

**AGREEMENT WITH SDG INCORPORATED
FOR FEASIBILITY STUDY FOR REPLACEMENT OF TANKS AT
HILLCREST, HIGHLANDS AND ASHLAND
AGREEMENT 12960A**

Action by Consent

Action

Information

Denver Water is undertaking a significant water storage reservoir construction and rehabilitation program approximating \$100 million over the next 10 years. Requests for Proposals (RFP) were sent to experienced tank firms to initiate the first series of studies and designs.

Proposals were received from three firms to provide engineering services for the design of the Lone Tree Basin No. 2 and to conduct a feasibility study for replacement of tanks at Hillcrest, Highlands and Ashland. Bates Engineering was selected to design the Lone Tree Tank which was approved by the Board on February 10, 2010. Denver Water has the option to continue with Bates Engineering through the construction of the Lone Tree tank.

Staff recommends the other two proposing firms, SDG Incorporated and Brown and Caldwell be selected to complete the feasibility study under this agreement for \$265,129.00. SDG Incorporated will perform the feasibility study while Brown and Caldwell will be retained as an independent peer reviewer to SDG. The feasibility study will identify the best approach for executing the design and construction of the tanks at the Hillcrest, Highlands and Ashland sites and allow refinement of the 10-year budget, which currently includes \$94 million for these projects. Upon successful completion of the feasibility study, an amendment for final design for one or more of these tanks from any of the three selected firms may be brought to the Board as an amendment this agreement or as a new agreement. The RFP for this agreement stated, "Denver Water may elect to proceed with design of one or more of the preferred alternatives by amending the Consultant's Contract." The approach will improve the efficiency of execution of these projects and will capture economies of scale in the design process.

The 2010 Capital Improvement Plan (MPC 1DB0062) does not include funds for this design. A project variance is requested to transfer funds to this project for the feasibility study. No variance to the 2010 Annual Budget is required since funds will be transferred from MPC 2DD0145 - Conduit and Main Rehabilitation (which came in under budget) in the amount of \$275,000.00.

SDG Incorporated is a certified Small Business Enterprise (SBE) with the City and County of Denver and will therefore, achieve approximately 42% MWBE participation.

RECOMMENDATION

It is recommended that the Board approve entering into Agreement 12960A with SDG Incorporated in the amount of \$265,129.00 to provide feasibility study for the replacement of tanks at Hillcrest, Highlands and Ashland with a completion date of December 31, 2010.

Budget Considerations

Master Plan Code(s): 1DB0062

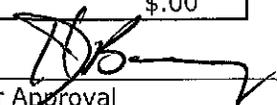
Budgeted Item Unbudgeted Item Funds transferred from another project: 2DD0145

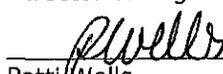
Budget Information

2010 Budget	\$.00
2010 Budget	\$275,000.00
Revised 2010 Budget	\$275,000.00
Amount Requested This Item	\$265,129.00
YTD Expenditures	\$.00
Additional Expenditures Anticipated	\$9,871.00
Revised 2010 Estimate	\$275,000.00
Variance Required	\$.00

Approvals:


Robert J. Mahoney
Director of Engineering


Manager Approval


Patti Wells
General Counsel