



TOWN OF ERIE

645 Holbrook Street
Erie, CO 80516

Town Council

Board Meeting Date: 7/28/2020

File #: 20-388, Version: 1

SUBJECT: GENERAL BUSINESS

A Resolution of the Board of Trustees of the Town of Erie Approving an Agreement for Professional Services with Leonard Rice Engineers, Inc. for Wellfield and Conveyance Design

DEPARTMENT: Public Works

PRESENTER: Todd Fessenden, Public Works Director

TIME ESTIMATE: 15 Minutes

FISCAL SUMMARY:

Cost as Recommended: \$1,142,783 (includes contingency of approx. 5%)
Balance Available: \$2,060,046
Budget Line Item Number: 500-70-110-605000-100333 - Construction - Well Project
500-70-110-605000-100290 - Water Supply Planning
New Appropriation Required: No

STAFF RECOMMENDATION:

Approve the Resolution to award said contract, authorize the appropriate Town officer to execute said contract, and authorize staff to expend contracted funds.

SUMMARY AND BACKGROUND OF SUBJECT MATTER:

Background:

In 2018 the Town retained the services of Leonard Rice Engineers (LRE) to assist with the exploration of a water well-field near the North Water Reclamation Facility (NWRf). This well field could prove to provide critical local and redundant source water supply to the Town at a fraction of the cost of obtaining water through more traditional methods such as ditch company rights, buying up senior water rights (agricultural) or Colorado Big-Thompson (CB-T) Project units. While many of the alternatives have their merits, they are costly and limited to timing, use and cost.

During this time frame, the Town has worked with LRE to perform stream modeling, land acquisition identification, well-yield modeling, well design alternatives, permitting, conceptual well-design, water quality analysis, well piloting, and extensive support through the Town's pending water court application for this planned well-field. LRE has been working closely with Paul Zilis, Town Water Counsel, in support of our water court application in developing the application as well as addressing challenges to the Town's application. We anticipate a positive ruling later this year for a well system which will be fully augmented by our reservoir at the North Water Reclamation Facility (NWRf) and produce 3,000 to 6,000 gallons per minute (gpm) or 4.3 to 8.6 million gallons per day (MGD). Based on this estimated production rate, the development of this new water source puts the cost per acre foot at less than 10% of what the regional market, such as Colorado Big Thompson (CBT) water, is currently priced at. Even at the lower end of this production range, we could supply half of the Town's current summer water system demands.

Due to LRE's intimate knowledge of our project and their significant expertise in what is a niche engineering world of alluvial well design, we feel this is a case for sole sourcing this design contract. We intend to get design completed as quickly as possible. Our first well will provide the greatest amount of information related to productivity and water quality, and will be the basis for water supply planning as well as future treatment plant design. As previously noted, LRE works in a finite world of water supply planning, water quality analysis, water rights, modeling and well design. As such, they do not have civil engineering capacity (pipes, electrical, computer controls, etc.) and have retained Kennedy-Jenks Engineers (KJ) as a sub-contractor to perform this work. KJ is a leader in this area and Town staff has a long history with this team and believes it is in the best interest of the Town to engage this team through the proposed contract. This approach is also strongly supported by Mr. Zilis.

Fiscal Impact:

Summary

Agreement for Services	\$ 1,092,783
<u>Contingency (approx. 5%)</u>	<u>\$ 50,000</u>
Total	\$ 1,142,783

This design contract is within the Town's budgeted funds. There will be additional expenses for construction, which will come before the Board separately. The development of this well field will deliver water at a fraction of the cost of the current market, roughly 10% of market for CB-T and 25% of other significant projects the town is engaged in for supply development.

Board Priority(s) Addressed:

- X Prosperous Economy
- X Safe and Healthy Community
- X Environmentally Sustainable
- X Fiscally Responsible

ATTACHMENTS:

1. Resolution
2. Agreement
3. Proposal