



COTTONWOOD

WATER AND SANITATION DISTRICT

C/O Mulhern MRE, Inc.
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November 19, 2021

Douglas County Board of Commissioners
100 Third Street
Castle Rock, CO 80104

Re: American Rescue Plant Act (ARPA) – Douglas County Funding Allocation

Greetings Commissioners Laydon, Teal and Thomas,

Thank you for giving the Cottonwood Water and Sanitation District (“Cottonwood Water”) the opportunity to submit this letter of interest for water and wastewater projects for Douglas County’s American Rescue Plan Act funding allocation.

The Cottonwood Water was formed in the early 1980’s and much like the rest of the water providers in the Denver metro area, the District relied on the Denver Basin Aquifers for its water supply. Indeed, up until the late 1990’s, Cottonwood Water relied on one particular Denver Basin Aquifer, the Arapahoe Aquifer, for over 90% of our water supplies. Since then, Cottonwood Water’s primary focus has been to fully offset its reliance on the Denver Basin supplies with renewable water supplies. To do so, we collaborated with other water providers in our region, along with the support of the Colorado Water Conservation Board and Douglas County. With all this support, we have spent the last two decades completing the following tasks:

- Securement and development of our local renewable water supplies in Cherry Creek,
- Acquired shares in the Water Infrastructure and Supply Efficiency (“WISE”) Project which allows to import of out-of-basin renewable water supplies to the district,
- Development of a robust water reuse program that includes a state-of-the-art water treatment facility by Reverse Osmosis and Advance Oxidation Reactor which allows for additional removal of currently unregulated contaminants of emerging concern (CEC’s)

ARPA provides a critically important opportunity for you to address many pressing needs in Douglas County, including water and wastewater needs. While Cottonwood Water has been able to achieve a remarkable goal to secure and develop its current, as well as its long term water supply needs with renewable supplies, we still have other challenges in the near future that are directly associated with critical, local, infrastructure needs which are:

- **Project #1:** Purchase of Wastewater Treatment Capacity from the Arapahoe County Water and Wastewater Authority (“ACWWA”)
 - **Project Location:** Please refer to Exhibit A.
 - **Project Description, need and benefits:** Cottonwood Water contracts with ACWWA for wastewater treatment and because of the lack of treatment ownership, the wastewater treatment fees from ACWWA are one of the most expensive rates in Douglas County. The project will benefit approximately 10,000 customers in the District.
 - **Estimated Project Costs** (1.0 mgd of capacity): \$13 M – (current funding might only allow to fund half of the project (0.5 mgd))
 - **Estimated Project Time Line, Phasing and Status:** Design of plant expansion was completed during the design for the first expansion of the plant (2006). Estimated construction schedule for District’s current funding capability (0.5 mgd only): 2023. If fully funded, construction schedule is the same.

- **Project #2:** Expansion of the Re-use Water Supply System for Use During Drought
 - **Project Location:** Please refer to Exhibit B.
 - **Project Description, need and benefits:** This project will allow the District to physically deliver effluent water supply from ACWWA’s wastewater treatment plant to allocation in Cherry Creek within the Cottonwood Water’s boundaries. Today, Cottonwood Water is able to exchange its effluent water discharged at the mouth of Cherry Creek Reservoir, for water in Cherry Creek within the boundaries of the district. However, this condition will not be possible during extended drought conditions in the Cherry Creek basin, hence the need to extend the reuse water main to a location near the District’s alluvial wells currently developed within the District’s boundaries. unless (Project Costs: +/- \$3.0 M)
 - **Estimated Project Costs:** \$3 M
 - **Estimated Project Time Line, Phasing and Status:** Estimated project design in 2023. Estimated construction in 2024.

We believe that the infrastructure needs noted above will not only put the Cottonwood Water, but also Douglas County, on the path of long-term success.

The Cottonwood Water and Sanitation District appreciates this wonderful opportunity for the County to express our interest in the ARPA funds allocated to you. Thank you, Board of County Commissioners, for your vision and support for water and wastewater projects for long-term sustainability of our wonderful Douglas County.

Sincerely,

COTTONWOOD WATER AND SANITATION DISTRICT



Luis Tovar – General Manager

Cc: Cottonwood Water Board of Directors

EXHIBIT A



CHERRY CREEK PARK

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY (ACWWA)
(COTTONWOOD'S TREATMENT
CAPACITY NEEDS: 1.0 MGD)

Algonquin Acres

Cherry Creek East

E Arapahoe Rd

88

E Arapahoe Rd

Foxfield

EXISTING SANITARY
SEWER COLLECTOR

Dove Valley

ial Airport

COUNTY LINE

COTTONWOOD

COTTONWOOD
SERVICE AREA

CHERRYWOOD

CHALLENGER PARK

Grand View
Estates

Stonegate

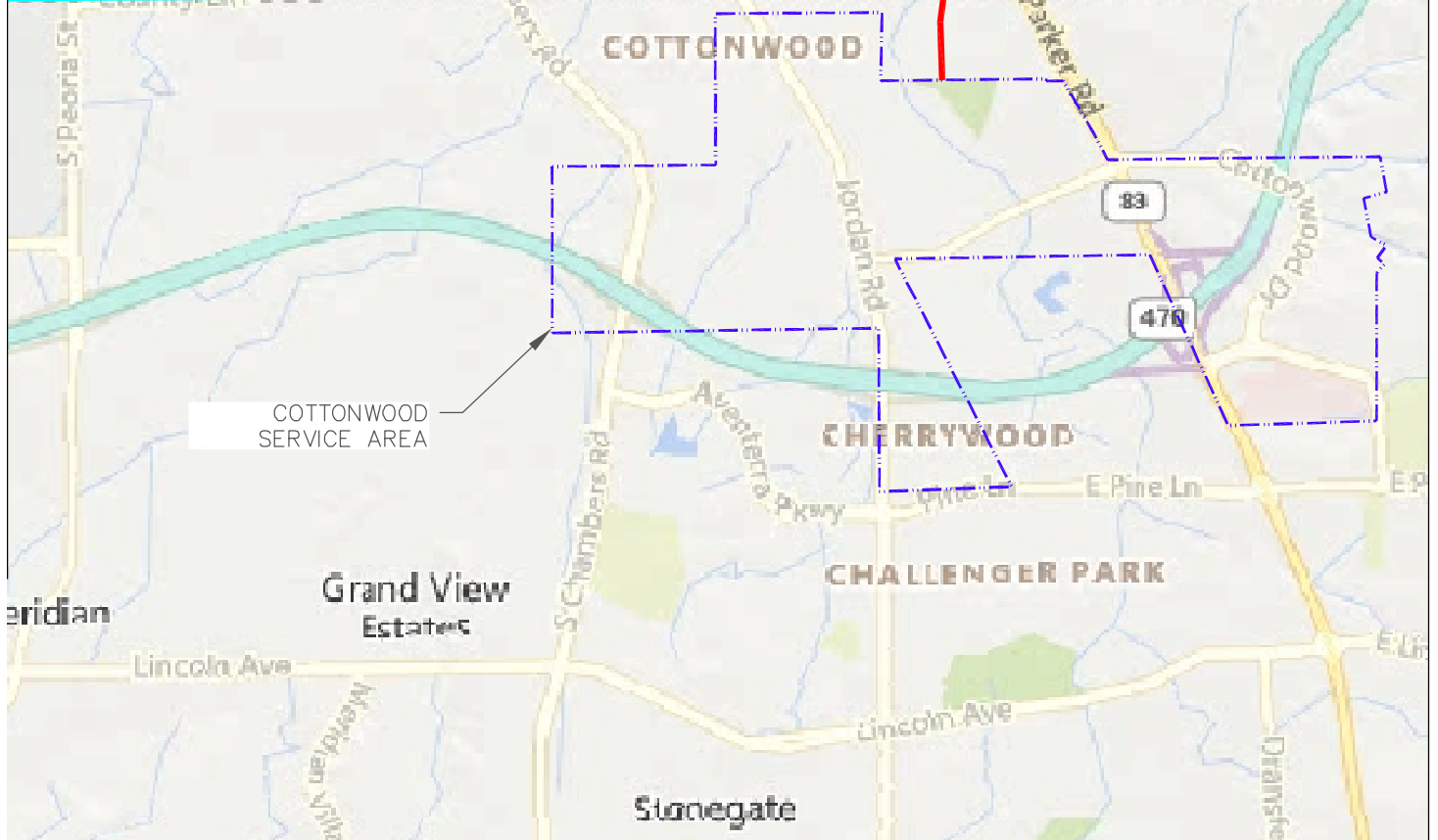


EXHIBIT B



CHERRY CREEK PARK

ARAPAHOE COUNTY WATER AND
WASTEWATER AUTHORITY (ACWWA)
(COTTONWOOD'S TREATMENT
CAPACITY NEEDS: 1.0 MGD)

VILLAS AT
THE VALLEY
COUNTRY CLUB
VALLEY
COUNTRY CLUB

Algonquin Acres

Centennial
Medical
Plaza

EXISTING ACWWA
REUSE WATER MAIN

CORNERSTAR

Foxfield

COUNTY LINE

COTTONWOOD

CWSD — EXISTING
RE-USE WATER MAIN

COTTONWOOD
SERVICE AREA

CROWN POINT

SIERRA

CHERRYWOOD

CHALLENGER PARK

CWSD PROPOSED
REUSE WATER MAIN

SIERRA RIDGE

Stonegate