

**RESOLUTION APPROVING THE LETTER AGREEMENT BY AND  
BETWEEN CD-ACME, LLC, AND THE TOWN OF CASTLE ROCK  
REGARDING THE CONSTRUCTION OF THE CASTLE ROCK  
SPORTS CENTER PROJECT**



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MARCH 18, 2025



# EXECUTIVE SUMMARY

Town Council approval requested for Letter Agreement for early procurement to ensure smooth construction of Castle Rock Sports Center



# LETTER AGREEMENT OVERVIEW

## Allows early procurement to:

- Maintain schedule amid potential delays
- Minimize budget increases caused by supply chain issues
- Authorizes up to \$5M for trade agreements and materials from existing Parks Capital Fund balance
- Targets critical Long Lead Time Procurement ahead of COP's for cost savings and schedule adherence
- Acme submits invoices for Town reimbursement within 30 days
- All costs credited toward the Guaranteed Maximum Price (GMP)





# REC CENTER DEVELOPMENT AGREEMENT

**Property Transfer:** Acme conveys land to Town via special warranty deed

**Project Development:**

- Acme oversees construction, manages permits, and coordinates with stakeholders
- Town architect reviews plans, specifications and quality on behalf of the Town

**Construction Management:**

- Acme negotiates GMP contract with selected contractor (Saunders Construction)
- Town funds construction via Certificates of Participation
- Includes contingency provisions to manage budget adjustments

**Timeline:** Start July 1, 2025; Completion within 25 months

**Ownership/Operations:**

- Town assumes ownership post-construction
- Acme and Development Manager released from obligations once project is complete
- Town responsible for facility operations and warranty-related matters

# BUDGET AND NEXT STEPS

## Financial Update

- Initial GMP: \$72M with 2.5% contingency
- Proposed contingency increase to 5%: New GMP of \$74.7M
- Increase addresses cost volatility

## Budget & Next Steps

- Early procurement strategy protects schedule and budget
- Council approval critical to ensure successful project execution

# PROPOSED MOTION

*“I move to approve the Resolution 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).”*



**THANK YOU**  
QUESTIONS?