

PUBLIC WORKS MEMORANDUM
#2026-04

DATE: Sept. 14, 2026

TO: Honorable Mayor Meredith Leighty and City Council Members

THROUGH: Jason Loveland, Acting City Manager 

FROM: Sarah Borgers, Director of Public Works 

SUBJECT: CR-115 – Aquifer Storage and Recovery Project Contract Addendum #2

PURPOSE

To consider CR-115, a resolution approving Addendum #2 to the contract with Spheros Environmental Group Parent Inc., formerly known as Leonard Rice Consulting Water Engineers, LLC, for the Aquifer Storage and Recovery Project.

BACKGROUND

The City has been working to enhance drought resilience and ensure that adequate water is available for the City's current and future needs. The City has invested in a pilot study to evaluate an aquifer storage and recovery project to provide additional water storage and increase diversity of the City's water supply portfolio.

Key components of the pilot study have been completed, including the installation of test wells, water lines to and from the wells, and other appurtenances. This infrastructure was used to evaluate the ability of the aquifers to store and release water and to evaluate water quality.

With data now in hand, staff recommends completing an analysis that would connect the results of the pilot well testing to the City's Integrated Water Resources Plan, which is also currently under revision.

Addendum #2 would accomplish three things:

1. Memorialize the assignment of the original contract to Spheros Environmental Group Parent Inc.;
2. Fund an analysis to determine whether the cost of completing Phase 2 of the project would be a good investment; and
3. Allow the City to compensate the firm for the additional work performed outside of the original scope.

BUDGET/TIME IMPLICATIONS

The original agreement, as amended by Addendum #1, was for a total amount of \$491,833. Addendum #2 would increase the contract amount by \$118,309, for a total contract amount not to exceed \$610,142. Funds are available in the Water Fund.

STAFF RECOMMENDATION

Staff recommends approval of CR-115, a resolution that, if approved, would authorize the Mayor to execute Addendum #2 to the agreement between the City and Spheros Environmental Group Parent Inc., for the Aquifer Storage and Recovery Project.

STAFF REFERENCE

If Council members have any questions, please contact Sarah Borgers, Director of Public Works, at sborgers@northglenn.org or 303.450.4005.

ATTACHMENTS

1. Aquifer Storage and Recovery Project Agreement
2. Addendum #1

SPONSORED BY: MAYOR LEIGHTY

COUNCIL MEMBER'S RESOLUTION

RESOLUTION NO.

No. CR-47
Series of 2022

22-47
Series of 2022

A RESOLUTION APPROVING A PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF NORTHGLENN AND LEONARD RICE CONSULTING ENGINEERS, INC. FOR AQUIFER STORAGE AND RECOVERY PILOT PROJECT CONSULTING SERVICES

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The Professional Services Agreement between the City of Northglenn and Leonard Rice Consulting Engineers, Inc. dba LRE Water, attached hereto, in an amount not to exceed \$436,833.00 for Aquifer Storage and Recovery Pilot Project Consulting Services is hereby approved and the Mayor is authorized to execute same on behalf of the City of Northglenn.

DATED, at Northglenn, Colorado, this 14th day of February, 2022.


MEREDITH LEIGHTY
Mayor

ATTEST:


JOHANNA SMALL, CMC
City Clerk

APPROVED AS TO FORM:


COREY Y. HOFFMANN
City Attorney

AGREEMENT FOR PROFESSIONAL SERVICES

THIS AGREEMENT is made and entered into this 14th day of February, 2022, by and between the City of Northglenn, State of Colorado (hereinafter referred to as the "City") and Leonard Rice Consulting Engineers, Inc dba LRE Water (hereinafter referred to as "Consultant").

RECITALS:

A. The City requires professional services.

B. Consultant has held itself out to the City as having the requisite expertise and experience to perform the required work for the Project.

NOW, THEREFORE, it is hereby agreed for the consideration hereinafter set forth, that Consultant shall provide to the City, professional consulting services for the Project.

I. SCOPE OF SERVICES

Consultant shall furnish all labor and materials to perform the work and services required for the complete and prompt execution and performance of all duties, obligations, and responsibilities for the Project which are described or reasonably implied from **Exhibit A** which is attached hereto and incorporated herein by this reference.

II. THE CITY'S OBLIGATIONS/CONFIDENTIALITY

The City shall provide Consultant with reports and such other data as may be available to the City and reasonably required by Consultant to perform hereunder. No project information shall be disclosed by Consultant to third parties without prior written consent of the City or pursuant to a lawful court order directing such disclosure. All documents provided by the City to Consultant shall be returned to the City. Consultant is authorized by the City to retain copies of such data and materials at Consultant's expense.

III. OWNERSHIP OF WORK PRODUCT

The City acknowledges that the Consultant's work product is an instrument of professional service. Nevertheless, the products prepared under this Agreement shall become the property of the City upon completion of the work.

IV. COMPENSATION

A. In consideration for the completion of the services specified herein by Consultant, the City shall pay Consultant an amount not to exceed four hundred thirty-six thousand eight hundred thirty-three (\$436,833). Payment shall be made in accordance with the schedule of charges in **Exhibit B** which is attached hereto and incorporated herein by this reference. Invoices will be itemized and include hourly breakdown for all personnel and other charges. The maximum fee specified herein shall include all fees and expenses incurred by Consultant in performing all services hereunder.

B. Consultant may submit monthly or periodic statements requesting payment. Such request shall be based upon the amount and value of the work and services performed by Consultant under this Agreement except as otherwise supplemented or accompanied by such supporting data as may be required by the City.

1. All invoices, including Consultant's verified payment request, shall be submitted by Consultant to the City no later than the twenty-fourth (24th) day of each month for payment pursuant

to the terms of this Agreement. In the event Consultant fails to submit any invoice on or before the twenty-fourth (24th) day of any given month, Consultant defers its right to payment pursuant to said late invoice until the twenty-fourth (24th) day of the following month.

2. Progress payments may be claimed on a monthly basis for reimbursable costs actually incurred to date as supported by detailed statements, including hourly breakdowns for all personnel and other charges. The amounts of all such monthly payments shall be paid within thirty (30) days after the timely receipt of invoice as provided by this Agreement.

C. The City has the right to ask for clarification on any Consultant invoice after receipt of the invoice by the City.

D. In the event payment for services rendered has not been made within forty-five (45) days from the receipt of the invoice for any uncontested billing, interest will accrue at the legal rate of interest. In the event payment has not been made within ninety (90) days from the receipt of the invoice for any uncontested billing, Consultant may, after giving seven (7) days written notice and without penalty or liability of any nature, suspend all work on all authorized services specified herein. In the event payment in full is not received within thirty (30) days of giving the seven (7) days written notice, Consultant may terminate this Agreement. Upon receipt of payment in full for services rendered, Consultant will continue with all authorized services.

E. Final payment shall be made within sixty (60) calendar days after all data and reports (which are suitable for reproduction and distribution by the City) required by this Agreement have been turned over to and approved by the City and upon receipt by the City of Consultant's certification that services required herein by Consultant have been fully completed in accordance with this Agreement and all data and reports for the Project.

V. COMMENCEMENT AND COMPLETION OF WORK

Within seven (7) days of receipt from the City of a Notice to Proceed, Consultant shall commence work on all its obligations as set forth in the Scope of Services or that portion of such obligations as is specified in said Notice. Except as may be changed in writing by the City, the Project shall be complete, and Consultant shall furnish the City the specified deliverables as provided in **Exhibit A**.

VI. CHANGES IN SCOPE OF SERVICES

A change in the Scope of Services shall constitute any material change or amendment of services or work which is different from or additional to the Scope of Services specified in Section I of this Agreement. No such change, including any additional compensation, shall be effective, or paid unless authorized by written amendment executed by the City. If Consultant proceeds without such written authorization, then Consultant shall be deemed to have waived any claim for additional compensation, including a claim based on the theory of unjust enrichment, quantum merit or implied contract. Except as expressly provided herein, no agent, employee, or representative of the City shall have the authority to enter into any changes or modifications, either directly or implied by a course of action, relating to the terms and scope of this Agreement.

VII. PROFESSIONAL RESPONSIBILITY

A. Consultant hereby warrants that it is qualified to assume the responsibilities and render the services described herein and has all requisite corporate authority and professional licenses in good standing, required by law.

B. The work performed by Consultant shall be in accordance with generally accepted professional practices and the level of competency presently maintained by other practicing professional firms in the same or similar type of work in the applicable community.

C. Consultant shall be responsible for the professional quality, technical accuracy, timely completion, and the coordination of all designs, drawings, specifications, reports, and other services furnished by Consultant under this Agreement. Consultant shall, without additional compensation, correct or resolve any errors or deficiencies in his designs, drawings, specifications, reports, and other services, which fall below the standard of professional practice, and reimburse the City for construction costs caused by errors and omissions which fall below the standard of professional practice.

D. Approval by the City of drawings, designs, specifications, reports, and incidental work or materials furnished hereunder shall not in any way relieve Consultant of responsibility for technical adequacy of the work. Neither the City's review, approval or acceptance of, nor payment for, any of the services shall be construed to operate as a waiver of any rights under this Agreement or of any cause of action arising out of the performance of this Agreement, and Consultant shall be and remain liable in accordance with applicable performance of any of the services furnished under this Agreement.

E. The rights and remedies of the City provided for under this Agreement are in addition to any other rights and remedies provided by law.

VIII. WORKER WITHOUT AUTHORIZATION

A. Certification. By entering into this Agreement, Consultant hereby certifies that, at the time of this certification, it does not knowingly employ or contract with a worker without authorization who will perform work under the Agreement and that Consultant will participate in either the E-Verify Program administered by the United States Department of Homeland Security and Social Security Administration or the Department Program administered by the Colorado Department of Labor and Employment in order to confirm the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement.

B. Prohibited Acts. Consultant shall not:

1. Knowingly employ or contract with a worker without authorization to perform work under this Agreement; or

2. Enter into a contract with a subcontractor that fails to certify to Consultant that the subcontractor shall not knowingly employ or contract with a worker without authorization to perform work under this Agreement.

C. Verification.

1. Consultant has confirmed the employment eligibility of all employees who are newly hired for employment to perform work under this Agreement through participation in either the E-Verify Program or the Department Program.

2. Consultant shall not use the E-Verify Program or the Department Program procedures to undertake pre-employment screening of job applicants while this Agreement is being performed.

3. If Consultant obtains actual knowledge that a subcontractor performing work under this Agreement knowingly employs or contracts with a worker without authorization who is performing work under the Agreement, Consultant shall:

a. Notify the subcontractor and the City within three (3) days that Consultant has actual knowledge that the subcontractor is employing or contracting with a worker without authorization who is performing work under the Agreement; and

b. Terminate the subcontract with the subcontractor if within three (3) days of receiving the notice required pursuant to subparagraph (a) hereof, the subcontractor does not stop employing or contracting with the worker without authorization who is performing work under the Agreement; except that Consultant shall not terminate the contract with the subcontractor if during such three (3) days the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with a worker without authorization who is performing work under the Agreement.

D. Duty to Comply with Investigations. Consultant shall comply with any reasonable request by the Colorado Department of Labor and Employment made in the course of an investigation conducted pursuant to C.R.S. § 8-17.5-102(5)(a) to ensure that Consultant is complying with the terms of this Agreement.

E. If Consultant does not currently employ any employees, Consultant shall sign the NO Employee Affidavit attached hereto.

F. If Consultant wishes to verify the lawful presence of newly hired employees who perform work under the Agreement via the Department Program, Consultant shall sign the Department Program Affidavit attached hereto.

IX. INDEMNIFICATION

A. INDEMNIFICATION – GENERAL: The City cannot and by this Agreement does not agree to indemnify, hold harmless, exonerate or assume the defense of the Consultant or any other person or entity whatsoever, for any purpose whatsoever. Provided that the claims, demands, suits, actions or proceedings of any kind are not the result of professional negligence, the Consultant, to the fullest extent permitted by law, shall defend, indemnify and hold harmless the City, its Council members, officials, officers, directors, agents and employees from any and all claims, demands, suits, actions or proceedings of any kind or nature whatsoever, including worker's compensation claims, in any way resulting from or arising from the services rendered by Consultant, its employees, agents or subconsultants, or others for whom the Consultant is legally liable, under this Agreement; provided, however, that the Consultant need not indemnify or save harmless the City, its Council members, its officers, agents and employees from damages resulting from the negligence of the Council members, officials, officers, directors, agents and employees.

B. INDEMNIFICATION FOR PROFESSIONAL NEGLIGENCE: The Consultant shall, to the fullest extent permitted by law, indemnify and hold harmless the City, its Council members, and any of its officials, officers, directors, and employees from and against damages, liability, losses, costs and expenses, including reasonable attorneys fees, but only to the extent caused by or arising out of the negligent acts, errors or omissions of the Consultant, its employees, agents or subconsultants, or others for whom the Consultant is legally liable, in the performance of professional services under this Agreement. The Consultant is not obligated under this subparagraph IX.B. to indemnify the City for the negligent acts of the City, its Council members, or any of its officials, officers, directors, agents and employees.

C. INDEMNIFICATION – COSTS: Consultant shall, to the fullest extent permitted by law, defend, investigate, handle, respond to, and provide defense for and defend against, any such liability, claims or demands at the sole expense of Consultant or, upon mutual agreement of the parties, agrees to pay the City or reimburse the City for the defense costs incurred by the City in connection with any such liability, claims or demands. Consultant shall, to the fullest extent permitted by law, bear all other reasonable costs and expenses related thereto, including court costs and reasonable attorney fees, whether or not any such liability, claims or demands alleged are groundless, false or fraudulent. If it is determined by the final judgment of a court of any competent jurisdiction that such injury, loss or damage was caused in whole or in part by the act, omission or other fault of the City, its Council members, officials, officers, directors, agents and employees, the City shall reimburse Consultant for the portion of the judgment attributable to such act, omission or other fault of the City, its Council members, officials, officers, directors, agents and employees.

D. To the extent this Agreement is subject to C.R.S. § 13-50.5-102(8), Contractor's liability under this provision shall be to the fullest extent of, but shall not exceed, that amount represented by the degree or percentage of negligence or fault attributable to Contractor, any subcontractor of Contractor, or any officer, employee, representative, or agent of Contractor or of any subcontractor of Contractor. If Contractor is providing architectural, engineering, surveying or other design services under this Agreement, the extent of Contractor's obligation to defend, indemnify and hold harmless the City may be determined only after Contractor's liability or fault has been determined by adjudication, alternative dispute resolution or otherwise resolved by mutual agreement of the Parties, as provided by C.R.S. § 13-50.5-102(8)(c).

X. INSURANCE

A. Consultant agrees to procure and maintain, at its own cost, a policy or policies of insurance sufficient to insure against all liability, claims, demands, and other obligations assumed by Consultant pursuant to Section IX, above. Such insurance shall be in addition to any other insurance requirements imposed by this Agreement or by law. Consultant shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant to Section IX, above, by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types.

B. Consultant shall procure and maintain and shall cause any subcontractor of Consultant to procure and maintain, the minimum insurance coverages listed below. Such coverages shall be procured and maintained with forms and insurers acceptable to the City. All coverages shall be continuously maintained to cover all liability, claims, demands, and other obligations assumed by Consultant pursuant to Section IX, above. In the case of any claims-made policy, the necessary retroactive dates and extended reporting periods shall be procured to maintain such continuous coverage.

1. Worker's Compensation Insurance to cover obligations imposed by applicable laws for any employee engaged in the performance of work under this Contract, and Employer's Liability Insurance with minimum limits of five hundred thousand dollars (\$500,000) each incident, five hundred thousand dollars (\$500,000) disease - policy limit, and five hundred thousand dollars (\$500,000) disease - each employee.

2. Commercial general liability insurance with minimum combined single limits of one million dollars (\$1,000,000) each occurrence and two million dollars (\$2,000,000) general aggregate. The policy shall be applicable to all premises and operations. The policy shall include coverage for bodily injury, broad form property damage (including completed operations), personal injury (including coverage for contractual and employee acts), blanket contractual, products, and completed operations. The policy shall contain a severability of interests provision.

3. Professional liability insurance with minimum limits of six hundred thousand dollars (\$600,000) each claim and one million dollars (\$1,000,000) general aggregate.

C. The policy required by paragraph 2. above shall be endorsed to include the City and the City's officers, employees, and consultants as additional insureds. Every policy required above shall be primary insurance, and any insurance carried by the City, its officers, its employees, or its consultants shall be excess and not contributory insurance to that provided by Consultant. No additional insured endorsement to the policy required by paragraph 1. above shall contain any exclusion for bodily injury or property damage arising from completed operations. Consultant shall be solely responsible for any deductible losses under any policy required above.

D. The certificate of insurance provided for the City shall be completed by Consultant's insurance agent as evidence that policies providing the required coverages, conditions, and minimum limits are in full force and effect, and shall be reviewed and approved by the City prior to commencement of the Agreement. No other form of certificate shall be used. If the City is named as an additional insured on any policy which does not allow for the automatic addition of additional insureds, the Consultant's insurance agent shall also provide a copy of all accompanying endorsements recognizing the City as an

additional insured. The certificate shall identify this Agreement and shall provide that the coverages afforded under the policies shall not be cancelled, terminated or materially changed until at least thirty (30) days prior written notice has been given to the City. The completed certificate of insurance shall be sent to:

City of Northglenn
Attn: Kathy Kvasnicka
11701 Community Center Drive
Northglenn, Colorado 80233-8061

E. Failure on the part of Consultant to procure or maintain policies providing the required coverages, conditions, and minimum limits shall constitute a material breach of agreement upon which the City may immediately terminate this Agreement, or at its discretion, the City may procure or renew any such policy or any extended reporting period thereto and may pay any and all premiums in connection therewith, and all monies so paid by the City shall be repaid by Consultant to the City upon demand, or the City may offset the cost of the premiums against any monies due to Consultant from the City.

F. The City reserves the right to request and receive a certified copy of any policy and any endorsement thereto.

G. The parties hereto understand and agree that the City, its officers, and its employees, are relying on, and do not waive or intend to waive by any provision of this Agreement, the monetary limitations (presently three hundred fifty thousand dollars (\$350,000) per person and nine hundred ninety thousand dollars (\$990,000) per occurrence) or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, Colo. Rev. Stat., §§ 24-10-101, et seq., as from time to time amended, or otherwise available to the City, its officers, or its employees.

XI. NON-ASSIGNABILITY

Neither this Agreement, nor any of the rights or obligations of the parties hereto, shall be assigned by either party without the written consent of the other.

XII. TERMINATION

This Agreement shall terminate at such time as the work in Section I is completed and the requirements of this Agreement are satisfied, or upon the City's providing Consultant with seven (7) days advance written notice, whichever occurs first. In the event the Agreement is terminated by the City's issuance of said written notice of intent to terminate, the City shall pay Consultant for all work previously authorized and completed prior to the date of termination. If, however, Consultant has substantially or materially breached the standards and terms of this Agreement, the City shall have any remedy or right of set-off available at law and equity. If the Agreement is terminated for any reason other than cause prior to completion of the Project, any use of documents by the City thereafter shall be at the City's sole risk, unless otherwise consented to by Consultant.

XIII. CONFLICT OF INTEREST

The Consultant shall disclose any personal or private interest related to property or business within the City. Upon disclosure of any such personal or private interest, the City shall determine if the interest constitutes a conflict of interest. If the City determines that a conflict of interest exists, the City may treat such conflict of interest as a default and terminate this Agreement.

XIV. VENUE

This Agreement shall be governed by the laws of the State of Colorado, and any legal action concerning the provisions hereof shall be brought in the County of Adams, State of Colorado.

XV. INDEPENDENT CONTRACTOR

Consultant is an independent contractor. Notwithstanding any provision appearing in this Agreement, all personnel assigned by Consultant to perform work under the terms of this Agreement shall be, and remain at all times, employees or agents of Consultant for all purposes. Consultant shall make no representation that it is the employee of the City for any purposes.

XVI. NO WAIVER

Delays in enforcement or the waiver of any one or more defaults or breaches of this Agreement by the City shall not constitute a waiver of any of the other terms or obligation of this Agreement.

XVII. ENTIRE AGREEMENT

This Agreement and the attached **Exhibits A and B** is the entire Agreement between Consultant and the City, superseding all prior oral or written communications. None of the provisions of this Agreement may be amended, modified, or changed, except as specified herein.

XVIII. SUBJECT TO ANNUAL APPROPRIATION

Consistent with Article X, Section 20 of the Colorado Constitution, any financial obligations of the City not to be performed during the current fiscal year are subject to annual appropriation, and thus any obligations of the City hereunder shall extend only to monies currently appropriated.

XIX. NOTICE

Any notice or communication between Consultant and the City which may be required, or which may be given, under the terms of this Agreement shall be in writing, and shall be deemed to have been sufficiently given when directly presented or sent pre-paid, first class United States Mail, addressed as follows:

The City: City of Northglenn
11701 Community Center Drive
Northglenn, Colorado 80233-8061

Consultant: Leonard Rice Consulting Engineers dba LRE Water
1221 Auraria Parkway
Denver, CO 80204

IN WITNESS WHEREOF, the parties hereto each herewith subscribe the same in duplicate.

CITY OF NORTHGLENN, COLORADO

By: Meredith Leighty
Meredith Leighty
Print Name

ATTEST:

Johanna Small 02/14/2022
Johanna Small, CMC
City Clerk

Mayor
Title 02/14/2022
Date

APPROVED AS TO FORM:

Corey Y. Hoffmann 2/14/22
Corey Y. Hoffmann
City Attorney

CONSULTANT:

By: William H. Franczak
William H. Franczak, P.E., CSP
Print Name

ATTEST:

By: David C. Colvin
David C. Colvin
Print Name

Vice President - Risk Management
Title 1/4/22
Date

Project Manager 1/4/22
Title Date

PROJECT APPROACH

The ASR Pilot site design, construction and testing has some remaining uncertainties that will be addressed by a team approach during a CMAR project delivery. The tasks below are planned to form a cohesive team, collaboratively finalize design and permitting, construct the site, and perform pilot testing that confirm or refute ASR's role in future water supplies and storage for the City. The result will be valuable infrastructure that is adaptable to City's decision on ASR integration.

TASK 1: CONSTRUCTION MANAGER PROCUREMENT SUPPORT

The LRE Water team will work with the City to select the best Construction Manager (CM) through the ongoing procurement process. We have excellent relationships with the major drilling companies qualified for Denver Basin work. We will provide review of candidate CM submittals, short list company recommendations, participate in interviews, and bring the context of our recent experience with these companies to the decision making process.

We will use the 60% designs to create a bid package for short listed CM candidates to use as the basis for a preliminary bid. We will provide bid review and a recommendation for CM selection. We will support the City during contract negotiations with the selected CM.

We will support the City by planning and facilitating meetings related to the CM procurement. Expected meetings include: Statement of Qualifications (SOQ) review/shortlist recommendations; short-listed candidate interviews; pre-bid candidate presentation; bid opening; bid review/CM recommendation; and CM contract negotiation.

This project will benefit from open communication within a cohesive team consisting of the City staff, the LRE Water team, and the selected CM. Selecting the right CM is critical for a successful pilot project and this procurement process will be the starting point of developing a collaborative project team.

TASK 1 DELIVERABLES

- CM SOQ review with short list CM candidate recommendations
- Bid package based on 60% design
- CM bid review and recommendation for award

TASK 1 ASSUMPTIONS

- CM will be under separate contract to the City
- The City will provide standard bid package materials including procurement forms and contract documents
- All meetings will be online (The LRE Water team is available for in-person meetings with the City and CM candidates as budget, schedule, and health regulations allow.)

TASK 2: 90% GMP AND FINAL DESIGN

The 60% design is complete in many respects and is sufficient for a fair and informative CM bidding process, but a number of uncertainties remain that will benefit from design and construction team coordination.

There is uncertainty in the ideal alignment of pipelines that will connect the ASR site with existing City infrastructure. One option avoids the Terminal Reservoir embankment, connecting to the WTF from the east, through a complex network of existing subsurface utilities. Another pipeline path avoids the utility coordination challenges, but requires installing the pipeline through the Terminal Reservoir embankment, where state regulators will require concrete encased pipe. In today's world of supply chain disruption, material shortages, and pricing uncertainty, contractor input during value engineering of the alignment options will be important. The LRE Water Team will coordinate with the CM to evaluate pricing and constructability while finalizing the pipeline alignment.

Another uncertainty exists in the well design, particularly in the Arapahoe aquifers. The Laramie-Fox Hills aquifer has more information available because the City has drilled several wells into it, including LF-5 at the proposed pilot site. The historical information from these wells provides real world validation of well yield and water quality data to inform well design. The City has one Arapahoe well that is completed in both the Upper and Lower aquifers as currently administered by DWR. The Upper Arapahoe is designated as not nontributary, while the Lower Arapahoe is nontributary. This water rights distinction will need to be weighed against the aquifer properties that are relatively uncertain because of the lack of well data in these aquifers.

The LRE Water team will work with the CM to develop a drilling plan that addresses these Arapahoe aquifer uncertainties through the collection of critical data during the drilling process. We will also create an adaptable design that will be flexible for developing the final well design(s) based on the data collected during drilling process. This approach will require upfront and ongoing coordination between the LRE Water team, the City, the CM, and regulators. Our team is structured to facilitate that communication and decision making.

THE LRE WATER ADVANTAGE

During the City of Greeley's Terry Ranch ASR due diligence investigation, LRE Water coordinated adaptive aquifer investigation and well construction with buy in from Greeley, the drilling contractor, subcontractors, and regulators. This all occurred under a tight deadline and was implemented in a transparent manner with public review. Additional information about LRE's work on the Terry Ranch project is available at <https://greeleygov.com/services/ws/trp/test-results-and-transparency>

The LRE team will work closely with the CM to address uncertainties and gaps in the 60% design to create a 90% design package for the City's review. We will provide this to the City for input to discuss during a 90% design review workshop with the CM. The LRE Water team will incorporate comments into a final design for permitting and construction.

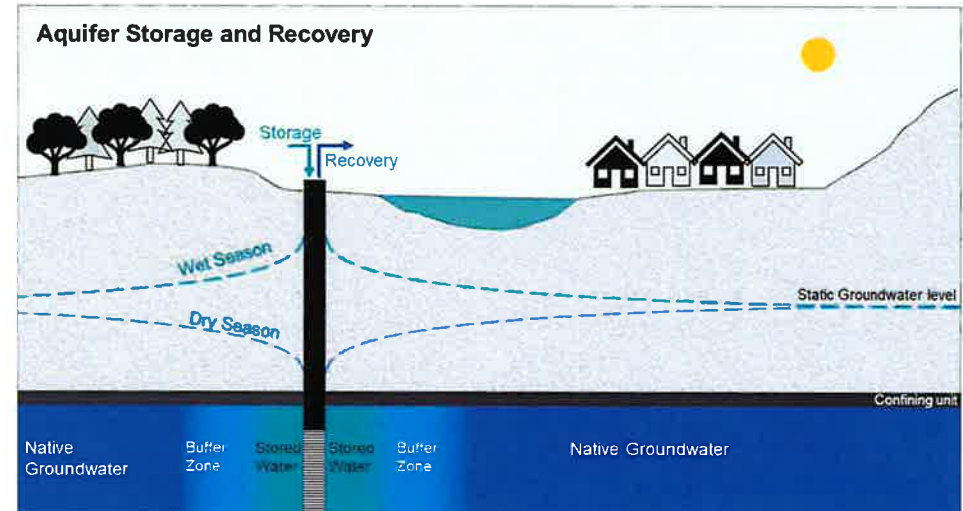
The 90% design will be the basis for the CM's development of a Guaranteed Maximum Price (GMP). The LRE Water team will support the City with review of the GMP and negotiations with the CM. If a mutually acceptable GMP is not identified, the final design can be used as part of a public bid package under a design-bid-build project delivery approach.

TASK 2 DELIVERABLES

- 90% GMP Design package and workshop materials
- 100% Design package

TASK 2 ASSUMPTIONS

- City staff will provide review and comment on 90% design
- The City will provide available front-end specifications, design details, GMP/bid package content, and contract documents
- The City will provide topographic survey, potholing, and geotechnical investigations as needed by the design team.
- An acceptable GMP will be negotiated and a design-bid-build bidding process will be unnecessary
- Design task budget does not include costs for laboratory, geotechnical, or survey work.



TASK 3: PERMITTING

The primary permits required for the ASR pilot project are administered under the US EPA Underground Injection Control (UIC) program and the Colorado Division of Water Resources (DWR) Artificial Recharge Extraction Rules (2 CCR 402-11). The LRE Water team has drafted applications during the Phase 2 project and will be positioned to efficiently finalize permit applications. We will continue on-going dialogue with both agencies to address any concerns they may have before submitting applications. We will facilitate pre-application meetings with both the EPA and DWR.

EPA UIC permitting is a multi-step process that will require interactions with permitting agencies before, during, and after the pilot testing. The LRE Water team has worked with the City and the EPA to develop a permitting plan that will result in complete applications, increasing the likelihood of expedited permit approvals. We have prepared a draft Rule Authorization (RA) request, the process that the EPA has indicated they will use to cover the pilot testing. This RA is based on currently available information, does not require significant public comment, and details how the pilot testing will collect the data required for the next step of the process, a UIC Well Area Permit application. If piloting proves ASR to be valuable for integration into the City's water storage and supply, the LRE Water team will prepare a draft UIC Permit application as part of the pilot report described below.

DWR permitting is a multi-faceted process that will include a well permitting approach that can accommodate multiple Arapahoe well completion scenarios. The LRE Water team maintains excellent relationships with DWR regulators and will work with the DWR to evaluate the groundwater administration and water rights issues associated with the Arapahoe aquifers. The nontributary status, grandfathered dual completion construction of the City's A-7 well, and uncertainty in aquifer conditions (confined versus unconfined, net sand, etc.) will all be considered. We will prepare applications for DWR well permits and a permit to extract/use artificially recharged water.

THE LRE WATER ADVANTAGE

The LRE Water team has an established rapport with the EPA and DWR on this and other ASR projects. Understanding their concerns will improve our applications and communications so that we don't have permitting delays on the project.

TASK 3 DELIVERABLES

- EPA and DWR pre-application meeting materials
- EPA UIC Rule Authorization application
- DWR well permit applications
- DWR application for artificial recharge water extraction and use

TASK 3 ASSUMPTIONS

- The City will sign all permit applications
- The City will pay application fees

TASK 4: CONSTRUCTION ADMINISTRATION

During construction, the LRE Water team will provide construction administration services including part-time construction observation for construction of groundwater wells, associated pipelines, infrastructure, electrical, controls, and instrumentation. We will coordinate, review, and document testing of the equipment installed by the CM.

We will work closely with the CM to minimize the need for long periods of onsite engineering construction observation, while making sure we are there for critical well drilling, construction, and testing activities. Such well drilling activities include critical drilling depths (aquifer transitions, total depth), geophysical logging, downhole testing, sidewall coring, well construction, well development, and aquifer testing.

We will coordinate a preconstruction meeting with the CM and City staff. We will review shop drawings, perform part-time construction observation and provide engineering consultation. We will coordinate, review and document testing of the equipment installed by the CM. We will attend weekly construction meetings online, by phone, or on site. The LRE team will respond to requests for information (RFIs), prepare change orders, review/approve submittals, and review/approve pay estimates.

During the commissioning phase, the LRE Water team will conduct a project start-up at the ASR pilot site and prepare a punch list of items to be completed by the CM. We will prepare record drawings based on the CM's redlines. We will review the operations and maintenance manuals provided by the material suppliers and CM and prepare a record controls narrative based in coordination with City staff and WTF operators.

TASK 4 DELIVERABLES

- Record Drawings
- Controls narrative and operational guidelines

TASK 4 ASSUMPTIONS

- The LRE Water team will review up to sixty (60) shop drawings, twenty (20) resubmittals, four (4) RFQs, six (6) RFIs, five (5) change orders, and six (6) pay estimates.
- Drilling observation by the LRE Water team will consist of daily field visits with observation of critical drilling and construction activities and are assumed will average 20-hours per week.
- Other field observation will consist of up to 14 hours per week over a 20 week period.
- The LRE Water team will attend a weekly one-hour, online construction meeting.



TASK 5: PILOT TEST OPERATIONS

After the site is constructed and commissioned by the CM, the LRE Water team will develop a pilot testing plan that meets the requirements set by the EPA to obtain a UIC Well Area permit and that provides data to evaluate the feasibility of integrating ASR into the City's raw water supplies.

We will perform pilot testing that targets maximizing well injection/recovery rates while providing necessary water quality data. Well injection/recovery rates can be optimized through operational cycling similar to filter backwashing. During pilot test operations, we will work to automate ASR procedures to create a user friendly system.

The team will collect samples of 100% native groundwater to characterize before well cycling begins. Additional samples of recovered water will be collected throughout recovery and from the end of each recovery cycle. We will determine the level of mixing with native groundwaters through conductivity as a natural tracer (at a minimum). If additional water quality evaluation is necessary, bench-scale jar tests can be conducted by mixing the native and recovered water with raw Terminal Reservoir water to confirm chemical dosing, treatability, and finished water quality compared to historical treatment plant data.

THE LRE WATER ADVANTAGE

Our team includes Gary Gin, who helped Phoenix develop ASR with operators who were primarily experienced in surface water systems. His lessons learned will guide our procedures and system automation so that we can develop a user-friendly system that encourages use.

TASK 5 DELIVERABLES

- Pilot testing plan
- Pilot test database

TASK 5 ASSUMPTIONS

- Bench-scale jar tests will not be included in the initial budget, and can be added if determined to provide valuable information.
- City staff will work with the LRE Water team to coordinate water supplies for test injection
- Laboratory costs are not included in the task budget.

TASK 6: PILOT ASR REPORT

The LRE Water team will create a report that summarizes the ASR pilot system final design, permitting, construction, and pilot testing. We will document meetings and decisions with the regulators, the drilling and construction process. We will include appendices with final approved permits and as-built system drawings from previous tasks.

We will document the pilot testing process, operations, and data collected. We will analyze the test data and provide conclusions and recommendations on the viability of ASR integration into the City's existing storage and supply infrastructure.

If ASR is deemed viable, we will provide detailed operations and maintenance (O&M) plans that will simplify the use of the ASR system. We will coordinate a workshop with City staff to review the draft Pilot ASR Report and O&M Plan. We will incorporate City comments into a report and final O&M plan that can effectively guide use of the system in the future. We will also provide alternative roadmaps for expansion of ASR throughout the City's service area. If ASR is infeasible for integration with the WTF potable raw water supplies, we will provide a summary of alternative pilot site uses to consider in the future, such as non-potable ASR or extraction of non-renewable groundwater supplies.

The LRE Water team will be available to support City staff by developing communication tools such as project summary handouts and presentations for meetings with City Council, the City Manager, and other City leadership. We will also coordinate a pilot project summary workshop for City staff from Water Resources and other departments.

TASK 6 DELIVERABLES

- ASR Report including final approved permits, as-built drawings, pilot testing results, ASR O&M Plan, and future system use recommendations
- Pilot ASR Workshop materials

TASK 6 ASSUMPTIONS

- We will provide City staff a draft report for review and comment
- City staff will make the ultimate ASR viability determination with guidance and recommendations from the LRE Water team

TASK 7: GENERAL GROUNDWATER CONSULTING SERVICES

It is often hard to predict what tasks will arise in water resource management. The interconnectivity of water assets can cause ripple effects that require unplanned support. As such, the LRE Water team will provide general consulting for groundwater issues that the City encounters that are not identified in this proposal.

Rate Schedule and Project Cost

The budget summary provided in the table below reflects our current understanding of the scope of work. LRE Water hourly billing rates are provided on the next page.

ASR Pilot Budget Summary

Task No.	Task Name	Hours	Labor Cost	Expenses	Sub Cost	Task Total
01	CM Procurement Support	116	\$21,792	\$280	\$15,042	\$37,114
02	Final Design	152	\$28,352	\$0	\$65,758	\$94,110
03	Permitting	194	\$32,650	\$140	\$0	\$32,790
04	Construction Administration	352	\$54,972	\$1,120	\$27,051	\$83,143
05	Pilot Test Operations	516	\$76,300	\$4,900	\$27,944	\$109,144
06	Pilot ASR Report	228	\$39,820	\$0	\$24,760	\$64,580
07	General Groundwater Services	72	\$15,672	\$280	\$0	\$15,952

Totals	1,630	\$269,558	\$6,720	\$160,555	\$436,833
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LRE WATER 2022 RATE SCHEDULE

Effective December 26, 2021

	<u>Hourly Rate</u>
Student Intern.....	\$65- \$95
Data Processor/Admin Support	\$75 - \$135
Technician/IT Support	\$100 - \$140
Staff I	
Engineer/Hydrologist/Geologist/Scientist	\$100 - \$140
Staff II	
Engineer/Hydrologist/Geologist/Scientist	\$115 - \$150
Staff III	
Engineer/Hydrologist/Geologist/Scientist	\$135 - \$175
Project	
Engineer/Hydrologist/Geologist/Scientist	\$155 - \$185
Senior Project	
Engineer/Hydrologist/Geologist/Scientist	\$160 - \$195
Project Manager	\$165 - \$205
Senior Project Manager	\$170 - \$260
Principal, Senior Advisor	\$200 - \$275

Expenses such as laboratory analysis, obtaining aerial photos, or other special services incurred directly in connection with the project are billed at cost plus 5 percent to cover handling and administration. Reimbursable expenses billed at cost include airfare, automobile rental, and other travel or per diem costs including mileage billed at the current IRS rate (rounded up to the nearest \$0.05). Subconsultants to LRE are billed at cost plus 10 percent.

**PROSPECTIVE CONTRACTOR'S CERTIFICATE REGARDING EMPLOYING OR
CONTRACTING WITH A WORKER WITHOUT AUTHORIZATION**

FROM: L2E water
(Prospective Contractor)

TO: City of Northglenn
11701 Community Center Drive
Northglenn, Colorado 80233-8061

Project Name ASR Pilot Project

Bid Number 2021-025

Project No. 2022-001

As a prospective Contractor for the above-identified bid, I (we) do hereby certify that, as of the date of this certification, I (we) do not knowingly employ or contract with a worker without authorization who will perform work under the Agreement and that I (we) will confirm the employment eligibility of all employees who are newly hired for employment to perform work under the Agreement through participation in either the E-Verify Program administered by the United States Department of Homeland Security and Social Security Administration or the Department Program administered by the Colorado Department of Labor and Employment.

Executed this 14th day of January, 2022.

Prospective Contractor L2E water

By: [Signature]

Title: Vice President - Risk Management

To be completed if contractor is providing services and has employees.

DEPARTMENT PROGRAM AFFIDAVIT

(To be completed if Contractor participates in the
Department of Labor Lawful Presence Verification Program)

I, LRE Water, as a public contractor under contract with the City of
Northglenn (the "City"), hereby affirm that:

1. I have examined or will examine the legal work status of all employees who are
newly hired for employment to perform work under this public contract for services ("Contract")
with the City within twenty (20) days after such hiring date;

2. I have retained or will retain file copies of all documents required by 8 U.S.C. §
1324a, which verify the employment eligibility and identity of newly hired employees who perform
work under this Contract; and

3. I have not and will not alter or falsify the identification documents for my newly
hired employees who perform work under this Contract.

[Signature]
Contractor Signature

1/14/22
Date

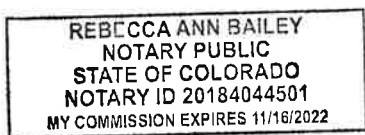
STATE OF COLORADO)
COUNTY OF Denver) ss.)

The foregoing instrument was subscribed, sworn to and acknowledged before me this 14th
day of January, 2022, by William H. Fronczak as Vice President of
LRE Water.

My commission expires: 11/16/2022

(SEAL)

[Signature]
Notary Public



To be completed if contractor is providing services and has employees.

SPONSORED BY: MAYOR LEIGHTY

COUNCIL MEMBER'S RESOLUTION

RESOLUTION NO.

No. CR-23
Series of 2025

25-23
Series of 2025

A RESOLUTION APPROVING ADDENDUM #1 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF NORTHGLENN AND LEONARD RICE CONSULTING ENGINEERS, INC. FOR AQUIFER STORAGE AND RECOVERY PILOT PROJECT CONSULTING SERVICES

WHEREAS, the City of Northglenn entered into a Professional Services Agreement dated February 14, 2022, with Leonard Rice Consulting Engineers, Inc. for an amount not to exceed \$436,833.00 for consulting services for the Aquifer Storage and Recovery Pilot Project; and

WHEREAS, the City desires to supplement the Agreement with Addendum #1 to allow for an additional scope of services to complete the Project.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. Addendum #1 to the Professional Services Agreement between the City of Northglenn and Leonard Rice Consulting Engineers, Inc., attached hereto, in the amount of \$55,000.000, for a total contract amount not to exceed \$491,833.00 for consulting services for the Aquifer Storage and Recovery Pilot Project is hereby approved and the Mayor is authorized to execute same on behalf of the City of Northglenn.

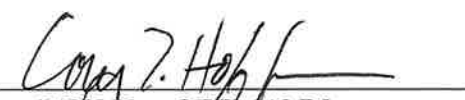
DATED at Northglenn, Colorado, this 10th day of March, 2025.


MEREDITH LEIGHTY
Mayor

ATTEST:


JOHANNA SMALL, MMC
City Clerk

APPROVED AS TO FORM:


COREY Y. HOFFMANN
City Attorney

ADDENDUM #1 TO AGREEMENT FOR PROFESSIONAL SERVICES

THIS FIRST ADDENDUM TO AGREEMENT FOR PROFESSIONAL SERVICES is made and entered into this 10th day of March, 2025, by and between the City of Northglenn, State of Colorado (hereinafter referred to as the "City") and Leonard Rice Consulting, Inc. dba LRE Water (hereinafter referred to as "Consultant").

RECITALS:

A. On February 14, 2022 the City and Consultant entered into an Agreement for Professional Services for Aquifer Storage and Recovery Pilot Project Consulting (the "Agreement").

AGREEMENT

NOW, THEREFORE, it is hereby agreed that for the consideration hereinafter set forth, that Consultant shall provide to the City, professional Consulting services as needed in the manner provided in the Agreement.

1. The Scope of Services in the Agreement is hereby supplemented to increase the Scope of Services for completion of Task 2: 90% GMP and Final Design attached hereto as **Exhibit A** and incorporated herein by this reference (the "Additional Scope of Services"). Consultant shall commence work on the Additional Scope of Services upon Notice to Proceed.

2. Compensation for the Additional Scope of Services shall be in an amount not to exceed fifty-five thousand dollars (\$55,000) as listed in the proposal attached as **Exhibit A**, at the current billing rates attached hereto as **Exhibit B**.

3. The original Agreement is in full force and effect and is hereby ratified by the City and the Consultant. The original Agreement and this Addendum #1 constitute all of the agreements between the City and the Consultant.

IN WITNESS WHEREOF, the parties hereto each herewith subscribe to the same in duplicate.

CITY OF NORTHGLENN, COLORADO

By: Meredith Leighty
Meredith Leighty
Print Name
Mayor 3/10/25
Title Date

ATTEST:

Johanna Small 03/10/2025
Johanna Small, MMC Date
City Clerk

APPROVED AS TO FORM:

Corey Y. Hoffmann 3/10/2025
Corey Y. Hoffmann Date
City Attorney

CONSULTANT

By: Dave Calvin
Dave Calvin
Print Name
Rocky Mt. Regional Director 2/3/25
Title Date

ATTEST:

Silas Adams
Silas Adams
Print Name
Water Resources Admin 3/4/25
Title Date



January 27, 2024

City of Northglenn
c/o Silas Adams
11701 Community Center Drive
Northglenn, Colorado 80233
Via email to: sadams@northglenn.org

RE: ASR Pilot Project Final Design Budget Amendment Request

Dear Mr. Adams,

LRE Water is currently supporting the City of Northglenn (City) with Aquifer Storage and Recovery (ASR) pilot project design, planning and testing professional services under City Contract #2022-001. The project was originally anticipated to be completed by early 2023 but was delayed and is not expected to be completed until late 2025 or 2026. The primary delay was related to a project team and City decision to separate the well drilling, construction and testing components of the project from the near surface civil design components that required yield results of the well testing. The extended schedule and unforeseen challenges resulted in additional services. These services included project team meetings, additional construction oversight, project coordination, management and communications. Additional services were added to the project at the City's request, including design and construction oversight of a pipeline and fire hydrant associated with a maintenance building near the ASR project site.

The original project included several tasks that will require additional work to complete. An additional budget amendment request will be submitted to address them in the near future. This current request is intended only to fund the completion of Task 2: 90% GMP and Final Design. The Task 2 services that remain are described below.

1. SCOPE OF SERVICES

LRE Water will be providing project management, coordination, and design review services under this contract budget amendment.

Specific Task 2 services are primarily provided by our civil design teaming partner, Plummer. Details of Plummers completed and remaining final design services include:

- Attendance at virtual project progress meetings (approximately 1-hour and up to 40 total)
- Modifications to well A-5 changing design to monitoring well (change in pump horsepower, rearrange the building interior layout)
- Adding connection to Parks and Recreation building and revise power loads calculations
- Control narrative changes (more automation)

- Renewable energy investigation (including solar sizing estimate)
- Proposed well pad layout significantly changed (affected most plan sheets)
- Delay in receiving survey resulted in:
 - Well drilling pad was constructed and graded differently than originally designed so needed to revise proposed pad and grading to adjust for as-built conditions
 - Well drilling pad as-built survey was not in the correct format so it took longer to coordinate and adjust because it was provided by the contractor, not Falcon surveying and required coordination meetings
 - Fire Hydrant water line as-built survey resulted in revising the proposed water line alignment and connection several times to coordinate with as-built location and to avoid cluster of trees which impacted most of the sheets (plans and profiles)
- Request to move existing gate that resulted in revising the well pad layout including roads and turn around area
- Removed backwash pond and changed discharge to vegetated channel and adjusted drilling pad layout accordingly
- Added concrete vault for 3-way valve and RPZ backflow preventor which was previously was going to be in a manhole, created a new sheet for the enlarged plan, section, and adjust profiles however based on the EI&C workshop which will need to be changed again
- Design change to add a temporary connection to the ditch during the pilot testing instead of the sanitary sewer manhole
- Remove sewer connection piping, move location of 3-way vault, and add new connection from ASR well to water treatment plant which will impact plan and profile sheets as well as reworking vault detail sheet
- Add well plan and profile to drawings

In addition to the additional services detailed above the billing rates for all LRE Water and Plummer staff on the project team have increased annually, further impacting the project budget.

2. TIME REQUIRED

We can begin the proposed services as soon as we receive authorization to proceed. **We estimate the services under Part I can be completed in six to eight weeks.**

Delays caused by major changes in the project plans or by circumstances beyond the control of the engineer could extend the time of completion.

3. PAYMENT

We believe the services described above can be accomplished for \$55,000.

We look forward to discussing this Contract/Proposal with you and if you have any questions or concerns about the services offered in the Contract/Proposal please call us at 303-455-9589.



Page 3 of 3

Thank you for providing us the opportunity to present this Contract/Proposal to the City of Northglenn.

Sincerely,

Dave Colvin

LRE WATER

By: 
Printed
Name: Dave Colvin

Title: Rocky Mountain Regional Director

Date: 1/27/25



LRE WATER 2025 RATE SCHEDULE

January 1, 2025

	<u>Hourly Rate</u>
Student Intern.....	\$70 - \$120
Data Processor/Admin Support	\$80 - \$150
Technician/IT Support	\$100 - \$175
Staff I	
Engineer/Hydrologist/Geologist/Scientist	\$115 - \$160
Staff II ,	
Engineer/Hydrologist/Geologist/Scientist	\$125 - \$180
Staff III	
Engineer/Hydrologist/Geologist/Scientist	\$135 - \$190
Project/ IV	
Engineer/Hydrologist/Geologist/Scientist	\$160 - \$200
Senior Project/ V	
Engineer/Hydrologist/Geologist/Scientist	\$170 - \$220
Project Manager	\$180 - \$260
Senior Project Manager	\$190 - \$290
Principal, Senior Advisor	\$200 - \$300

Expenses such as laboratory analysis, obtaining aerial photos, or other special services incurred directly in connection with the project are billed at cost plus 5 percent to cover handling and administration. Reimbursable expenses billed at cost include airfare, automobile rental, and other travel or per diem costs including mileage billed at the current IRS rate (rounded up to the nearest \$0.05). Subconsultants to LRE Water are billed at cost plus 10 percent.

SPONSORED BY: MAYOR LEIGHTY

COUNCIL MEMBER'S RESOLUTION

RESOLUTION NO.

No. CR-115
Series of 2026

Series of 2026

A RESOLUTION APPROVING ADDENDUM #2 TO THE PROFESSIONAL SERVICES AGREEMENT BETWEEN THE CITY OF NORTHGLENN AND SPHEROS ENVIRONMENTAL GROUP PARENT, INC. FOR AQUIFER STORAGE AND RECOVERY PILOT PROJECT CONSULTING SERVICES

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. Addendum #2 to the Professional Services Agreement between the City of Northglenn and Spheros Environmental Group Parent, Inc., formerly Leonard Rice Consulting Water Engineers, LLC, attached hereto, in the amount of \$118,309.00 for a total contract amount not to exceed \$610,142.00 for consulting services for the Aquifer Storage and Recovery Pilot Project is hereby approved and the Mayor is authorized to execute same on behalf of the City of Northglenn.

DATED at Northglenn, Colorado, this ____ day of _____, 2026.

MEREDITH LEIGHTY
Mayor

ATTEST:

JOHANNA SMALL, MMC
City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN
City Attorney

SECOND ADDENDUM TO PROFESSIONAL SERVICES AGREEMENT

THIS SECOND ADDENDUM TO PROFESSIONAL SERVICES AGREEMENT (the "Second Addendum") is made and entered into this ____ day of _____, 20____, by and between the City of Northglenn, Colorado (hereinafter referred to as the "City") and Spheros Environmental Group Parent Inc. (hereinafter referred to as "Consultant").

RECITALS:

A. On February 14, 2022, the City and Consultant's predecessor in interest, Leonard Rice Consulting Water Engineers, LLC dba LRE Water entered into a Professional Services Agreement (the "Original Agreement") for Aquifer Storage and Recovery Pilot Project Consulting.

B. On March 10, 2025 the City and Consultant's predecessor in interest, Leonard Rice Consulting Water Engineers, LLC dba LRE Water entered into the First Addendum to increase the Scope of Services ("Additional Scope of Services"). As of this Second Addendum, all work on the Original Agreement and First Addendum has been completed by Leonard Rice Consulting Water Engineers, LLC dba LRE Water and compensated in full.

C. On August 6, 2026, the City was notified of an assignment of the Original Agreement from Leonard Rice Consulting Water Engineers, LLC dba LRE Water to Spheros Environmental Group Parent Inc.; and

D. The parties desire to memorialize the assignment by execution of this Second Addendum (the "Second Addendum"). The parties also wish to increase the Scope of Services ("Additional Scope of Services") for additional design and engineering services.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt of which is hereby acknowledged, the City and Consultant agree as follows.

1. The parties acknowledge that all rights and obligations of Leonard Rice Consulting Water Engineers, LLC dba LRE under the Original Agreement have been assigned to Spheros Environmental Group Parent Inc. as the Consultant in accordance with this Second Addendum. To the extent such approval may be required, the City hereby approves the assignment of the Original Agreement to Spheros Environmental Group Parent Inc.

2. The Scope of Services in the Original Agreement and the First Addendum is hereby supplemented to include the work outlined in the Consultant's proposal, attached hereto as **Exhibit A**, and incorporated herein by this reference (the "Additional Scope of Services").

3. Compensation for the Additional Scope of Services shall not exceed one hundred eighteen thousand three hundred nine dollars (\$118,309) as provided in **Exhibit B**.

3. The Original Agreement remains in full force and effect and is hereby ratified by the City and the Consultant. The Original Agreement, the First Addendum and this Second Addendum constitute all of the agreements between the City and the Consultant.

IN WITNESS WHEREOF, the parties hereto each herewith subscribe the same in duplicate.

CITY OF NORTHGLENN, COLORADO

By: _____
Meredith Leighty, Mayor

ATTEST:

Johanna Small, MMC
City Clerk

APPROVED AS TO FORM:

Corey Y. Hoffmann
City Attorney

CONTRACTOR

By: _____
Jacob Bauer

Print Name

Gw Dept. Manager 9/2/2026

Title

Date

ATTEST: _____
By: _____
Barry Connell
Print Name
Sr. AR Accountant 9/2/2026
Title Date

July 17, 2026

Ms. Sarah Borgers
City of Northglenn
11701 Community Center Drive
Northglenn, Colorado 80233-8061
Transmitted via Email to: sborgers@northglenn.org

Re: **City of Northglenn Contract No. 2022-001 Pilot Aquifer Storage and Recovery Site Consultant and Design Services- Budget Addendum #2 Scope and Fee**

Dear Ms. Borgers,

Spheros Environmental (Spheros, formerly LRE Water) and Plummer are currently supporting the City of Northglenn (City) with Aquifer Storage and Recovery (ASR) pilot project design, planning and testing professional services under City Contract #2022-001.

This proposed Addendum #2 addresses the following two items:

- 1) Final design services completed in 2025 to finalize the design and prepare bid documents for the CMAR contractor. The City has currently paused construction of the ASR facility, and this task covers the additional design work completed in 2025 to finalize the bid documents as requested by City staff.
- 2) Additional hydrogeologic and engineering support to assist Northglenn in determining whether to move forward with the ASR Pilot facility and/or future additional ASR wells. This support is intended to provide ASR-related information to Northglenn and Element Water Consulting for use in the City's updated Integrated Water Rights Master Plan (IWRMP).

Current Project Budget and Cost Summary

This section provides background information on the current project budget and cost summary.

*Proposed Addendum #2 to City of Northglenn Contract No. 2022-001
Pilot Aquifer Storage and Recovery Site Consultant and Design Services*

Currently Approved Budget

In the City Contract #2022-001, the City approved a budget for Tasks 1 through 7 as shown below:

Rate Schedule and Project Cost

The budget summary provided in the table below reflects our current understanding of the scope of work. LRE Water hourly billing rates are provided on the next page.

ASR Pilot Budget Summary						
Task No.	Task Name	Hours	Labor Cost	Expenses	Sub Cost	Task Total
01	CM Procurement Support	116	\$21,792	\$280	\$15,042	\$37,114
02	Final Design	152	\$28,352	\$0	\$65,758	\$94,110
03	Permitting	194	\$32,650	\$140	\$0	\$32,790
04	Construction Administration	352	\$54,972	\$1,120	\$27,051	\$83,143
05	Pilot Test Operations	516	\$76,300	\$4,900	\$27,944	\$109,144
06	Pilot ASR Report	228	\$39,820	\$0	\$24,760	\$64,580
07	General Groundwater Services	72	\$15,672	\$280	\$0	\$15,952
Totals		1,630	\$269,558	\$6,720	\$160,555	\$436,833

On March 10, 2025, Northglenn approved Addendum 1 to Contract 2022-001, which approved an additional budget of \$55,000.

Section 1. Addendum #1 to the Professional Services Agreement between the City of Northglenn and Leonard Rice Consulting Engineers, Inc., attached hereto, in the amount of \$55,000.000, for a total contract amount not to exceed \$491,833.00 for consulting services for the Aquifer Storage and Recovery Pilot Project is hereby approved and the Mayor is authorized to execute same on behalf of the City of Northglenn.

DATED at Northglenn, Colorado, this 10th day of March, 2025.


MEREDITH LEIGHTY
Mayor

ATTEST:


JOHANNA SMALL, MMC
City Clerk

The combined total of the original contract and Addendum #1 is \$491,833.

*Proposed Addendum #2 to City of Northglenn Contract No. 2022-001
Pilot Aquifer Storage and Recovery Site Consultant and Design Services*

Addendum #2

Addendum #2 Task 1 Scope of Services

The ASR Pilot project was originally anticipated to be completed by early 2023 but has been delayed and is now expected to continue into 2026 or later. The project uses an alternative delivery approach with a Construction Manager At-Risk (CMAR), which requires more coordination between the contractor and engineering team than a traditional design-bid-build project. The original plan anticipated a single Guaranteed Maximum Price (GMP) proposal; however, after work began, the structure was revised to include two GMP proposals. This change, along with additional design iterations requested by the CMAR contractor and City staff, extended the project schedule by approximately three years beyond the original two-year timeline. The extended timeline increased project costs due to ongoing meetings, continued coordination, and annual escalations in service rates.

These factors primarily increased the design budget for the overall project:

- The project team split the GMP into two proposals so that well drilling and testing could be completed before the design was finalized. Well testing provided data needed for pump, piping, electrical, and controls design. During the drilling, testing, and permitting of the Arapahoe aquifer well, ASR feasibility was determined to be not cost effective, and the Arapahoe aquifer well was removed from the overall ASR system plan and design.
- The project site is adjacent to a Parks Department site that required construction of a new building. The ASR project team provided additional design support for a fire hydrant, pipeline, and electrical service for the Parks Department building.
- Design updates were made to optimize operation of the well and mechanical equipment.

The additional design efforts are expected to reduce overall project construction costs by eliminating unnecessary Arapahoe aquifer well equipment and incorporating value-engineering modifications that optimize and reduce other project equipment and material needs. Site design adjustments reduced site grading and fill requirements, resulting in approximately \$518,000 of material cost savings.

The Parks Department building has been constructed but does not currently have an electrical service connection, which will be completed during the remaining construction phase. The ASR building has been designed to improve staff operations, enhance visual integration with the site, and improve electrical operation by reducing equipment that would have been required for the Arapahoe well.

*Proposed Addendum #2 to City of Northglenn Contract No. 2022-001
Pilot Aquifer Storage and Recovery Site Consultant and Design Services*

Spheros provided additional background information on the increased costs associated with this scope in late 2025 and 2026.

Addendum #2 Task 1 Cost Estimate

Task 1 provides budget for work already performed by Spheros and LRE. Task 1, as described below, has a budget of \$88,389.

This budget is calculated using the following steps:

1. Through the current date, LRE/Spheros has invoiced Northglenn a total of \$490,238.18. This total includes \$344,053.04 invoiced for work performed by LRE/Spheros and \$146,185.15 performed by Plummer.
2. Northglenn has paid the total amount LRE has invoiced, \$490,238.18.
3. LRE/Spheros has not invoiced Northglenn for \$89,984.28 of work that exceeded the currently approved budget amount. Spheros and Plummer understand that Northglenn intends to address this budget increase through a comprehensive amendment that accounts for the significant additional work performed by LRE/Spheros and Plummer on this project. It is also our understanding that this budget amendment will require City Council approval.
4. This budget amendment would cover the additional work performed by LRE and Plummer to date and result in a total project budget of \$580,222 for work completed.

A summary table showing the entire project costs including this proposed task is provided at the end of this scoping memorandum.

Addendum #2 Task 2 Scope of Services

Task 2 will provide Northglenn with a technical memorandum summarizing the current ASR status, project status, planning-level cost information, and additional ASR-related information.

We understand that Northglenn needs additional ASR information for incorporation into its IWRP. This task is designed to provide the information needed to help Northglenn decide whether to continue with the Pilot ASR project, consider future ASR planning, and support the ASR components of the IWRP.

We propose the following task list for Addendum #2 Task 2:

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- Task 2.1: Summarize the yield estimates and prior well testing results at the pilot site.
 - This will include both injection and extraction yield estimates. This summary will include requirements under 2 CCR 402-11, Rules and Regulations for the Permitting and Use of Waters Artificially Recharged into the Denver Basin Aquifers and Nontributary Groundwater Aquifers.
 - We will provide an analytical model showing the aquifer conditions under 3 injection regimes – 1) maximizing the instantaneous injection rate, 2) long-term “baseload” injection and recovery, and 3) maximizing the instantaneous extraction rate.
- Task 2.2: Provide a concise description of the regulatory framework for ASR permitting and a concise “To-Do” list of the necessary steps and timeline to permit the pilot wells for ASR use.
- Task 2.3: Conduct workshops with Northglenn and Northglenn’s water rights consultants to consider additional ASR benefits from a planning perspective, including drought, resiliency, system redundancy, and specific water rights benefits, including ASR water use in accounting projections.
- Task 2.4: Provide a set of planning-level conceptual well siting options based on aquifer and infrastructure considerations, to demonstrate the feasibility and scalability of ASR in Northglenn and provide planning information for ultimate ASR buildout possibilities.
 - This task will be completed at an aquifer level based on existing information, considering basic hydrogeologic information available for the Denver Basin Aquifers beneath Northglenn. Site-specific analyses for future well sites are recommended before drilling any future wells.
- Task 2.5: Provide capital and operating costs for piloted and future ASR wells. The capital and operating well costs will include approximate costs related to long-term maintenance and future well rehabilitation. We will source these costs from existing bids from drilling contractors within our files.
- Task 2.6: Provide an updated scope and budget estimate for the entirety of engineering and hydrogeological consulting work needed to complete the physical infrastructure necessary for one or both ASR wells.

Addendum #2 Task 2 Cost Estimate

Our proposed costs for Task 2 are provided in the following table. The total cost for Task 2 is \$29,920.

As shown below, the total cost for Task 1 and Task 2 will result in a budget increase of \$118,309.

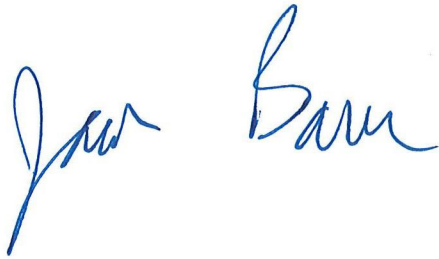
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The final project budget that incorporates the originally proposed costs, the previously approved Addendum 1, and the proposed Addendum #2 Task 1 and Addendum #2 Task 2 is shown below:

Task	Task Name	Original 2022-001 Contract Budget	Addendum #1 (Approved)	Addendum #2 Task 1 Budget (Proposed herein)	Addendum #2 Task 2 Budget (Proposed herein)	Total Budget
1	CM Procurement Support	\$37,114	\$55,000			\$92,114
2	Final Design	\$94,110				\$94,110
3	Permitting	\$32,790				\$32,790
4	Construction Administration	\$83,143		\$88,389		\$171,532
5	Pilot Test Operations	\$109,144				\$109,144
6	Pilot ASR Report	\$64,580				\$64,580
7	General Groundwater Services	\$15,952			\$29,920	\$45,872
Totals		\$436,833	\$55,000			\$610,142

Please contact me with any questions at 720.545.6880 or Jacob.Bauer@spherosenvironmental.com.

Sincerely,



Jacob Bauer
Groundwater Department Manager

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Attachment – Supplementary Budget Information

We are providing this reference information to justify the proposed Addendum #2 Task 1 budget of \$88,389.

These additional costs include:

- The CMAR contractor and City of Northglenn staff provided numerous comments on the 90% submittal, resulting in design and drawing revisions that were outside the original project scope. Plummer completed these updates to maintain project momentum and is requesting an amendment to account for the additional final design efforts.
- Attendance at virtual project progress meetings, design review meetings, and two EI&C workshops to review the updated documents.
- Revised drawings to include a second water line to connect the water treatment plant and well building which impacted all the site plan & profile sheets.
- The updated survey of the well drilling pad conducted by the contractor did not correlate with the original survey, requiring the updated points to be modified into a format that allowed a combined surface to be created in Civil 3D to finalize site grading.
- Deleted the proposed concrete vault for the RPZ backflow preventer. Created a new sheet to tie into the existing vault with plan and section details. Adjusted pipeline profiles and revised hydraulic calculations to confirm pump sizing was sufficient.
- Updated building piping to include the RPZ backflow preventer inside the building, which was previously shown in a vault. This resulted in updates to the P&IDs and building piping layout, as well as an increase in building size that affected the building drawings and site plans.
- The Laramie-Fox Hills well design capacity increased from 123 gpm to 270 gpm, with a maximum of 305 gpm. This required revisions to pipe velocity calculations and an increase in pipe size inside the building, which affected the pipe layout and building drawings.
- Revised the well plan and profile based on drawings received from Hydro Resources to reflect actual well conditions per as-constructed documents.
- Updated control narrative to reflect design changes.
- Coordinated with Hydro Resources and updated process and electrical drawings to reflect Hydro Resources' equipment scope of supply.
- Updated civil drawings to show the revised electrical alignment to the Parks building and new ASR building. Recalculated power loads and revised electrical sheets to address changes in electrical loads in the ASR building due to removal of the Parks building.
- Added multistrand fiber from the chemical building to the ASR building on the drawings.
- Added intrusion, temperature, and flooding alarms to the design and drawings.
- Added security cameras to design and drawings.

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- Added water quality equipment to the design and drawings. Revised the drain configuration to address water from the turbidimeter and RPZ backflow preventer.
- Structural and architectural design were not originally anticipated or scoped.

The additional work described above was conducted without an amendment in 2025 because City staff noted that completing the bid documents was the highest priority to allow the CMAR contractor to develop the final GMP and maintain the overall project schedule. The amendment was planned to be developed after design completion, in parallel with the CMAR contractor's GMP work, to improve the project schedule. City staff noted that the overall project remained within budget and that the design overage would be paid because projected construction costs were lower due to the design changes. We have been working with City staff to complete the final design amendment since the bid documents were completed in June 2025 and need to resolve this outstanding issue to close the design phase of the project.