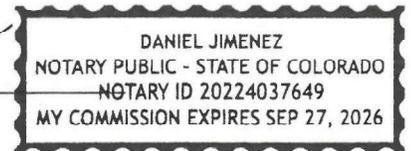




EXHIBIT B-1

CONTRACTOR’S 2024 RATES

The following rates shall apply to the Services provided by Contractor in 2024:

	A	B	C	D	E	F	G
2	APPLIED LABOR AND EQUIPMENT RATES						
3							
4	Unit #	DESCRIPTION	RATE				
5		ADMINISTRATION	\$110.00				
6		PROJECT MANAGER	\$82.50				
7		SHOP FAB 1M	\$77.00				
8		SHOP LOAD 1M	\$55.00				
9		TECHNICIAN TRAVEL	\$82.50				
10		PICK UP TRAV 1M	\$66.00				
11		FLATBED TRAV 1M	\$71.50				
12	110	15T/CRANE TRAV 1M	\$99.00				
13	100	50T TRAV 1M	\$110.00				
14		PICK UP MILEAGE 1M	\$1.91				
15		FLATBED MILEAGE 1M	\$2.23				
16		TRAILER ADD MILEAGE	\$0.64				
17		15T/CRANE MILEAGE	\$3.03				
18		50T MILEAGE	\$3.83				
19		PICK UP SITE 1M	\$71.50				
20		TECHNICIAN SITE 1M	\$105.00				
21	110	15T/CRANE SITE 1M	\$132.00				
22	100	50T SITE 1M	\$220.00				
23		BASE CHARGE RIG	\$300.00				
24		FORKLIFT SITE 1M	\$104.50				
25		PER DIEM 1M	\$250.00				
26		PER DIEM 2M	\$380.00				
27		PER DIEM 3M	\$500.00				
28		PER DIEM 4M	\$580.00				
29		ADD 1 MAN LABOR	\$44.00				
30		ADD 2 MEN LABOR	\$88.00				
31		ADD 3 MEN LABOR	\$132.00				
32		ADD 4 MEN LABOR	\$176.00				
33		ADD 5 MEN LABOR	\$220.00				
34		Overtime 1M	\$22.00				
35		Overtime 2M	\$44.00				
36		Overtime 3M	\$66.00				
37		Overtime 4M	\$88.00				
38		TOLL	\$3.00				

Not to exceed \$100,000 in 2024.

CON-2023-0833



EXHIBIT C-1

CONTRACTOR'S CERTIFICATE OF INSURANCE

RESOLUTION NO. 2025-__

A RESOLUTION APPROVING A CONTRACT AMENDMENT WITH APPLIED INGENUITY PM, LLC TO PROVIDE FUNDING FOR 2024 EMERGENCY REPAIRS TO CASTLE ROCK WATER DEEP WELLS 31R, 27, and 227

WHEREAS, the Town of Castle Rock, Colorado (the “Town”) entered into a Town of Castle Rock Services Agreement to Provide On-Call Services (the “Agreement”) with Applied Ingenuity PM, LLC, a Colorado limited liability company (the “Contractor”), on February 3, 2023 for the provision of as-needed deep well maintenance and repairs; and

WHEREAS, the Agreement was amended on December 7, 2023 to extend the term and incorporate the Contractor’s rates for 2024 (the “First Amendment”); and

WHEREAS, the Agreement has also been amended to extend the term through December 31, 2025, provide funding for services provided in 2025, and incorporate Contractor’s rates for 2025 (the “Second Amendment”); and

WHEREAS, the Contractor conducted extensive emergency repairs on deep wells 31R, 27, and 227, which were completed as of December 19, 2024 (the “Work”) at the direction of Town staff; and

WHEREAS, the Town did not receive the invoices for the Work from the Contractor until December 30, 2024; and

WHEREAS, the Town discovered the cost of the Work exceeds the funding appropriated for 2024 in the First Amendment upon presentation of the invoices; and

WHEREAS, the Agreement needs to be amended to provide funding for the Work so that Contractor can be paid for its services; and

WHEREAS, the Town and Contractor have agreed to execute the Third Amendment to Town of Castle Rock Services Agreement to Provide On-Call Services (the “Third Amendment”) so that Contractor may be paid in full for the emergency services provided in 2024.

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

Section 1. Approval of Amendment. The Amendment between the Town and Contractor 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 Amendment 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 Amendment the Town authorizes the expenditure and payment in an amount not to exceed \$455,117.00 for those services conducted in 2024, including the Work, unless otherwise authorized in writing by the Town.

PASSED, APPROVED AND ADOPTED this ___ day of _____, 2025, by the Town Council of the Town of Castle Rock 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



STAFF REPORT

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Mark Marlowe, P.E., Director of Castle Rock Water
Shawn Griffith, Assistant Director of Operations
John Chrestensen, Operations Manager

Title: **Resolution Approving a Contract Amendment with Applied Ingenuity PM, LLC to Provide Funding for 2024 Emergency Repairs to Castle Rock Water Deep Wells 31R, 27 and 227** *[Castle Rock wells located in various areas of the service territory]*

Executive Summary

Castle Rock Water (CRW) staff requests Town Council approval of a Resolution for a second amendment, **Attachment A**, to the 2024 contract agreement with Applied Ingenuity PM, LLC (Applied) for as-needed emergency repairs to deep wells of an additional \$355,117 for a total authorized amount of \$455,117.

Discussion

On December 7, 2023, CRW entered into the 2024 On-Call Repair services agreement with Applied for emergency deep well repairs, on an as-needed basis for an amount not to exceed \$100,000. Applied completed nine well repairs on five separate task orders. These task orders included troubleshooting problems with wells, pump pulls, replacing pumps and motors, and well-drive repairs, for the total amount of \$99,623.

Task Order Number	Well Number	Task Order Cost	Project Completion Date
TO#1	110	\$29,710.00	7/30/24
TO#2	20	\$1,499.45	7/22/24
TO#3	110	\$4,688.17	8/30/24
TO#4	125	\$25,761.45	10/3/24
TO#5	22	\$37,963.73	11/26/24
Total Cost		\$99,922.80	

Three additional well issues arose starting in September of 2024. The wells were initially evaluated by our internal Plant Maintenance Team. The problems with the wells were beyond the capacity of our internal team. Applied Ingenuity was brought in on an emergency basis to repair the wells and put them back into operation. These three wells needed significant rehabilitation work which is typically handled by our Water Resources Team.

In addition to the On-Call emergency well repair agreement, Applied also provided the following work through the following individual project agreements:

- Well 117 variable frequency drive (VFD) replacement
- Well 110 pump replacement
- Well 73 & 224 pump replacements
- Well 219 pump and motor replacements

Applied Ingenuity was also the contractor for the 23/24 Well Rehabilitation project, which was managed by the CRW Water Resources team.

The work completed on each well is summarized in the invoices provided as **Attachment B**. Our Water Resources Team reviewed the work and pricing in each invoice and determined that the work was competitively and fairly priced. These three wells needed significant rehabilitation equipment and repair work to return them to full operation, which is not typically completed utilizing the annual on-call well repair services agreement. In January of 2025, the final invoices totaling \$355,117, for emergency well repair work that was started in September of 2024 and completed in December of 2024, were received. The table below summarizes the well number, the amount of the invoiced work, and the dates that the work was completed.

Task Order Number	Well Number	Task Order Cost	Project Completion Date
Task Order 6 - Inv3355	Well 31R	\$99,476.67	12/13/24
Task Order 7 - Inv3357	Well 27	\$143,615.64	12/20/24
Task Order 8 - Inv3369	Well 227	\$112,024.25	12/19/24
Total Cost		\$355,116.56	

Budget Impact

Funds are available for this contract amendment and will be taken from the Water Facility Maintenance Repair & Maintenance Wells line item, as follows:

Fund Name	Account Number	Cost	2024 Account Balance
Repair & Maintenance Wells	210-4250-442.40-37	\$355,117	\$355,494

Staff Recommendation

Staff recommends an amendment to the 2024 As Needed Well Repair services agreement with Applied Ingenuity for the additional amount of \$355,117, for a total authorization amount of \$455,117.

Proposed Motion

“I move to approve the Resolution as introduced by title.”

Alternative Motions

“I move to approve the resolution as introduced by title, with the following conditions: (list conditions).”

“I move to continue this item to the Town Council meeting on _____ date to allow additional time to (list information needed).”

Attachments

Attachment A: Resolution
Exhibit 1: Contract
Attachment B: Original Agreement