

RESOLUTION

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRIGHTON, COLORADO, ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE, FINDING THAT GOOD CAUSE EXISTS AND THAT IT IS IN THE BEST INTERESTS OF THE ENTERPRISE TO WAIVE ANY FORMAL BID PROCESS FOR CERTAIN WATER STORAGE TANK ENGINEERING, MAINTENANCE AND REPAIR SERVICES, AND APPROVING A MAINTENANCE AND REPAIR AGREEMENT INCLUDING PROFESSIONAL ENGINEERING SERVICES WITH SEH D/B, INC., IN THE TOTAL AMOUNT OF THREE MILLION SIX HUNDRED FORTY SIX THOUSAND DOLLARS (\$3,646,000), PAYABLE IN TEN ANNUAL INSTALLMENTS OF THREE HUNDRED SIXTY FOUR THOUSAND SIX HUNDRED DOLLARS (\$364,600) SUBJECT TO THE TERMS OF THE AGREEMENT; AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT ON BEHALF OF THE WATER ACTIVITY ENTERPRISE AND AUTHORIZING THE CITY MANAGER OR HIS DESIGNEE TO CARRY OUT ITS TERMS FOR THE CITY; AND SETTING FORTH OTHER DETAILS RELATED THERETO

RESOLUTION NO.: 2017-84

WHEREAS, pursuant to C.R.S. 37-45-103, the Enterprise is authorized to enter into contracts, and pursuant to Ordinance No. 1993 establishing the Enterprise, the Enterprise is obligated to maintain, repair, replace and renew the facilities comprising its water System; and

WHEREAS, Sections 3-8-10 and 3-08-20 of the Brighton Municipal Code recognize that certain contracts involving professional services are not subject to formal sealed-bid procedures, and authorizes the City to enter into said contracts, when proper justification and good cause exist, and it is deemed in the best interest of the City; and

WHEREAS, Section 3-8-120 of the Brighton Municipal Code provides that, ‘for good cause shown’, the City Council may waive the formal procurement process for contracts greater than \$50,000; and

WHEREAS, the Colorado Department of Public Health and Environment (CDPHE) requires annual maintenance and inspection of all finished water storage tanks, and the Enterprise has four finished water storage tanks; and

WHEREAS, three of the four water storage tanks are in need of significant repairs, with one tank under a compliance notification from CDPHE, and City Council believes that it is in the best interests of the citizens to facilitate and expedite such repairs; and

WHEREAS, City staff has solicited budgetary cost estimates for these repairs and has earmarked funding in the Capital Improvement Plan for the Water Activity Enterprise to accomplish the repairs, including annual maintenance and inspection activities; and

WHEREAS, sufficient funding of \$3.1M is available within the existing 2017 Water Enterprise Capital budget to fund the largest of the tank repair requirements; and

WHEREAS, large scale water storage tank repairs will generally come only with an industry-standard one-year warranty on the construction, resulting in risk to the owner that is difficult to mitigate; and

WHEREAS, SEH, Inc. was contacted for a budgetary estimate to make repairs to the City's 8.3 Million Gallon tank, and SEH, Inc. offered a ten year warranty on such repairs and a cost estimate lower than anticipated; and

WHEREAS, staff subsequently solicited a proposal from SEH that includes all four storage tanks with ten year warranties on all work, ten year maintenance and inspections on each tank, and ten equal annual payments at a total cost far below the anticipated CIP; and

WHEREAS, the proposal from SEH, Inc. is deemed to be responsible and reasonable for the scope of work, and SEH's reputation and professionalism in these efforts comes with high regard, and the City Council finds and determines that it is in the best interests of the Enterprise, and that good cause exists, to waive the formal bid process and award the Agreement to SEH, Inc. to perform the Water Tank Maintenance Services for the Water Activity Enterprise.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRIGHTON, COLORADO, ACTING BY AND THROUGH ITS WATER ACTIVITY ENTERPRISE, AS FOLLOWS:

1. The waiver of the formal bid process for the City of Brighton Water Activity Enterprise Tank Maintenance Services Agreement is justified and hereby approved.
2. The attached Agreement with SEH D/B, Inc. including professional engineering services, in the amount of Three Million Six Hundred Forty Six Thousand Dollars (\$3,646,000) is hereby approved, with annual payments of Three Hundred Sixty Four Thousand Six Hundred Dollars through 2026, subject to the terms and provisions of the Agreement.
3. The Mayor is hereby authorized to execute said Agreement on behalf of the Water Activity Enterprise, and the City Manager or his designee are authorized to carry out its terms and provisions for the Enterprise, including administering annual payments under said Agreement through 2026, subject to annual appropriation therefor.

RESOLVED, this 1st day of August, 2017.

CITY OF BRIGHTON, COLORADO

Richard N. McLean, Mayor

ATTEST:

APPROVED AS TO FORM:

Natalie Hoel, City Clerk

Margaret R. Brubaker, Esq.
City Attorney