



STAFF REPORT

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Mark Marlowe, P.E., Director of Castle Rock Water
Roy Gallea, P.E., Engineering Manager
Scott Tait, P.E., Water Resources Project Manager

Title: **Resolution Approving the Progressive Design-Build Agreement with S. J. Louis Construction, Inc. for the Sedalia Lift Station and Force Main to Plum Creek Water Reclamation Authority Project** [*Located in Sedalia, CO*]

Executive Summary

Castle Rock Water (CRW) seeks Town Council approval of a Resolution (***Attachment A***) approving an agreement (***Exhibit 1***) with S.J. Louis Construction, Inc., Sedalia Lift Station and Force Main to Plum Creek Water Reclamation Authority Project, for the amount of \$633,203.00, plus a 10% contingency, for a total authorization amount of \$696,523.30.

The Sedalia Lift Station and Force Main to Plum Creek Water Reclamation Authority (PCWRA) Project will improve water quality, fuel high quality economic development in a key corridor, allow CRW to capture reuse water supplies, create economies of scale, and support existing employers.

This project is to design and build the main wastewater conveyance system for Sedalia and the surrounding area. The project is funded by the American Rescue Plan Act (ARPA) through Douglas County with CRW acting as the Project Manager for the project and eventually owning and operating the system for the benefit of the community. Douglas County has approved the project award and agreement with S.J. Louis Construction, Inc.

The construction delivery method for the project is a Progressive Design-Build method. Phase 1 of the project includes a work product up to 60% design which is the basis for this Agreement. At 60% design, a Guaranteed Maximum Price or a lump sum price is negotiated and CRW has the option to accept either for the completion of the project. A Phase 2 Agreement is then negotiated for final design and construction. This Phase 2 Agreement will need to be approved by Douglas County and by Town Council. The entire project is scheduled to be completed by December 31, 2026.

Notification and Outreach Efforts

Douglas County has posted a news article on their web page about this Highway 85 Southern Corridor Wastewater Project. The Town of Castle Rock (ToCR) has entered into an Intergovernmental Agreement (IGA) with Douglas County for this project.

CRW has developed a stakeholder group that includes key potential customers for the wastewater project. This group is meeting to review all aspects of the project and provide CRW and Douglas County input.

Plans are currently being made with Douglas County and CRW to encourage residents and businesses that are not current stakeholders to participate in the sewer trunkline planning and construction along with hooking up to the system.

History of Past Town Council, Boards & Commissions, or Other Discussions

Castle Rock Water staff presented this item to the Castle Rock Water Commission at their meeting held on December 11, 2024, and the Castle Rock Water Commission voted unanimously 7 to 0 to recommend Town Council approval of the Resolution as presented.

Castle Rock Water Commission recommended approval of the Amended and Restated IGA with Douglas County for the Highway 85 Wastewater Collection and Treatment System on May 22, 2024.

The Amended and Restated IGA with Douglas County for the Highway 85 Wastewater Collection and Treatment System was approved by Town Council on July 2, 2024.

Douglas County approved the IGA on July 2, 2024.

Discussion

This project will benefit Sedalia residents and businesses by eliminating the need for onsite septic systems for their respective residential and facility wastewater treatment. The reduction of onsite wastewater treatment systems along the East Plum Creek corridor will assist in improving the water quality of East Plum Creek and Plum Creek, a water supply source for the ToCR.

This project will build a lift station to pump wastewater from Sedalia through a pipeline (forcemain) back to PCWRA. **Attachment B** shows potential lift station locations and force main routes. Sewer trunk lines and connections to residents and businesses will need to be constructed through potential customer financial inputs and / or system development fees to take full advantage of this project. The key stakeholders (customers) planning to discharge into the lift station for conveyance to PCWRA are the Douglas County School District, CORE Electric, Sedalia Water and Sanitation District water customers, and current developers with development proposals in-process with Douglas County.

This project was publicly advertised on July 11, 2024 CRW received five proposals as listed below. Proposers were ranked based on the most qualified and responsible offers. Rankings were built on grades in the areas of the Project Team, Approach, Pricing and Interview.

Proposers in Ranked Order of Most Qualified	Phase 1 - Fixed Price (Estimate was \$0.200M)	Phase 2 – Fixed Markup	Phase 2 – with Fixed Markup (Base Estimate at \$7.4M)	Total Estimate for Construction
S.J. Louis/Garver	\$0.634M	7.50%	\$7.955M	\$8.589M
Burns & McDonnell/Moltz	\$1.101M	7.75%	\$7.974M	\$9.071M
BT Construction/Wilson	\$0.598M	19%	\$8.801M	\$9.404M
Rice Lake West/JVA	\$1.291M	10%	\$8.140M	\$9.431M
RMS Utilities/RG & Associates	\$0.225M	0%	\$7.40M	\$7.625M

The S.J. Louis/Garver Team was ranked the highest and is therefore selected as the most qualified and responsible offer.

Budget Impact

The \$14M total funding for this project is being paid for by Federal, ARPA funds granted to Douglas County. The project is being administered by CRW. CRW will receive a 1% Project Management fee of up to \$140,000.00 for the management of the project. The projected costs for the project are:

Phase 1 (Up to 60% Design) – S.J. Louis this Staff Report	Easement Acquisitions – Western States and David Kilty	Easements Costs	Phase 2 (60% Design -100% Construction) ESTIMATED	Construction Management	CRW Project Management Fee	Contingency	Total Budgeted Cost
\$0.697	\$0.235M	\$0.200M	\$7.955M	\$0.600M	\$0.140M	\$4.173M	\$14M

As per the IGA with Douglas County, expenses to be reimbursed to CRW will be processed through GL Account # 213-4575-445.79-38 – 85 Regional Wastewater.

Staff Recommendation

Staff and Castle Rock Water Commission recommend that Town Council approve the Progressive Design-Build Agreement between the Town of Castle Rock and S.J. Louis Construction, Inc. Douglas County, Special Projects also recommends S.J. Louis Construction, Inc. based on their review of the submittals.

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
- Exhibit 1: Agreement
- Exhibit A of Exhibit 1: Summary of Southern Hwy 85 WW Project
- Exhibit B of Exhibit 1: RFP 2024-007 Sedalia Lift Station & Forcemain
- Attachment B: Map of Sedalia Options