



COLORADO

Colorado Water  
Conservation Board

Department of Natural Resources

1313 Sherman Street, Room 718  
Denver, CO 80203

September 9, 2016

South Metro WISE Authority  
Attn: Eric Hecox, Executive Director  
8400 East Prentice Avenue, Suite 315  
Greenwood Village, CO 80111

Dear Eric,

RE: Official Notice to Proceed – Approved WSRF Grant Amendment #3 – **CTGG1 2015-391 – Water Infrastructure & Supply Efficiency Partnership: Western Pipeline Connection Engineering/Design** and WSRF Grant Amendment #1 – **CTGG1 2016-1081 Water Infrastructure & Supply Efficiency Partnership: Western Pipeline Connection Engineering/Design in the Rio Grande River Basin**

Dear Eric,

This letter is to inform you that the amendment contracts to assist in the above WSRF grant projects have been approved. The original contract documents will be mailed to you for your records.

With the executed contracts (CTGG1 2015-391 and CTGG1 2016-1081) you are now able to proceed with the projects and invoice the State of Colorado for costs incurred through your expiration date. Please provide the project name, CTGG1 number when corresponding with or invoicing for your project. Upon receipt of your invoice(s), the State of Colorado will provide payment no later than 30 days after review and signed approval of the project manager.

If an extension to the project is necessary, a formal letter of request must be submitted to the project manager along with a proposed completion date **90 days** prior to the current expiration date.

If you have any questions or concerns regarding the project, please contact Derek Johnson, Project Manager at 303-866-3441 x3254. You can contact me at 303-866-3441 ext.3250 for invoicing and payment disbursement questions.

Thank you.

Sincerely,

**Doriann Vigil**  
**Program Assistant II**  
O 303-866-3441 ext. 3250  
1313 Sherman Street, Rm. 719, Denver, CO 80203  
[Dori.vigil@state.co.us](mailto:Dori.vigil@state.co.us) / [cwc.state.co.us](http://cwc.state.co.us)

Cc: Mikal Martinez  
Attachments



## CONTRACT AMENDMENT

Amendment #1	Original Contract CMS #84600	CORE# CTGG1 2016-1081 Amendment CMS#93217
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### 1) PARTIES

This Amendment to the above-referenced Original Contract (hereinafter called the Contract) is entered into by and between South Metro WISE Authority, 8400 East Prentice Avenue, Suite 315, Greenwood Village, CO 80111 (hereinafter called "Contractor"), and the STATE OF COLORADO (hereinafter called the "State") acting by and through the Department of Natural Resources, Colorado Water Conservation Board, (hereinafter called the "CWCB").

### 2) EFFECTIVE DATE AND ENFORCEABILITY

This Amendment shall not be effective or enforceable until it is approved and signed by the Colorado State Controller or designee (hereinafter called the "Effective Date"), but shall be effective and enforceable thereafter in accordance with its provisions. The State shall not be liable to pay or reimburse Contractor for any performance hereunder, including, but not limited to costs or expenses incurred, or be bound by any provision hereof prior to the Effective Date.

### 3) FACTUAL RECITALS

The Water Supply Reserve Account provides money for grants and loans to complete water activities, which are broadly defined and include water supply and environmental projects and/or studies. This Grant is will be expended to assist in the Water Infrastructure and Supply Efficiency (WISE) Partnership: Conjunctive Use Infrastructure.

### 4) CONSIDERATION

Consideration for this Amendment consists of the payments to be made hereunder and the obligations, promises, and agreements herein set forth.

### 5) LIMITS OF EFFECT

This Amendment is incorporated by reference into the Contract, and the Contract and all prior amendments thereto, if any, remain in full force and effect except as specifically modified herein.

### 6) MODIFICATIONS.

The Contract and all prior amendments thereto, if any, are modified as follows:

a. **5. TERM and EARLY TERMINATION is amended to read as follows:** "The Parties respective performance under this Grant shall commence on the Effective Date. This Grant shall terminate on **May 31, 2017** unless sooner terminated or further extended as specified elsewhere herein.

b. **6. a. Completion:** Grantee shall complete the Work and its other obligations as described herein and in the **Exhibit A** on or before **May 31, 2017**. The State shall not be liable to compensate Grantee for any Work performed prior to the Effective Date or after the termination of this Grant.

c. The Schedule that was included in the Original Contract's Scope of Work shall be replaced by the updated schedule attached hereto as **Schedule B**.

d. **7 a. Maximum Amount:** The maximum amount payable under this Grant to Grantee by the State is **\$915,000**, as determined by the State from available funds. Grantee agrees to provide any additional funds required for the successful completion of the Work. Payments to Grantee are limited to the unpaid obligated balance of the Grant as set forth in **Exhibit A**. The maximum amount payable by the State to Grantee during each State fiscal year of this Grant shall be:

<b>\$905,000 in FY2016, minus any funds expended in FY2015 and FY2014</b>
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<b>\$915,000 in FY2017, minus any funds expended in FY2016</b>
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### 7) EFFECTIVE DATE OF AMENDMENT

The effective date hereof is upon approval of the State Controller or their delegate.

### 8) ORDER OF PRECEDENCE

Except for the Special Provisions, in the event of any conflict, inconsistency, variance, or contradiction between the provisions of this Amendment and any of the provisions of the Contract, the provisions of this Amendment shall in all respects supersede, govern, and control. The most recent version of the Special Provisions incorporated into the Contract or any amendment shall always control other provisions in the Contract or any amendments.

### 9) AVAILABLE FUNDS

Financial obligations of the state payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, or otherwise made available.

**THE PARTIES HERETO HAVE EXECUTED THIS AMENDMENT**

\* Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.

**CONTRACTOR  
South Metro WISE Authority**

By: Eric Hecox  
Title: Executive Director

Eric B. Hecox  
\*Signature

Date: 8/3/16

**STATE OF COLORADO  
John W. Hickenlooper, GOVERNOR  
Robert Randall, Department of Natural Resources**

By: Rebecca Mitchell  
By: Rebecca Mitchell, Section Chief,  
Water Supply Planning Section, CWCB  
Signatory avers to the State Controller or delegate that  
Grantee has not begun performance or that a Statutory  
Violation waiver has been requested under Fiscal Rules

Date: 8/17/16

**ALL CONTRACTS REQUIRE APPROVAL BY THE STATE CONTROLLER**

CRS §24-30-202 requires the State Controller to approve all State Contracts. This Contract is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.

**STATE CONTROLLER  
Robert Jaros, CPA, MBA, JD**

By: Maggie VanCleeef

Maggie VanCleeef, DNR Purchasing Director

Date: 9/2/2016

**Exhibit A**  
**Statement of Work**

**WATER ACTIVITY NAME** – Water Infrastructure and Supply Efficiency (WISE) Partnership:  
Conjunctive Use Infrastructure

**GRANT RECIPIENT** – South Metro WISE Authority (WISE Authority)

**FUNDING SOURCE** – Statewide Account (\$800,000)  
Basin Accounts: Metro (\$40,000); South Platte (\$15,000); North Platte (\$10,000); Arkansas (\$10,000); Colorado (\$10,000); Yampa/White (\$10,000); Gunnison (\$10,000); Rio Grande (\$10,000)

**INTRODUCTION AND BACKGROUND**

The Water Infrastructure and Supply Efficiency (WISE) Partnership is a regional water supply project between Aurora Water, Denver Water and the South Metro WISE Authority (WISE Authority). Through WISE, Aurora Water and Denver Water will provide up to 10,000 AFY (on average) of fully treated water to the WISE Authority for distribution to its members on a permanent basis. Aurora's Prairie Waters system will provide the infrastructure for delivering WISE water from the South Platte. WISE will also enable Denver Water to access its supplies as a new emergency and backup supply. Denver Water and Aurora Water will supply water to the WISE Authority at a master meter located near Aurora's Binney Water Purification Facility (BWPF). The WISE Authority will develop infrastructure within their area for distribution to their members.

To distribute WISE water to its members, the WISE Authority is developing the Western Pipeline system. The backbone of this system is the Western Pipeline recently purchased by the WISE Authority and Denver Water from East Cherry Creek Valley Water & Sanitation District (ECCV). However, ECCV retained 8 million gallons per day (MGD) of capacity in the pipeline to move Denver Basin Aquifer water from the Willows Wells to their service area. In order maximize the use of this existing piece of infrastructure and conjunctively use nonrenewable groundwater and renewable WISE water, treatment and additional pipeline infrastructure needs to be constructed. A treatment facility providing chloramine disinfection and iron and manganese removal for the groundwater is needed in order to comingle this water with WISE water in the Western Pipeline. This scope of work is for the construction of this infrastructure.

**OBJECTIVES**

The objectives of this project are to perform the following for the WISE Project's Conjunctive Use Infrastructure

1. Construction site preparation
2. System construction and installation
3. System start-up

## **TASKS**

### **Design/Build Project Approach and Price**

The WISE Project was bid and awarded under a design/build approach. In order to generate a fair and competitive project price, competition was generated throughout the selection process. First, an RFQ was released and firms were short-listed based on qualifications. Second, an RFP was released to the short listed firms and each firm was asked to provide a project approach and a fixed price. As is typical with a design/build procurement selection was based on "value" including assessment of each teams project approach, price, and delivery schedule. The RFP used to competitively select a firm and ensure a fair price for the WISE Authority is available upon request.

The project was awarded and contracted through one firm (Western Summit Constructors, Inc.) who is responsible for the entire project, through final design and construction under a fixed price lump-sum budget. The contractor has provided a Schedule of Values for inclusion in the contract agreeing that the described work will be done for the agreed upon fixed price. The Schedule of Values is structured to show set costs for each defined project component. As work is completed, the contractor invoices based on percent completion of that component. The invoiced amount reflects the percent of that component that has been completed within that billing period and the charge is equal to that same percent of the contracted Schedule of Values amount for the same component. For example, if a project component total cost is shown as \$100,000 and progress has been made to complete 15% of that component over a pay period, \$15,000 will be invoiced for that pay period.

Unlike a typical design/bid/build approach and due to this fixed price and percent complete invoicing approach, work will not be billed based on time and materials. Budget items described herein have not been developed based on time and materials, therefore, backup such as hourly rates or unit material prices are not, nor will they be, available for this project. Prices for the water treatment plant tasks as described herein and as included in the design/build contract are shown in the Budget Table below. The design/build contract further detailing this approach is available upon request.

The following tasks and budget for the Conjunctive Use Infrastructure are based on the Schedule of Values included in the design/build contract.

### **TASK 1 – Site Preparation**

#### Description of Task

Site preparation activities include all activities required to prepare the area for construction activities. This task will include the following:

- Site mobilization, which includes mobilization to the construction site and erosion control measurement setup
- Site drainage, which includes installation of a storm water pipe, storm water piping bypass, and sanitary sewer pipe
- Site access road work including locate and pothole utilities, clear site access road, and purchase of required materials
- Site excavation, fill, backfill, and grading activities
- Site restoration, which includes landscaping and subgrade preparation and asphalt paving at the site

- Tie-ins and taps to connect site infrastructure to existing pipelines
- Yard piping and buried valves, which includes purchase of materials and installation of underground pipe at and near the treatment plant

#### Cost and Cost Assumptions:

Total anticipated cost for this Task is **\$1,181,532.27**. Cost estimates were provided by contractors as a contract exhibit under a Schedule of Values. All components are invoiced based on these values and a percent completion of that line item. Below is a table breaking out provided costs by subtask.

<b>Task 1</b>	
<b>Site Mobilization</b>	\$176,601.31
<b>Drainage</b>	\$55,066.92
<b>Site Access Road</b>	\$150,799.48
<b>Site Excavation</b>	\$375,645.13
<b>Site Restoration</b>	\$75,155.60
<b>Connections to Existing Pipelines</b>	\$73,198.48
<b>Yard Piping and Buried Valves</b>	\$275,065.35
<b>Total</b>	<b>\$1,181,532.27</b>

#### Deliverable

1. Fully mobilized and prepared site
2. Full site drainage system
3. Accessible site access road
4. Excavated and graded site in preparation of construction
5. Landscaped and paved site
6. Functioning connections from treatment plant to existing pipeline
7. Installed and functioning yard piping and buried valves

### **TASK 2 – Treatment System**

#### Description of Task

This task includes all required design, pilot testing, and installation of mechanical equipment and process piping for the treatment system within the treatment plant. Purchase of all associated materials is included in this task. Also included are the design and installation of pressure filter vessels, piping, valves, analyzers, backwash wastewater equalization tank, chemical feed pumps/piping/controls, ammonium sulfate storage, and feed facilities for chloramination.

Cost and Cost Assumptions:

Total anticipated cost for this Task is **\$1,759,948.01**. Cost estimates were provided by contractors as a contract exhibit under a Schedule of Values. This task is invoiced based on provided cost estimate and a percent completion of this Task.

Deliverable

1. Final design drawings and specifications for treatment system
2. Final pilot testing report and findings
3. Fully installed treatment system mechanical equipment

**TASK 3 – Installation and Construction**

Description of Task

The installation and construction of infrastructure and equipment not included in Task 2 of this scope is included under this task. This task will include the following:

- Installation of Quebec pump station bypass and accessories
- Installation of chemical equipment for chloramine disinfection system
- Building construction including purchase of structural concrete, construction of masonry walls, and building finishes
- Design, purchase, and installation of electrical system

Cost and Cost Assumptions:

Total anticipated cost for this Task is **\$3,264,766.05**. Cost estimates were provided by contractors as a contract exhibit under a Schedule of Values. All components are invoiced based on these values and a percent completion of that line item. Below is a table breaking out provided costs by subtask.

Task 3	
Install Pump Station Bypass	\$187,958.53
Chloramine Disinfection System	\$275,797.22
Building Construction	\$1,055,010.30
Electrical System	\$1,746,000.00
<b>Total</b>	<b>\$3,264,766.05</b>

Deliverable

1. Installed and operational Quebec pump station bypass system
2. Installed and operational chemical equipment for chloramine disinfection system
3. Constructed and finished treatment plant building
4. Installed and functioning electrical system

## **TASK 4 – System Start-up**

### Description of Task

This task includes start-up activities and testing necessary to assure successful operations when the plant begins normal operations. This task will include the following:

- Treatment system start-up and acceptance testing, which includes performance of Bac-T test (testing for coliform bacteria), and flush, disinfect, and test the full system
- Development of record drawings
- Start-up and commissioning, which includes additional operations test, official start-up, and development of Operation and Maintenance Manuals

### Cost and Cost Assumptions:

Total anticipated cost for this Task is **\$48,775.28**. Cost estimates were provided by contractors as a contract exhibit under a Schedule of Values. All components are invoiced based on these values and a percent completion of that line item. Below is a table breaking out provided costs by subtask.

Task 4	
Treatment System Start-up and Acceptance Testing	\$20,440.20
Record Drawings	\$3,000.00
Start-up and Commissioning	\$25,335.08
Total	<b>\$48,775.28</b>

### Deliverable

1. Report and results of acceptance and Bac-T testing
2. Record drawings
3. Operation and Maintenance Manuals
4. Fully functioning water treatment plant

## **TASK 5 – Water Treatment Plan Controls**

### Description of Task

This task will include the controls at the water treatment plant. The WISE supervisory control and data acquisition (SCADA) system will be designed under a separate effort. This task is for a separate SCADA system that operates the Water Treatment Plant in conjunction with the wells. It includes the design, equipment installation, and program of the water treatment plant controls.

### Cost and Cost Assumptions:

Total anticipated cost for this Task is **\$148,000**. Cost estimates were provided by contractors as a contract exhibit under a Schedule of Values. This task is invoiced based on provided cost estimate and a percent completion of this Task.



### Deliverable

1. Final SCADA equipment, connection, and testing at water treatment plant

### **REPORTING AND FINAL DELIVERABLE**

Reporting: The applicant shall provide the CWCB a progress report every 6 months, beginning from the date of the executed contract. The progress report shall describe the completion or partial completion of the tasks identified in the statement of work including a description of any major issues that have occurred and any corrective action taken to address these issues.

Final Deliverable: At completion of the project, the applicant shall provide the CWCB a final report that summarizes the project and documents how the project was completed. This report must contain photographs, summaries of meetings and engineering reports/designs.

### **BUDGET**

Task	Task Amount	Grant Funds	Cash Match
Task 1 - Site Preparation	\$ 1,181,532.27	\$ 0	\$ 1,181,532.27
Task 2 - Treatment System	\$ 1,759,948.01	\$ 0	\$ 1,759,948.01
Task 3 - Installation and Construction	\$ 3,264,766.05	\$ 915,000.00	\$ 2,349,766.05
Task 4 - System Start-up	\$ 48,775.28	\$ 0	\$ 48,775.28
Task 5 - System Integration	\$ 148,000.00	\$ 0	\$ 148,000.00
Total	<b>\$6,403,021.61</b>	\$ 915,000.00	<b>\$ 5,488,021.61</b>

The additional approved Rio Grande roundtable funds of \$10,000 will add to the \$915,000 in WSRA funding to be used to help complete Task 3 (Installation and Construction). Costs incurred related to Task 1, Task 2, and any portion of Task 3 prior to the Contract Effective Date will be paid for using matching funds.

### Funding Sources

WSRA Grant	
WSRA Statewide Funds	\$800,000.00
WSRA Basin Funds	
Metro BRT	\$40,000.00
South Platte BRT	\$15,000.00
North Platte BRT	\$10,000.00
Arkansas BRT	\$10,000.00
Colorado BRT	\$10,000.00
Yampa/White BRT	\$10,000.00
Gunnison BRT	\$10,000.00
Rio Grande BRT	\$10,000.00
<b>Total WSRA</b>	<b>\$915,000.00</b>
<b>Cash Match</b>	<b>\$5,488,021.61</b>
<b>Total</b>	<b>\$6,403,021.61</b>

### SCHEDULE B Amended

Design and construction of the Conjunctive Use Infrastructure will be completed under the following schedule.

**Figure 3: Schedule**

Task	Start Date	Finish Date
1	Upon NTP	Substantial Completion, Nov 2017
2	Upon NTP	Substantial Completion, Nov 2017
3	Within 120 days of NTP	Substantial Completion, Nov 2017
4	Upon completion of Tasks 2 and 3	Substantial Completion, Nov 2017
5	Upon NTP	Substantial Completion, Nov 2017

NTP = Notice to Proceed

### PAYMENT

Payment will be made based on actual expenditures and invoicing by the applicant. Invoices from any other entity (i.e. subcontractors) cannot be processed by the State. The request for payment must include a description of the work accomplished by major task, and estimate of the percent completion for individual tasks and the entire water activity in relation to the percentage of budget spent, identification of any major issues and proposed or implemented corrective actions. The last 5 percent of the entire water activity budget will be withheld until final project/water activity documentation is completed. All products, data and information developed as a result of this grant must be provided to the CWCB in hard copy and electronic format as part of the project documentation. This information will in turn be made widely available to Basin Roundtables and the general public and help promote the development of a common technical platform.