

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: June 9, 2010

Board Item: V-A-7

Authorization of Additional Funds for Ferrellgas

Action by Consent

Action

Information

Denver Water purchases propane for use at its outlying facilities. In past years, Ferrallgas and Amerigas have provided all of Denver Water's propane needs. In 2009, due to service-related issues with Amerigas, Denver Water redirected all of its business to Ferrellgas.

On July 9, 2008, Denver Water entered into Contract 11706A with Ferrellgas Company to furnish propane, for the period July 1, 2008 through June 30, 2009, for an estimated contract amount of \$150,000.00. On July 1, 2009, an Amendment for additional time extended the contract through June 30, 2010. Expenditures to date are \$268,206.17. Additional funds are needed in the amount of \$130,000.00 to complete this contract.

Funds for this expenditure are included within Storage Reservoirs (4AN0001) and Gravel Pit Storage (4AN0005) which encompasses the costs related to propane heating. The total amount budgeted for 2010 in these MPCS is \$359,323.76.

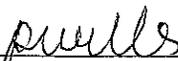
Recommendation:

It is recommended the Board authorize the additional funds for Contract No. 11706A to Ferrellgas to furnish propane to Board Facilities for a total contract amount not to exceed \$280,000.00.

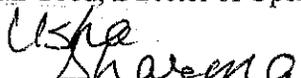
Contract Additions

Original Amount	\$150,000.00
Previous Amendments	\$ 0.00
Expenditures	\$268,206.94
Amount Remaining	\$(110,665.17)
Additional Funds	\$130,000.00
Total Contract	\$280,000.00

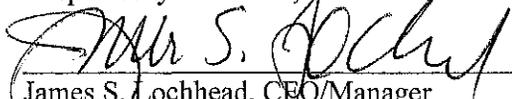
Approvals:


Patricia L. Wells, General Counsel


Brian Good, Director of Oper. & Maint.


Usha Sharma, Acting Director of Finance

Respectfully submitted,


James S. Lochhead, CEO/Manager