



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 Payment for WISE DIA Connection Project Invoice from South Metro WISE Authority** [*Denver City and County*]

Executive Summary

Castle Rock Water is seeking Town Council approval of a resolution (***Attachment A***) to pay an invoice (***Attachment B***) from South Metro WISE Authority (SMWSA). This invoice is in the amount of \$1,000,000 for the Town of Castle Rock's share of the Water Infrastructure Supply Efficiency Denver International Airport (WISE DIA) Connection project fee. The Town's share is twenty percent (20%) of the first round of invoicing for substantial completion of the project. A final true-up payment invoice will be issued after the project has reached final completion and is expected to be approximately \$700,000.

The WISE DIA Connection is a collaborative project between WISE, Denver Water and Aurora Water. Its purpose is to provide a means for Denver Water to deliver a portion of its water obligation to WISE and meet required water quality targets. The project consists of approximately 6 miles of 18-inch polyvinyl chloride (PVC) pipeline from Denver Water's conduit No. 147 to Aurora's Prairie Waters Pump Station (PWPS2) where there will be a flow control and metering facility. The pipeline will connect to Aurora Water's Prairie Waters Pipeline and the water will then be conveyed to the Binney Water Purification Facility and the WISE Pump Station for treatment and delivery to WISE members.

The WISE partners selected Tetra Tech to complete the design of the pipeline and flow control facility and JHL Constructors was the selected contractor. Construction began in June 2024 and 30,785 linear feet of pipeline has been installed to date. Construction is 95% complete and is on time to meet substantial completion in April 2025.

Discussion

In 2013, the Town of Castle Rock became a member the South Metro WISE Authority (SMWSA) which, later that year, entered into the Water Infrastructure and Supply

Efficiency (WISE) Partnership with Denver Water and Aurora Water upon full execution of the Water Delivery Agreement (WDA). Since that time, Castle Rock has been a participant in the WISE Project and began receiving WISE water in April 2018.

WISE water is provided to members of SMWSA through the use of Aurora Water's Prairie Waters Project (PWP) which captures renewable and reusable water supplies on the South Platte River. The water captured and conveyed by PWP consists of supplies owned by both Aurora Water and Denver Water to varying degrees depending on hydrologic conditions. This partnership provides water to SMWSA members in hydrologically wet and normal years, and provides Denver Water with an emergency drought supply in 15 out of every 100 years.

Part of the supply that Denver Water contributes to the WISE Project is located near Denver International Airport (DIA). In order to convey this water to SMWSA members, and ultimately to Denver Water's service area in emergency drought conditions, it is necessary to build a connection from DIA to the WISE system.

WISE has already paid Denver Water \$7,056,418 towards the DIA Connection. The remaining costs are part of a true up as actual final costs of construction become available. The DIA connection pipeline is 95% complete and the \$5 million substantial completion payment from WISE Partners is due. As outlined in Table 1 below, Castle Rock is responsible for 20% of the payment which amounts to \$1 million.

Table 1. WISE DIA Connection \$5 Million Payment Invoicing Details

Member	Pro Rata AF	Ownership	Amount
Town of Castle Rock	2000	20%	\$1,000,000
PWSD	1600	16%	\$800,000
Dominion	1325	13%	\$662,500
Highlands Ranch	1000	10%	\$500,000
Stonegate	1000	10%	\$500,000
Rangeview	900	9%	\$450,000
Meridian	775	8%	\$387,500
Pinery	500	5%	\$250,000
Inverness	500	5%	\$250,000
Cottonwood	400	4%	\$200,000
Total	10000	100%	\$5,000,000

Budget Impact

Castle Rock staff had budgeted \$1,700,000 specifically for the 2025 DIA Connection payments in the 2025 budget. This \$1,000,000 payment will be from the CIP/WISE Infrastructure account <211-4375-443.77-72>, project code <WRWPSF>. The account currently has a balance of \$8.2 million.

Since 2014, Castle Rock has paid SMWSA a total of \$994,350.20 for the DIA Connection. Including the 2025 payment, the Town of Castle Rock will have paid a total of \$1,994,350.20.

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
Attachment B:	Invoice
Attachment C:	Original Agreement