



Town of Castle Rock

Agenda Memorandum

Agenda Date: 1/4/2022

Item #: File #: TMP 2021-997

To: Honorable Mayor and Members of Town Council

Through: David L. Corliss, Town Manager

From: Mark Marlowe, P.E., Director of Castle Rock Water

Resolution Approving a Service Agreement Between the Town of Castle Rock and Muller Engineering Company, Inc., for the McMurdo Gulch Stream Reclamation Priority 3 Project. [McMurdo Gulch south of the intersection of Castle Oaks Drive and Autumn Sage Street]

Executive Summary

Castle Rock Water is seeking Town Council approval of a Resolution (**Attachment A**) awarding a Services Agreement with Muller Engineering Company, Inc., (Muller) for the McMurdo Gulch Stream Reclamation Priority 3 Project in the amount of \$499,803 plus a 10% Town-managed contingency in the amount of \$49,980 for a total authorization of \$549,783. The project is located adjacent to Castle Oaks Drive; at four sites south of the intersection of Castle Oaks Drive and Autumn Sage Street, see Project Site Map (**Attachment B**).

The scope of work generally includes engineering design for restorative grade control structures, bank protection, channel grading, trails coordination and existing Civilian Conservation Corps (CCC) drop structure rehabilitation.

This project will be funded through the Stormwater Enterprise Fund, a developer contribution and through a Participation Agreement from the Cherry Creek Basin Water Quality Authority (Authority) with a project budget as follows:

Funding Source	Engineering Design	Engineering Construction Services	Construction	Total Project Cost
Developer Contribution	\$ 225,000	\$ 0	\$ 1,545,250	\$ 1,770,250
Cherry Creek Basin Water Quality Authority (25%)	\$ 170,121	\$ 82,443	\$ 824,431	\$ 1,076,995
Town of Castle Rock Stormwater	\$ 285,362	\$ 247,330	\$ 928,043	\$ 1,460,735

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TOTAL	\$ 680,483	\$ 329,773	\$ 3,297,724	\$ 4,307,979
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Design and permitting are scheduled to be complete in summer of 2023 and construction will be complete in spring of 2024.

Notification and Outreach Efforts

The project is generally located within Town owned open space and vacant land owned by Starwood Land Ventures. Town staff will work with the developer to obtain the necessary easements to construct the project. Three adjacent residential lots in unincorporated Douglas County and one HOA parcel may require additional easements and will be evaluated as part of this scope. Alternatives will be evaluated to eliminate and/or minimize the need for additional easements. If additional easements are required, Town staff will follow appropriate Town policy for acquisition. Project details and updates are also provided on the Town website, CRgov.com.

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

Town Council approved a Subdivision Improvement Agreement with Stratus Terrain, LLC for the Terrain North Basin on October 8, 2021, which obligated funds for design of this project in the amount of \$225,000.

The Cherry Creek Basin Water Quality Authority approved their 2022 Budget on November 18, 2021, which included an allocation of funds under their capital plan for design of this project in the amount of \$170,121.

Castle Rock Water staff will present this design contract to the Castle Rock Water Commission at their meeting to be held on January 26, 2022.

Discussion

McMurdo Gulch is a western tributary to Cherry Creek, extending along the eastern edge of the Town. The entire McMurdo Gulch channel is approximately 6.7 miles long from the headwaters to the confluence with Cherry Creek and encompasses a tributary area of approximately 6.5 square miles.

The Authority has been a funding partner with the Town on McMurdo Gulch since 2011. The original project in 2011 totaled approximately \$1.5 million of which the Authority contributed \$630,000. Those improvements showed tremendous success and demonstrated a measurable improvement to nutrient concentrations through the Authority's annual monitoring program. In 2017, the Town conducted a stream assessment following significant growth in the upper headwaters of McMurdo Gulch.

In 2020, the Town completed the Priority 1 Improvements at four locations where the channel was experiencing stream degradation. The total length of these four areas was approximately two thousand lineal feet at a project cost totaling approximately \$1.677 million of which the Authority contributed \$420,000.

Priority 2 Improvements are currently under construction and includes four locations (approximate length of 3,100 lineal feet) where the channel was experiencing stream degradation. This project is estimated to cost \$2.227 million of which the Authority will contribute up to \$615,000.

The Town issued a Request for Proposals (RFP) for design of the McMurdo Gulch Priority 3 Project on October 27, 2021, on the Town's Rocky Mountain Bid Net site. Four consultants attended the pre-proposal meeting, and one (1) proposal was received from Muller Engineering Company, Inc. Town staff reviewed the proposal and found Muller qualified based on the set of criteria included in the RFP. Following the qualification-based selection process, the fee schedule was opened and reviewed. Review found the fee to be reasonable for the proposed scope included in the fee proposal. Muller's fee was \$499,803.

To aid in evaluating Muller's proposed design fee since only one proposal was received, Muller's 2021 Priority 3 design fee (\$499,803) was compared to the 2021 project construction budget (\$3,297,724) as a percentage (15.2%). Muller's 2019 Priority 2 design fee (\$329,008) was compared to the 2019 project construction engineer's estimate (\$2,130,364) as a percentage (15.4%). Muller's 2018 design fee (\$183,822) was compared to the 2018 construction low bid cost (\$1,054,973) as a percentage (17.3%). Based on this evaluation Muller's proposed Priority 3 design fee was found to be a consistent value for the project size and scope. Muller's proposal and fee combination represented the best value for the Town in terms of project approach and understanding, technical expertise and scope of services provided.

Budget Impact

Funds for this Services Agreement will be charged to the Stormwater capital account below. Sufficient stormwater funds for this project are included in the 2022 budget. Additionally, the Town has received funds from Stratus Terrain, LLC in the amount of \$225,000 and has requested engineering design funding from the Authority in the amount of \$171,000. It is anticipated that the Authority Board will review and approve this funding through the Participation Agreement at their January 20, 2022 Board meeting.

<i>Fund Description</i>	<i>Account Number</i>	<i>Amount</i>	<i>Contingency</i>	<i>Total</i>	<i>2022 Budget</i>
<i>McMurdo Gulch Stream Stbl</i>	<i>212-4475-444.75-51</i>	<i>\$499,803</i>	<i>\$49,980</i>	<i>\$549,783</i>	<i>\$680,483</i>

Staff Recommendation

Staff recommends Town Council approval of a Resolution awarding a Services Agreement with Muller Engineering Company, Inc., for the McMurdo Gulch Stream Reclamation Priority 3 Project at a cost of **\$499,803** plus a 10% Town-managed contingency in the amount of \$49,980 for a total authorization in the amount of \$549,783.

Proposed Motion

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“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: Project Site Map