

CASTLE ROCK WATER

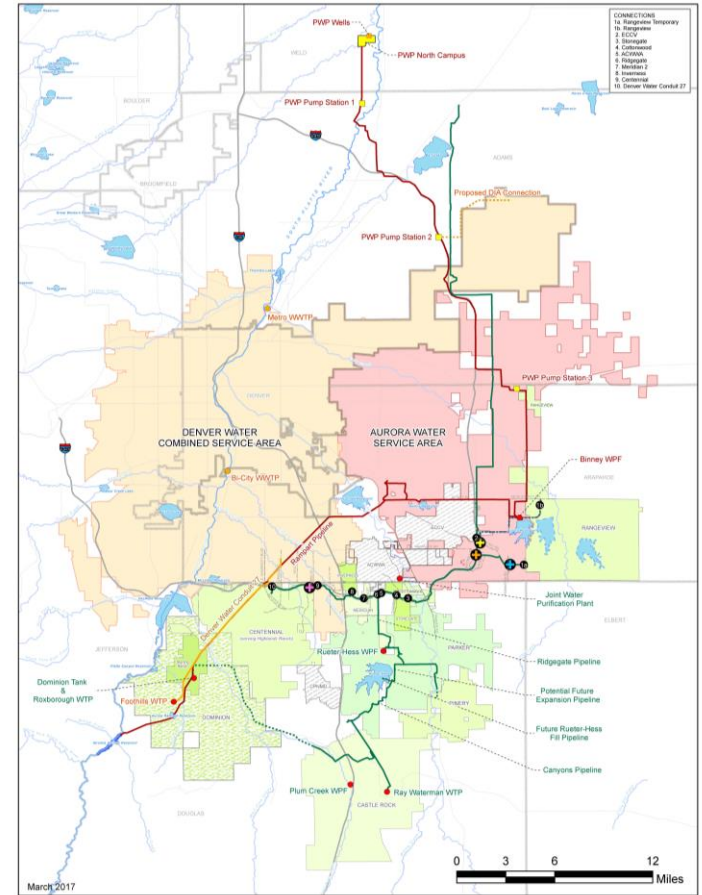
RESOLUTION: AUTHORIZING PAYMENT OF CASTLE ROCK WATER'S PORTION OF THE 2020 BINNEY CONNECTION FEE AND MERIDIAN TITLE CLEAN UP AND WATER INFRASTRUCTURE AND SUPPLY EFFICIENCY (WISE) PROJECT UPDATE

MARCH 3, 2020



WISE PROJECT BACKGROUND

- Interruptible supply of renewable & reusable water
 - Currently in the Ramp-Up Period
 - CRW's subscription is 2,000 AF annually
- Coming in 2020
 - Jan. 1: Water Rate increased from \$5.87/ kgal to \$5.99/ kgal
 - Douglas County Option Final Payment
 - Capital Improvement Projects



WISE PROJECT

WATER DELIVERIES

Deliveries to Date by WISE Year									
	WISE Year	Start	End	SMWA Obligation (AF)	CRW Obligation (AF)	CRW Received (AF)	Cost of Deliveries + O&M (SMWA)	Cost of Deliveries (PWSD)	Total Cost
Ramp-Up Period	1	June 2017	May 2018	1,500	208	280	\$ 530,900	\$ 13,700	544,600
	2	June 2018	May 2019	2,500	346	981	\$ 1,899,200	\$ 183,900	2,083,100
	*3	June 2019	May 2020	3,500	484	998	\$ 2,030,000	\$ 190,000	2,220,000
	*4	June 2020	May 2021	5,000	692	1,000	\$ 2,390,000	\$ 230,000	2,620,000
Full Deliveries	*5	June 2021	May 2022	10,000	2,000	2,000	\$ 5,620,000	\$ 550,000	6,170,000

**Estimated costs and volumes*

WISE PROJECT

INVOICING PROCESS

- WISE water invoices & signing authority
- Proposed process
 - Invoices approved by Town Manager
 - Annual updates to Council on costs
 - Summary memo with expected costs as back-up

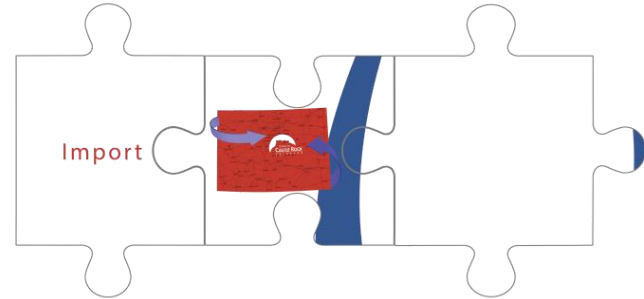


Southwest-side of the WISE Smoky Hill Tank - 2017

WISE PROJECT

UPCOMING CAPITAL IMPROVEMENT PROJECTS

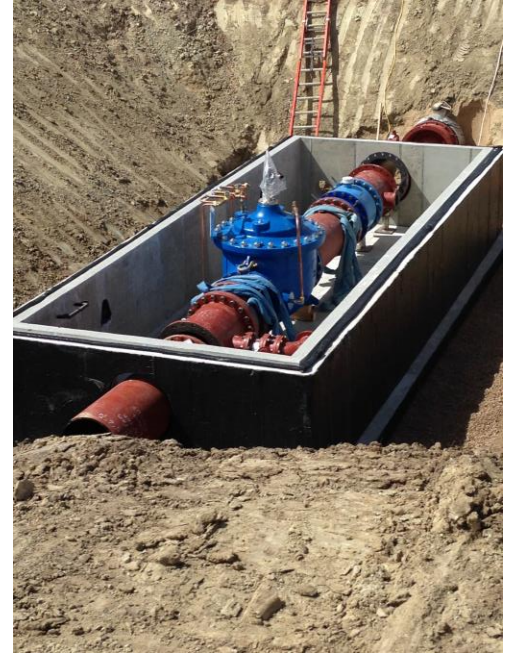
- Binney Connection
 - Planned completion in 2021
- Parker W&SD Bottleneck – Engineering study
 - Design in late 2020
 - Construction 2022
- Other
 - Denver International Airport Connection (Completion 2022-2025)
 - Blending/ Desalination (Completion 2030)



BINNEY CONNECTION & MERIDIAN TITLE CLEANUP FEES

BACKGROUND

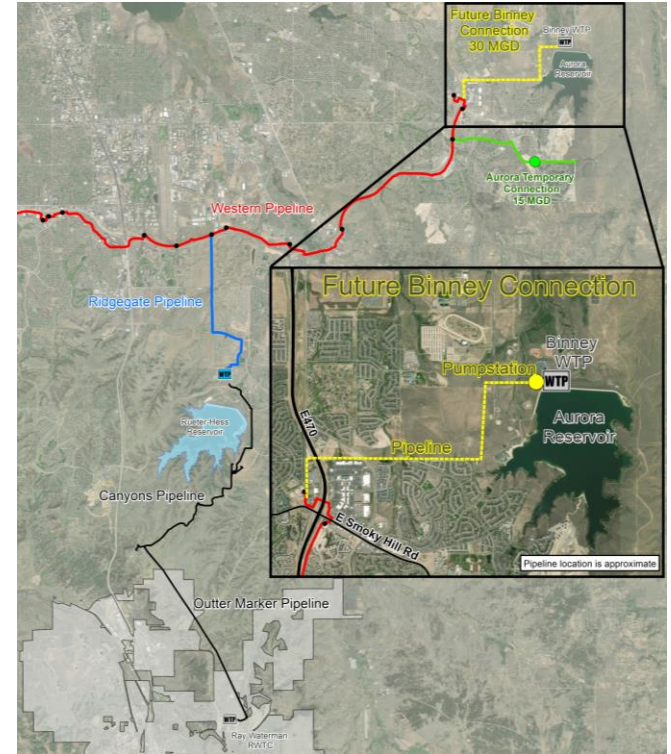
- Water Delivery Agreement (WDA) fully executed on 8/14/13
- SMWA and Denver Water agree to build a future connection to Aurora's Binney plant (WDA 3.3.4)
 - To be built prior to 5/31/21
 - 30 million gallons per day (MGD) capacity
- 2016 temporary connection to Aurora's system completed
 - 15 MGD capacity



2016 construction of the Temporary Connection

BINNEY CONNECTION & MERIDIAN TITLE CLEANUP FEES UPDATE

- SMWA completed design of Binney Connection in 2019
 - Pipeline
 - Pump Station
- SMWA selected contractors in February 2020
- Construction anticipated to begin in April 2020
- Per WDA, to be completed by May 31, 2021



BINNEY CONNECTION & MERIDIAN TITLE CLEANUP FEES

BUDGET & SCHEDULE

Budget

- Castle Rock’s 2020 estimated cost of Binney Connection
 - \$5.71 million
- Castle Rock’s 2020 estimated cost of Western Pipeline Title Cleanup
 - \$92,000

Schedule

- 2020 payment of \$5.80 million to SMWA

Binney Connection & Meridian Title Cleanup Costs			
	Paid to Date (\$)	2020 Cost (\$)	Total (\$)
Binney Connection	\$ 1,184,000	\$ 5,710,000	\$ 6,894,000
Meridian Title Cleanup	\$ 360,400	\$ 92,000	\$ 452,400
Total	\$ 1,544,400	\$ 5,800,000	\$ 7,344,400

BINNEY CONNECTION & MERIDIAN TITLE CLEANUP FEES

RECOMMENDATIONS

- Castle Rock Water Commission
- Staff
- **Questions?**





THANK YOU

I MOVE TO APPROVE RESOLUTION NO. 2020-032 AUTHORIZING
PAYMENT OF CASTLE ROCK WATER'S PORTION OF THE 2020 BINNEY
CONNECTION CONSTRUCTION COSTS AND THE MERIDIAN TITLE
CLEANUP FEE FOR THE WATER INFRASTRUCTURE SUPPLY
EFFICIENCY (WISE) PROJECT