



MEMORANDUM

To: Honorable Mayor and Members of Town Council

Thru: David Corliss, Town Manager

From: Mark Marlowe, P.E., Director of Castle Rock Water
Roy Gallea, P.E., Engineering Manager
Emily Huth, P.E., Project Manager

Title: **Resolution Waiving the Formal Written Bidding Requirement on the Basis of Sole Source and Approving a Professional Service Agreement with Burns & McDonnell Engineering Company, Inc. for the RWRWTC LAS Conversion Project** *[Ray Waterman Regional Water Treatment Center]*

Executive Summary

Castle Rock Water (CRW) staff requests approval of a Services Agreement (***Exhibit 1***) with Burns & McDonnell Engineering (BMCD) to provide construction engineering services for the Ray Waterman Regional Water Treatment Center (RWRWTC) LAS Conversion Project.

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

On July 23, 2025 Castle Rock Water Commission voted unanimously 6 to 0 to recommend award of a service agreement in the amount of \$270,997 with BMCD along with authorization of \$298,096 in staff-managed contingency for Construction Engineering Services for the RWRWTC and BMR LAS Conversion Project.

Discussion

This project takes place at the Ray Waterman Regional Water Treatment Center (RWRWTC). The work will include conversion of the existing anhydrous ammonia chemical system to a liquid ammonium sulfate (LAS) chemical system to improve safety and align with chemicals being used at other facilities in the system. The location of the conversion from free chlorine to chloramines will be modified in the facility to improve operational flexibility and allow the Town to receive WISE flows even when RWRWTC is taken offline.

The flowrates CRW receives from WISE are determined by Aurora Water and CRW must take the water, or pay a fee for not receiving it (known as WISE take-or-pay). CRW is slated to receive higher WISE flows during the 2025/2026 lower demand season (i.e. winter months), which is a trend that is expected to continue in future years. Additionally, CRW is now receiving and transmitting all of Dominion's WISE and Aurora water supplies through this connection. In the future, CRW will also have additional imported supplies coming into our system at RWRWTC. CRW staff have determined the RWRWTC LAS Conversion project is an emergency project to complete as efficiently as possible during the 2025/2026 low demand season to minimize the

take-or-pay fees associated with not being able to receive WISE water when RWRWTC must be taken offline – whether for expected routine maintenance, planned construction projects, or unexpected/emergency repairs.

Burns & McDonnell (BMcD) completed design services for the LAS conversion as well as the SCADA upgrades work at RWRWTC. RWRWTC LAS Conversion and Wise Modifications design was completed in 2023, and the SCADA Phase V Design is 90% complete. CRW Staff requested a scope and fee from BMcD to complete the construction engineering services for this work. The engineering services shall include, but not be limited to, leading construction meetings, review and responses to equipment submittals and requests for information (RFIs), periodic site visits, review of change orders, preparation of change directives, start-up workshops and support, Colorado Department of Public Health and Environment (CDPHE) certifications, final completion inspection and punchlist assistance, and creation of conforming to construction records. A scope of services and fee schedule were submitted by BMcD for these services and are included with **Exhibit 1**. Staff recommends approval of the agreement between the Town of Castle Rock (TCR) and BMcD for \$270,997 for the RWRWTC and BMR LAS Conversion Project. Services are expected to begin upon execution of the contract and be completed by May 2026.

From a construction completion standpoint, the project will be completed in two work packages. The first construction work package has been approved and is being completed to allow for procurement of long lead equipment that is necessary for the project. Long lead equipment includes the chlorine analyzers, programmable logic controller (PLC) panel, variable frequency drives (VFDs) for chemical feed pumps, and chemical storage tanks. It is necessary to purchase this equipment as early as possible to complete the work in the necessary schedule. A second work package is being proposed to Town Council concurrently with the Construction Engineering Services Support contract. Garney Companies Inc. (Garney) has been selected via sole source to complete the project.

Budget Impact

Funding to complete construction of the entire RWRWTC LAS Conversion project, including construction engineering services, will be provided from the accounts listed below. A budget transfer will be completed to move \$1,500,000 from the Plum Creek Diversion Structure project fund, Account Number 211-4375-443.77-54 to the Chloramine & WISE Modifications at RWRWTC project fund, Account Number 211-4375-443.77-72.

Project	Account Number	Budget
Chloramine & WISE Modifications at RWWTC	211-4375-443.77-72	\$3,100,000
SCADA System Improvements	210-4275-442.75-41	\$1,300,000
Total		\$4,400,000

BMcD's Contract amount to complete Construction Engineering Services is \$270,997. Staff recommends funding the proposed amount and including a 10% Town managed Contingency resulting in a total authorization amount of \$298,096.

Contract	BMcD Contract Amount	Town Managed Contingency (10%)	Authorization Amount
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Engineering Construction Services (BMcD)	\$270,997	\$27,099	\$298,096
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A summary of the Construction and Engineering Costs that are being recommended for approval are included in the table below. Amendment 1 to the Construction Contract is being presented to Town Council concurrently with BMcD's Construction Engineering Services.

Contract	Status	Authorization Amount
Construction Contract (Garney), includes Work Package 1 and Work Package 2	WP1 Approved, WP2 Under Consideration	\$4,069,373
Construction Engineering Services (BMcD)	Under Consideration	\$298,096
Total		\$4,367,469

Staff Recommendation

Staff recommend Town Council approval of the Service Agreement with Burns & McDonnell for Engineering Services during construction

Propose 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: Services Agreement
Attachment B: Location Map
Attachment C: Sole Source