

Henningson, Durham & Richardson, Inc. of Colorado

May 15, 1981

Mr. Harvey Hormberg, P.E. Director - Office of Public Facilities and Grants, Water Division Environmental Protection Agency 1860 Lincoln Street Denver, Colorado 80295

Persigo Wash Wastewater Treatment Plant

Grand Junction, Colorado -26

Dear Harvey:

As you know the subject project is nearing the stage of receiving a grant offer from your agency. Due to the recent reduction in available funding the City of Grand Junction is anticipating a grant offer of 10.5 million rather than \$14.0 million necessary to fund the entire project. It is my understanding as well as the City's that the remaining \$2.5 million or a portion of that amount could be available out of FY '82 funds assuming there will be FY '82 funds. In order to cope with this situation, the project is being divided into two bidding schedules consistent with the funds available.

Bidding schedule A will be the majority of the plant with an estimated construction cost of \$12.76 million while bidding schedule B will be the sludge processing unit and the aerobic digesters, miscellaneous electrical and instrumentation and site landscaping with an estimated construction cost of \$3.84 million. Our current planning calls for the receiving of bids on both schedules with an intention to award Schedule A immediately upon your approval and then to hold Schedule B for some period of time until the FY '82 grant funding is hopefully available. At any rate, the City intends to award Schedule B whether grant funding becomes available or not since those facilities will be necessary to complete the plant.

In view of this situation, we are requesting your review and comments on the adviseability of requesting approval by the Regional Administrator to proceed with the award of Schedule B in accordance with 35.925-18(b) and (c) of the Federal Register dated February 11, 1974. Then grant funds would be received later assuming they do become available. We are considering this request for "Prior Approval" based on the following:

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- The facilities included in Schedule B have been approved by the Colorado Department of Health.
- 2. Proceeding immediately would save substantial dollars for both the City and the Federal Government. A six month delay in award of Schedule B could mean an increase of up to \$300,000 depending on circumstances.
- Approval would also allow the contractor to proceed with ordering many long lead-time items of equipment that are included in Schedule B.
- 4. Approval would ensure an earlier completion of the project and would greatly simplify start-up procedures. In addition, this would allow the new plant to get on the line and relieve an anticipated heavy load at that time on existing treatment facilities. The City is currently under a cease and desist order to meet certain schedules in bringing new treatment facilities on the line.

We will appreciate your attention to this matter so that if it appears to be a reasonable approach we can complete the necessary efforts in order to proceed with advertising as soon as the grant offer is received. Thank you for your help on this matter.

Very truly yours,

HENNINGSON, DURHAM & RICHARDSON, INC. OF COLORADO

James E. Abbott, P.E. Vice President

JEA/1t

cc: Mr. James Patterson Mr. Calvin Youngberg

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