



MEMORANDUM

To: Dave Corliss, Town Manager

Thru: Mark Marlowe, PE, Director of Castle Rock Water

From: Matt Benak, PE, Water Resources Manager
Angie Brown, Water Resources Program Analyst

Date: March 3, 2020

Title: 2020 WISE Project Update Summary

Executive Summary

The purpose of this memorandum is to summarize the 2020 Annual Water Infrastructure Supply Efficiency (WISE) Project Update presented to Town Council on March 3, 2020, specifically regarding impacts to the budget. In 2020, Staff anticipates spending the full 2020 budgeted amount of \$2,291,231 on 1,000 AF of WISE water deliveries, \$712,090 on securing the Douglas County Option water (bringing an additional 1,000 AF to the Town beginning in 2021), and \$7,459,000 on Capital Improvement Projects (CIP) including the Binney Connection, Well PA-3, Parker Water & Sanitation (PWSD) Bottleneck mitigation, and more. Further detail regarding water deliveries and CIP can be found in the full memo to Town Council dated March 3, 2020.

Budget Impact

As described in March 3, 2020 memo to Town Council, cost for the WISE project will be allocated from two accounts. The Other Professional Services account <211-4340-443.30-70> will be used to pay for charges associated with WISE water deliveries, and the CIP/ WISE Infrastructure account <211-4375-443.77-72> will be used to pay for costs associated with WISE Infrastructure. Below is a summary of anticipated spending from each account with regard to the budget. **Exhibit B** breaks out specific costs expected in 2020 and details applicable Project Codes.

	(77-72_CIP)	(77-30_Oth. Prof. Serv.)
2019 Carryforward	\$ 2,277,157	\$ -
2020 Budget	\$ 4,833,000	\$ 2,400,000
2020 Anticipated Spending	\$ 6,784,000	\$ 2,392,000
Difference	\$ 326,157	\$ 8,000

Attachments

Exhibit A: Applicable Resolutions and Ordinances

Exhibit B: 2020 CRW WISE Budget Impact

EXHIBIT A – Applicable Resolutions and Ordinances

RESOLUTION/ ORDINANCE NO.	ITEM	DESCRIPTION	TOWN COUNCIL ACTION
<u>RESO 2013-30</u>	Formation IGA	Formation of South Metro WISE Authority (SMWA). Approves Castle Rock’s WISE Water subscription of 1,000 AF. Authorizes SMWA to approve the Water Delivery Agreement (WDA) with Denver Water and Aurora Water.	Passed 7 - 0
<u>RESO 2018-068</u>	Douglas County Option purchase	Douglas County reserved 2,775 AF of WISE water for use by Douglas County Water providers. Town Council approved the purchase of 1,137.5 AF of additional WISE water. Ultimately, due to other interest in this water, the Town of Castle Rock purchased an additional 1,000 AF of WISE water through the Douglas County Option.	Passed 5 - 0
<u>RES 2020-004</u>	Second Amendment to the Formation IGA	Amends SMWA member subscriptions to the WISE Project. The Town’s subscription was increased to 2,000 AF per month as a result of purchasing additional Douglas County Option water.	Passed 7 - 0
<u>ORD 2019-029</u>	2020 Castle Rock Water Budget	Section of the 2020 Town of Castle Rock Budget	Passed on First (7 – 0) and Second Readings (6 – 0)

EXHIBIT B – 2020 CRW WISE Budget Impact

2020 Budget Impact					
Timing	Item	Account	Account Description	Project Code	Anticipated Amount
(Jan. - May)	*WISE Year 3 Water	211-4340-443.30-70	Other Professional Services	WRWCRS	\$ 504,000
	*WISE Year 3 O&M	211-4340-443.30-70	Other Professional Services	WRWOMC	\$ 38,000
	*WISE Year 3 PWSD Conveyance	211-4340-443.30-70	Other Professional Services	WRPWWF	\$ 51,000
(Jun. - Dec.)	*WISE Year 4 Water	211-4340-443.30-70	Other Professional Services	WRWCRS	\$ 1,493,000
	*WISE Year 4 O&M	211-4340-443.30-70	Other Professional Services	WRWOMC	\$ 54,000
	*WISE Year 4 PWSD Conveyance	211-4340-443.30-70	Other Professional Services	WRPWWF	\$ 152,000
January	Operating Dues - Subscription Operations	211-4340-443.30-70	Other Professional Services		\$ 100,000
Subtotal (Other Professional Services)					\$ 2,392,000
February	Binney Connection	211-4375-443.77-72	CIP/ WISE Infrastructure	WR_WBC	\$ 6,385,556
February	Meridian Title Clean-up	211-4375-443.77-72	CIP/ WISE Infrastructure	WRWWPT	\$ 91,488
1st QTR	Douglas County Option - Reimbursement for Operations	211-4375-443.77-72	CIP/ WISE Infrastructure	WRWDCCO	\$ 712,089
March	PWSD 2019 Q4 Asset Recovery	211-4375-443.77-72	CIP/ WISE Infrastructure	WRPWWF	\$ 64,795
June	*PWSD 2020 Q1 Asset Recovery	211-4375-443.77-72	CIP/ WISE Infrastructure	WRPWWF	\$ 64,910
September	*PWSD 2020 Q2 Asset Recovery	211-4375-443.77-72	CIP/ WISE Infrastructure	WRPWWF	\$ 64,910
3rd QTR	Parker Bottleneck study	211-4375-443.77-72	CIP/ WISE Infrastructure	WR WLI	\$ 10,143
December	*PWSD 2020 Q3 Asset Recovery	211-4375-443.77-72	CIP/ WISE Infrastructure	WRPWWF	\$ 64,910
Subtotal (CIP/ WISE Infrastructure)					\$ 7,459,000
TOTAL					\$ 9,851,000
<i>*Estimated values based on historic trends</i>					