

CASTLE ROCK WATER

**RESOLUTION APPROVING THE SECOND AMENDMENT TO THE
AMENDED AND RESTATED AGREEMENT WITH DOUGLAS
COUNTY FOR THE HIGHWAY 85 WASTEWATER COLLECTION
AND TREATMENT PROJECT**

JANUARY 20, 2025



HIGHWAY 85 WASTEWATER

BACKGROUND INFORMATION

- Amended and Restated Agreement with Douglas County signed in July 2024
- Lift station near Castle Rock Reservoirs with force main to PCWRA
- Funded by ARPA through Douglas County - \$14M
- Designed at 300,000 Gallons per Day Capacity
- Substantial completion by January 2027
- 1% Project Management fee back to CRW
- System owned and operated by CRW
- 10% extraterritorial surcharge to CRW on all rates and fees
- System development fees for lift station and force main back to County to reinvest in sewer infrastructure
- Sedalia, CORE, Elementary School connections funded by system development fees and/or future agreement

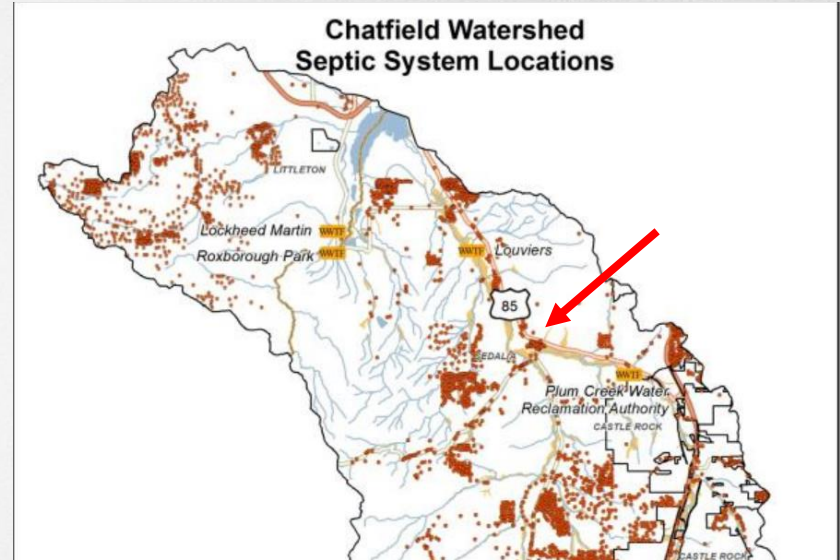


**CORE Electric Coop Building in Sedalia,
CO**

HIGHWAY 85 WASTEWATER

BENEFITS OF AGREEMENT

- Aging septic tanks can now be eliminated protecting water quality at Chatfield Reservoir
- CRW expands service area to further distribute costs
- Brings additional reusable water back to Castle Rock and extends life of Denver basin aquifers
- Ensures CRW has oversight of water and wastewater development along corridor
- Provides additional funding through 10% surcharge
- Supports primary employment along corridor
- Ensures new developments bring renewable water for smart growth



**Chatfield Watershed Authority Watershed Plan
Sedalia Area Septic Tanks Concentrated**

HIGHWAY 85 WASTEWATER

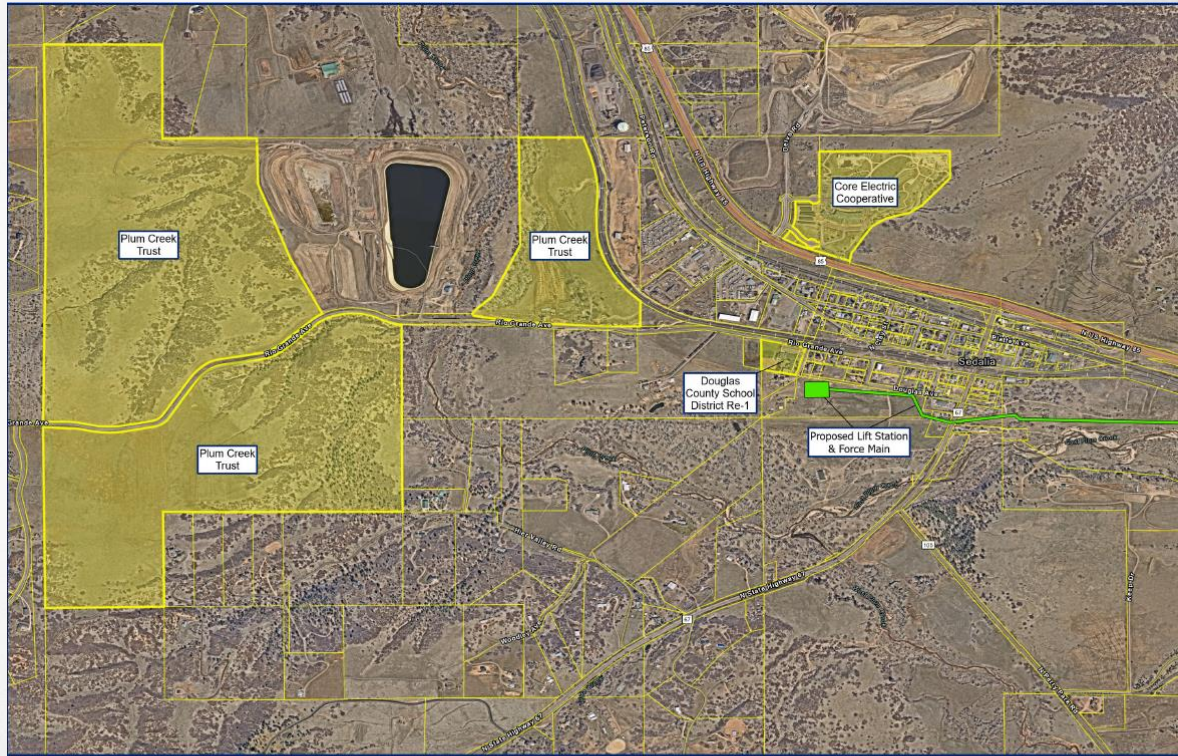
PROJECT STATUS

- S. J. Louis Construction, Inc & Garver engineering Design-Build team in January, 2025
- Progressive Design-Build Procurement Method.
- 90% Design complete and heading towards final design completion
- Stakeholder group established in 2024: CORE Electric, Douglas County, Town of Sedalia, Douglas County School District, Multiple Developers.
- Western States contracted for easement acquisition
- Garver preparing Master Plan for Sedalia as part of additional County approved work.
- Final Guaranteed Maximum Price agreement executed by 2nd Amendment to the agreement for \$16,766,642 reflecting design-builder final GMP of \$18,397,025.



**Castle Oaks Lift Station in Castle Rock, CO
(typical lift station for Castle Rock)**

HIGHWAY 85 WASTEWATER



Sedalia Lift Station and Potential Customers



Disclaimer: If you are unable to access any portion of this map due to a disability as defined under Colorado House Bill 21-1110, we are here to help! Please call us at 303-663-4440, email the Town's accessibility team at accessibility@CRgov.com or submit an accommodation request form at CRgov.com/A11yRequest.

HIGHWAY 85 WASTEWATER

- Implement additional budget saving ideas
 - ❖ Eliminate owner's contingency – design-builder contingency still included
 - ❖ Alternate funding sources – Douglas County Public Works, system development fees
- Total project cost is \$19.78M which is \$984,296 above \$18.8M budget.

- CRW previously agreed to fund \$4.8M and will add \$984,296 to that funding. All CRW funding to be recovered through System Development Fees.
- 2nd Amendment to IGA with Douglas County reflects the additional gap funding needed to meet the project budget.

Description	GMP	Previously Authorized Contingency	Cost
SJ Louis PDB Phase 1 - 0-60%	\$ 633,203.00		\$ 633,203.00
SJ Louis PDB Phase 2 - 60% - 100%	\$ 964,300.00		\$ 964,300.00
General Conditions	\$ 826,950.00		\$ 826,950.00
Single FM & LS Construction Cost of Work	\$ 13,775,379.90		\$ 13,775,379.90
Allowances	\$ 268,265.00		\$ 268,265.00
Fiber Optic Conduit - Garver Design	\$ 40,082.00		\$ 40,082.00
PDB Contingency (2.1%)	\$ 385,711.33		\$ 385,711.33
Bonds & Insurance (1.3%)	\$ 219,620.59		\$ 219,620.59
D-B Fee (7.5%)	\$ 1,283,513.39		\$ 1,283,513.39
Permanent Easements (458,600 SF, \$2/sf @ 50% - no trail)	\$ 458,600.00		\$ 458,600.00
Temporary Easements (856,600 SF @ \$0.40/sf, 2yr)	\$ 342,640.00		\$ 342,640.00
LS Land Purchase at (109,561 SF @ \$3/SF)	\$ 328,683.00		\$ 328,683.00
CRW PM Fee invoiced to date of \$140,000	\$ 11,123.26		\$ 11,123.26
Western States/Kilty	\$ 234,500.00	\$ 11,725.00	\$ 246,225.00
Totals	\$ 19,772,571.46	\$ 11,725.00	\$ 19,784,296.46

HIGHWAY 85 WASTEWATER

KEY TERMS OF THE FIRST AMENDMENT TO THE AGREEMENT

- CRW to loan up to \$4.8M plus \$984,296 for total \$5,784,296 to the project
- All SDFs go to pay back CRW loan first
- 25% SDF surcharge on loaned portion of project SDF for use any way CRW chooses
- 5% annual interest on outstanding \$5.78M balance
- SDFs go fully to CRW until full balance including annual interest has been repaid
- 25% Surcharge on SDF on loaned portion goes back to improvements on project once CRW has been fully reimbursed
- All other terms in the Agreement are the same

Scenario	Estimated Interest Revenue	Estimated 25% Surcharge Revenue
5-Year Payback	\$895,837	\$426,859
30-Year Payback	\$5,504,007	\$721,319

HIGHWAY 85 WASTEWATER

ONGOING SCHEDULE & BUDGET

- Geotech, survey, and SUE work complete
- Currently in review of 90% Design for Lift Station and Force Main
- Permitting efforts ongoing with BNSF, CDPHE, Douglas County
- Property acquisitions in progress since October 2025
- Submittals and early material procurement beginning January 2026
- Project postcards and notice letters mailed January 2026
- Final Construction Documents due February 2026
- Public Open House February 3, 2026
- Construction to begin April 2026
- Construction update letters mailed to residents and stakeholders March/April 2026
- ARPA funds need to be expended by 12/31/2026.
- Construction completion anticipated February 2027



**Plum Creek Water Reclamation Authority
Castle Rock, CO**

HIGHWAY 85 WASTEWATER

RECOMMENDATIONS

- Staff
- Present to Castle Rock Water Commission on 1/28

Questions



PROPOSED MOTION:

“ I move to approve Resolution 2026-XXX as introduced by title.”

ALTERNATE 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).”