



**SECOND CONTRACT PRICE AMENDMENT TO PROGRESSIVE DESIGN-BUILD
AGREEMENT FOR WATER AND WASTEWATER PROJECTS
(SEDALIA LIFT STATION AND FORCE MAIN TO PLUM CREEK WATER
RECLAMATION AUTHORITY PROJECT - CRW)**

DATE: _____.

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

S.J. LOUIS CONSTRUCTION, INC., a Minnesota corporation, 1351 Broadway Street, P.O. Box 459, Rockville, Minnesota 56369-0459 (“Design-Builder”).

RECITALS:

- I. Owner and Design-Builder are parties to the Progressive Design-Build Agreement for Water and Wastewater Projects (Sedalia Lift Station and Force Main to Plum Creek Water Reclamation Authority Project - CRW) dated January 7, 2025 (the “Agreement”), which Agreement was approved by the Town Council pursuant to Resolution No. 2025-002.
- II. Owner and Design-Builder entered into the First Contract Price Amendment to the Agreement (“First Contract Price Amendment”) dated September 16, 2025, which Agreement was approved by the Town Council pursuant to Resolution No. 2025-107.
- III. The Agreement and First Contract Price Amendment are attached hereto as *Exhibit A-2*. The Agreement approved a not-to-exceed compensation amount of \$633,203.00 for Phase 1 Services. The First Contract Price Amendment amended the Agreement to include Phase 2 Design Services and increase the not-to-exceed compensation amount for the additional services provided under Phase 2 Design Services by the amount of \$997,179.47.
- IV. The Parties now desire to amend the Agreement to include Phase 2 Construction Services and increase the not-to-exceed compensation amount for the additional services provided under Phase 2 Construction Services by the GMP amount of \$16,766,642.73 (including the PDB contingency amount of \$385,711.33, as provided in the Phase 2 Construction Services Proposal attached as *Exhibit B-2*. The not-to-exceed Contract Price, including the aforementioned PDB contingency, for Phase 1 Services, Phase 2 Design Services, and Phase 2 Construction Services total will accordingly be \$18,397,025.20.
- V. Owner and Design-Builder wish to memorialize these changes in this Second Contract Price Amendment to the Agreement (“Second Contract Price Amendment”).

TERMS:

1. **Incorporation of Recitals and Exhibits.** The Recitals set forth above and all Exhibits to the Second Contract Price Amendment are hereby incorporated herein. For the sake of clarity, the Parties agree and understand that the GMP Proposal Exhibits identified in the Phase 2 Construction Services Proposal attached as ***Exhibit B-2*** to the Second Contract Price Amendment are also hereby incorporated herein.

2. **Amendment.** Section 1.2.2 of the Agreement is amended to read as follows:

“1.2.2 Phase 2 Services. Design-Builder’s Phase 2 Design Services shall consist of the completion of design services for the Project, the provision of permitting coordination, environmental investigations, and easement support, and the provision of warranty services, as set forth in the Phase 2 Design Services Proposal attached as ***Exhibit B-1*** to the First Contract Price Amendment. Upon execution of the First Contract Price Amendment, Design-Builder shall proceed to execute the Phase 2 Design Services described in ***Exhibit B-1*** to the First Contract Price Amendment in accordance with the Agreement, with an anticipated completion date for Phase 2 Design Services of February 18, 2026.

Upon completion of the Phase 1 Services and any other Basis of Design Documents upon which the parties may agree, Design-Builder shall submit a Proposal to Owner for the completion of the Phase 2 Construction Services for the Project for the Contract Price. Design-Builder’s Phase 2 Construction Services shall consist of the performance of construction services for the Project, the procurement of all materials and equipment for the Project, the start-up, testing and commissioning of the Project, and the provision of warranty services, with the Sedalia Lift Station and Force Main to Plum Creek Water Reclamation Authority Project to be completed by February 9, 2027, all as further described in this Second Contract Price Amendment and ***Exhibit B-2*** to the Second Contract Price Amendment.

Owner has received Design-Builder’s proposed Guaranteed Maximum Price (“GMP”) Contract Price for Phase 2 Construction Services, accepts a GMP form of Agreement, and the parties are hereby proceeding with execution of this Second Contract Price Amendment in accordance with Article 1.3.”

3. **Amendment.** Section 1.3.2.2 of the Agreement is amended to read as follows:

“1.3.2.2 Acceptance of Proposal. Owner accepts the Phase 2 Construction Services Proposal attached as ***Exhibit B-2*** to this Second Contract Price Amendment. This Second Contract Price Amendment and the exhibits hereto set forth the GMP Contract Price and its basis for the Phase 2 Construction Services. Once the parties have executed this Second Contract Price Amendment and Owner has issued a Notice to Proceed with Phase 2 Construction Services, Design-Builder shall perform the Phase 2 Construction Services, all as further described in this Second Contract Price Amendment.”

4. **Amendment.** Section 1.3.2.3 of the Agreement is amended to read as follows:

“1.3.2.3 Intentionally Omitted.”

5. **Amendment.** Section 5.1 of the Agreement is amended to read as follows:

“5.1 Date of Commencement. The Phase 1 Services shall commence within five (5) days of Design-Builder’s receipt of Owner’s Notice to Proceed unless the parties mutually agree otherwise in writing. The Work for Phase 2 Construction Services shall commence within five (5) days of Design-Builder’s receipt of Owner’s Notice to Proceed for Phase 2 Construction Services (“Date of Commencement”) after the Second Contract Price Amendment is fully executed by the parties, unless the parties mutually agree otherwise in writing.

Design-Builder shall comply with and strictly adhere to and abide by all applicable ARPA funding requirements for this Project, including but not necessarily limited to as set forth in the Amended and Restated Intergovernmental Agreement Between the Town of Castle Rock and Douglas County for the Highway 85 Wastewater Collection and Treatment System dated July 2, 2024, pursuant to which the County will use \$14,000,000 of ARPA funds to assist in financing this Project, and all ARPA funding requirements as may be updated thereafter. In accordance with ARPA funding requirements for this Project, Design-Builder shall perform \$14,000,000.00 of the Work on the Project by no later than December 31, 2026. If Design-Builder fails to perform \$14,000,000.00 of the Work on the Project by December 31, 2026 and Design-Builder’s failure to do so is not due to a Force Majeure Event as defined in the General Conditions of Contract, then Design-Builder shall not be paid for the portion of the \$14,000,000.00 amount that Design-Builder failed to expend by the December 31, 2026 deadline and shall be required to cover the funding shortfall created for that portion of the \$14,000,000.00, as the Town will be unable to obtain that portion from ARPA funding. For the sake of clarity, for example, if Design-Builder only expends \$12,000,000.00 of the Work on the Project by December 31, 2026, Design-Builder will not be paid for and shall be required to cover a funding shortfall of \$2,000,000 due to Design-Builder’s failure to meet the December 31, 2026 deadline for a reason other than a Force Majeure Event. Liquidated damages are unchanged by this provision and shall continue to be governed as set forth in the Contract Documents.”

6. **Amendment.** Section 6.1.2 of the Agreement is amended to read as follows:

“6.1.2 For Phase 2 Design Services, Owner shall pay Design-Builder in accordance with Article 6 of the General Conditions of Contract a Contract Price equal to the following Lump Sum amount. Owner shall pay Design-Builder in accordance with Article 6 of the General Conditions of Contract the sum of NINE HUNDRED NINETY-SEVEN THOUSAND ONE HUNDRED SEVENTY-NINE DOLLARS AND FORTY-SEVEN CENTS (\$997,179.47) for the Phase 2 Design Services, in accordance with the Phase 2 Design Services Proposal attached as *Exhibit B-1* to the First Contract Price Amendment, subject to adjustments made

in accordance with the General Conditions of Contract. Unless otherwise provided in the Contract Documents, the Phase 2 Design Services compensation is deemed to include all sales, use, consumer and other taxes mandated by applicable Legal Requirements.

For Phase 2 Construction Services, Owner shall pay Design-Builder in accordance with Article 6 of the General Conditions of Contract a Contract Price equal to the following Design-Builder's Fee (as defined in Section 6.4 hereof) plus the Cost of the Work (as defined in Section 6.5 hereof), subject to the GMP amount of \$16,766,642.73 (including the PDB contingency amount of \$385,711.33) as set forth in this Second Contract Price Amendment. The not-to-exceed Contract Price for Phase 1 Services, Phase 2 Design Services, and Phase 2 Construction Services, consisting of \$633,203.00 for Phase 1 Services, \$997,179.47 for Phase 2 Design Services, and a GMP amount of \$16,766,642.73 (including the PDB contingency amount of \$385,711.33), is \$18,397,025.20.

Owner has appropriated money equal to or in excess of the Contract Price for this work. To the extent C.R.S. § 24-91-103.6 is applicable, the following is included for purposes of compliance therewith, notwithstanding any other language in this Agreement: The issuance of any Change Order or other form of order or directive by the Owner requiring additional compensable work to be performed which will cause the Contract Price to exceed the amount appropriated for the Services or work is prohibited unless the Design-Builder is given written assurance by the Owner that lawful appropriations to cover the costs of the additional services/work have been made and are available prior to performance of said additional services/work or unless the additional services/work is covered under a remedy granting provision in the Agreement. For any form of order or directive by the Owner requiring additional compensable work to be performed, Design-Builder's costs will be reimbursable on a periodic basis, as those terms are defined in the Agreement, for additional directed work performed until a contract modification is finalized, but in no event shall periodic reimbursement occur before the Design-Builder has submitted an estimate of cost to the Owner for the additional compensable work to be performed."

7. Amendment. Section 6.5.1 of the Agreement is amended to read as follows:

"6.5.1 The term Cost of the Work shall mean costs reasonably incurred by Design-Builder in the proper performance of the Work, and shall include only those costs agreed upon for the term Cost of the Work as set forth in the Phase 2 Construction Services Proposal attached as *Exhibit B-2* to the Second Contract Price Amendment."

8. **Amendment.** Section 6.6 of the Agreement is amended to read as follows:

"6.6 The Guaranteed Maximum Price. The parties shall comply with this Section 6.6 because the parties have developed and agreed upon a GMP in this Second Contract Price Amendment.

6.6.1 Design-Builder guarantees that it shall not exceed the GMP. Documents used as a basis for the GMP are identified in this Second Contract Price Amendment and the exhibits hereto. Design-Builder does not guarantee any specific line item provided as part of the GMP, and has the sole discretion to apply payment due to overruns in one line item to savings due to underruns in any other line item. Design-Builder agrees, however, that it will be responsible for paying all costs of completing the Work which exceed the GMP, as adjusted in accordance with the Contract Documents.

6.6.2 The GMP includes the PDB Contingency in the amount of \$385,711.33, which is available for use for unanticipated costs incurred and in accordance with the use requirements set forth in *Exhibit B-2* to this Second Contract Price Amendment. Design-Builder shall provide Owner prior written notice of all anticipated charges against the Contingency, shall obtain Owner's prior written agreement to use of any portion of the Contingency prior to use occurring, and shall provide Owner as part of the monthly status report required by Section 2.1.2 of the General Conditions of Contract an accounting of the Contingency, including all reasonably foreseen uses or potential uses of the Contingency in the upcoming three (3) months. Owner shall review and respond to all requests to use a portion of the Contingency within three (3) business days.

6.6.3 Savings.

6.6.3.1 If the sum of the actual Cost of the Work and Design-Builder's Fee (and, if applicable, any prices established under Section 6.1.3 hereof) is less than the GMP, as such GMP may have been adjusted over the course of the Project, the difference ("Savings") shall be shared as follows:

100% percent to Owner.

6.6.3.2 Savings shall be calculated as part of Final Payment under Section 7.4 hereof, with the understanding that to the extent Design-Builder incurs costs after Final Completion which would have been payable to Design-Builder as a Cost of the Work, the parties shall recalculate the Savings in light of the costs so incurred."

9. **Amendment.** Section 10.2 of the Agreement is amended to read as follows:

"10.2 Listing of Exhibits and documents incorporated herein:

Exhibit A – Owner's Project Criteria

Exhibit B – Scope of Services

Exhibit C – Sedalia Lift Station and Forcemain Schedule

The General Conditions of Contract

First Contract Price Amendment

Exhibit B-1 to First Contract Price Amendment – Phase 2 Design Services Proposal

Exhibit C-1 to First Contract Price Amendment – Design-Builder's Updated Certificate of Insurance



Second Contract Price Amendment
Exhibit B-2 to Second Contract Price Amendment – Phase 2 Construction Services Proposal
Exhibit C-2 - to Second Contract Price Amendment – Design-Builder’s Updated Certificate of Insurance
Additional Contract Price Amendments, if any.”

10. **Certificate of Insurance.** An updated Certificate of Insurance for Design-Builder is attached as *Exhibit C-2*.

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

ATTACHED EXHIBITS:

- EXHIBIT A-2 – Agreement and First Contract Price Amendment
- EXHIBIT B-2 – Design-Builder’s Proposal for Phase 2 Construction Services
- EXHIBIT C-2 - Design-Builder’s Updated Certificate of Insurance

ATTEST:

TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Kaitlin Parker, Assistant Town Attorney

Mark Marlowe, Director of Castle Rock Water

DESIGN-BUILDER:

S.J. LOUIS CONSTRUCTION, INC.

By: _____
(Signature)

(Print Name)

Its: _____
(Title)