



STAFF REPORT

To: Honorable Mayor and Members of Town Council

Through: David Corliss, Town Manager

From: Mark Marlowe, P.E., Director of Castle Rock Water
Matt Benak, P.E., Water Resources Manager
Zuzana Howard, Water Resources Program Analyst

Title: **Resolution Approving a Professional Services Agreement with W.W. Wheeler and Associates, Inc. to Support the Fremont Butte Water Court Application as part of the Platte Valley Water Partnership** *[To serve entire Castle Rock Water service area]*

Executive Summary

Castle Rock Water is seeking Town Council approval of a resolution (**Attachment A**) for Professional Services Agreement (**Exhibit 1**) with W.W. Wheeler and Associates, Inc. (Wheeler) to provide support with our Fremont Butte Water Court application (Case No. 2021CW3185) as part of the Platte Valley Water Partnership (PVWP) Project. As part of this agreement, Wheeler will complete the following scope of work:

- Project Management: Wheeler will conduct 10 progress meetings to coordinate work and meet the required deadlines.
- Operational Modeling: Wheeler will prepare several operational models that will be used to determine the yield of the water rights sought and develop engineering analyses used in the Expert Report.
- Review of Sub-Consultant Work: Wheeler will review and summarize the work conducted by the sub-consultants and include a written summary in the Expert Report.
- Prepare an Expert Report in Case No. 21CW3185: Wheeler will prepare a final Expert Report for Case No. 21CW3185, due in January 2026.
- Review Opposers Reports: Wheeler will review Opposers' expert reports and develop engineering to address the concerns raised.
- Prepare a Rebuttal Report: Wheeler anticipates preparing one rebuttal report to address the issues raised by Opposers.

The total scope of this agreement is not to exceed \$510,000. Table 1 below provides a summary of cost, including sub-consultant fees. Work will begin June 17, 2025 and continue through June 16, 2026 with a two-year option to renew.

Table 1 – Project Cost

Category	Task	Cost
Prepare Initial Expert Report	Project Management	\$9,850
	Analysis	\$66,192
	Report Prep	\$47,280
	Subconsultants	\$248,708
	RJH	\$114,000
	Jacobs	\$25,000
	Moore	\$25,000
	ERO Resources	\$26,468
	Harvey Economics	\$58,240
	Sub-Contractor Markup (5%)	\$12,435
	Subtotal	\$384,465
Opposer Report Review	Project Management	\$1,773
	Review of Opposer Reports	\$19,700
	Subconsultants	\$17,500
	Subconsultant Markup (5%)	\$875
	Subtotal	\$39,848
Rebuttal Report	Project Management	\$1,773
	Prepare Report	\$36,248
	Subtotal	\$38,021
Project Subtotal		\$462,334
Contingency (10%)		\$46,233
Project Total, Rounded		\$510,000

Discussion

Wheeler has worked with the Town since 1982 and has represented the Town in scores of water court cases as both applicant and opposer to protect the Town's water rights. Over the past four decades, Wheeler has developed intimate knowledge of the Town's water rights and water resources. Wheeler also has a deep understanding of general water rights and water resources in the Plum Creek, Cherry Creek, and South Platte River basins. The water rights and water resources knowledge that staff can leverage from Wheeler is invaluable while staff continues to develop an understanding of the Town's historic water rights information and issues.

The PVWP is an innovative, long-term water supply solution that will benefit both agricultural and municipal communities in the South Platte River Basin. After over a decade of working together, the PVWP was formally launched in 2021 between the Lower South Platte Water Conservancy District (LSPWCD) and Parker Water and Sanitation District (PWSD). The project purpose is to provide the participants with additional reliable water supplies in a manner that preserves and supports agricultural uses in the South Platte River Basin by capturing water that would otherwise leave the state of Colorado without being put to a beneficial use. The limitations are that the project infrastructure cannot be used to store, convey or treat any water rights obtained and changed after 2019 that result in the permanent dry up of irrigated agricultural land (Buy and Dry).

The PVWP will create crucial water storage along the lower South Platte River and the infrastructure to transport and treat it. The project is currently in the planning stage, with construction anticipated to begin in the 2030s and water being delivered in 2040 to 2045 timeframe. The key infrastructure will include a small storage reservoir near Illiff, one or more forebays, potential water treatment facilities to decrease total dissolved solids concentrations, pipelines and other infrastructure for transport to Rueter-Hess Reservoir and delivery within LSPWCD and a large storage reservoir near Akron (i.e. Fremont Butte Reservoir). **Attachment B** provides a map of the project showing locations for major infrastructure.

Castle Rock became a project participant in 2024 and will benefit by the economies of scale. The Town envisions approximately 3,000 acre-feet (AF) of average annual future yield from the project with individual year supplies up to 8,000 AF (in accordance with the water right filed) once deliveries occur around 2045. Castle Rock has appropriated a new water right along the lower South Platte River (Case No. 21CW3185) that can be delivered as part of this project. Castle Rock's existing water rights that are part of the Box Elder Project can also be delivered via this project if so desired in the future.

The current timeline and key activities for the project are as follows:

- PWSD will be going to water court in August of this year
- PWSD will be purchasing property for Fremont Butte Reservoir from now through at least 2026
- BennT (another entity seeking a water right in the same location as PWSD and Castle Rock) will be going to water court in December of this year
- Castle Rock Water goes to water court in XXX of 2026 and will be preparing for the case over the next year and a half.

Budget Impact

The work that W.W. Wheeler will perform during 2025 and 2026 will be paid from account 211-4340-443.30-40 (Professional Services/Engineering Services), with funds not to exceed \$510,000. The 2025 budget for this account is \$275,000 thus a budget transfer will be necessary.

Staff Recommendation

Staff recommends approval of the resolution as presented.

Proposed Motion

"I move to approve the resolution as introduced by title".

Alternative Motions

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

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

Attachments

Attachment A:	Resolution
Exhibit 1:	Services Agreement
Attachment B:	Project Map