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



MARCH 18, 2025

EXECUTIVE SUMMARY

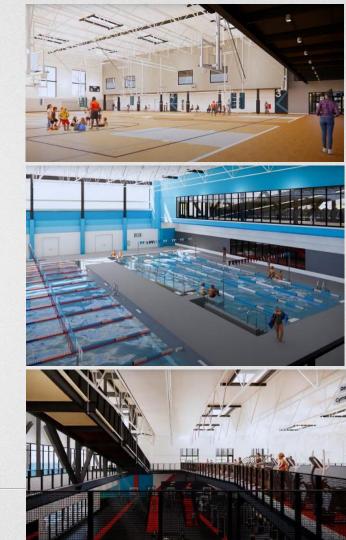
Town Council approval requested for Letter Agreement for early procurement to ensure smooth construction of Castle Rock Sports Center



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?