

	SUBJECT: APPENDIX J – SOLE SOURCE JUSTIFICATION FORM	Approval Date 1/1/2018
	DIVISION AND POLICY NUMBER PURCHASING	Revision Date N/A

COMMODITY OR SERVICE Preparing EPC OS Well Facility TESC application and initial implementation

VENDOR Hydro Resources

AMOUNT OF PURCHASE \$ 8,500

REQUESTORS NAME Heather Justus

DEPARTMENT CRW - Water Resources

DEPARTMENT DIRECTOR's Approval DocuSigned by: Mark Marlowe

FINANCE DEPARTMENT's Approval DocuSigned by: Michelle Schrote

TOWN MANAGER's (or Designee) Approval DocuSigned by: David L. Cortiss

PURCHASING POLICY EXCEPTION ITEM	CHECK ONE
1. Item(s) or service has been formally awarded to a vendor by the State of Colorado, MAPO, or other cooperative purchasing group and the product meets the needs of the Town of Castle Rock.	<input type="checkbox"/>
2. The product or service is of a unique nature, or allows for standardization with existing equipment and will provide exceptional value to the Town of Castle Rock.	<input checked="" type="checkbox"/>
3. Emergency purchases where the well-being of the citizens, employees or Town property may be endangered if the purchase is delayed.	<input type="checkbox"/>
4. Town of Castle Rock currently has a contract in place with a vendor for like products or services and the compatibility and/or continuity of those products or services are paramount to the success of the department or Town function.	<input checked="" type="checkbox"/>

Per Municipal Code 3.02.060:

Purchases over \$1,000 and up to \$5,000 require three (3) verbal bids unless approved by the Town Manager on the basis of sole source, emergency or unresponsive bidder.

Purchases over \$5,000 and up to \$75,000 require three (3) informal written bids unless approved by the Town Manager on the basis of sole source, emergency or unresponsive bidders.

Purchases over \$75,000 require formal written sealed bids unless waived by the Town Council on the basis of sole source, emergency or unresponsive bidders.

The requesting department must provide written justification to the Finance Department for review and forward it to the Accounting Manager. **Attach additional sheets as necessary.**

CRW is preparing to start the construction phases for the new Denver Basin Well Facility which will be known as the EPC OS Well Facility. In order to expedite the project, we would like to start work on the TESC plan application and initial implementation. This will help with the ability to mobilize the drilling rig and move quickly into the drilling phase. As our ultimate goal is test the wells so that the longer lead items (52 weeks) can be ordered in a timely fashion.

Hydro has provided value to the Town in the services they provide. Despite difficulties in supply chain issues and delays, Hydro has successfully completed multiple well projects for the Town. They have always been within budget.

There are limited well drilling companies available in the area and a large demand for their services. Hydro has committed to making the Town's project a priority for them.