

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: December 8, 2010

Board Item: VI-B-2

**REPORTING OF STAFF ADMINISTERED
CONSTRUCTION CONTRACT CONTINGENCY AMOUNTS**

Action by Consent

Action

Information

During 2009, the Board awarded three construction contracts for which the Board approved contingency amounts to be administered through change orders as needed by staff. Contingency funds used on these projects are to be reported to the Board. The three projects and contingency amounts are:

Contract No.	Title	Contractor	Contingency Amount
11992 A, B & C	Marston Treatment Plant Upgrades	Moltz Construction	\$250,000
11596A	Williams Fork Small Hydro/Outlet Works	Moltz Civil LLC	\$510,000
11577A	Cheesman Dam Upstream Control Project	Global Diving	\$380,000

The construction contingency is to be used for unforeseen materials or equipment, or work items or site conditions that are not included in the original contract work, and which may require timely approval and processing. There may be individual change orders brought to the Board for approval that do not fall into these categories, or if large amounts or changes are required during construction.

Marston Treatment Plant Upgrades does not have any additional contingency usage to report at this time. This project has a contingency funds balance of \$80,839.83.

Williams Fork Small Hydro/Outlet Works contingency funds shown in Change Order No. 2, in the amount of \$150,578.00, is largely due to the increase of additional epoxy coated rock dowels, plates and nuts. The other items included within this Change Order are (Change Order Request No. 5) a structural foundation analysis for the right bank temporary construction crane and (Change Order Request No. 24) for the asbestos removal at the Outlet Works Penthouse. This leaves a contingency funds balance of \$1,044.00.

The majority of the Cheesman Dam Upstream Control Project Change Order costs are associated with the design change notice (Work Change Directive No. 12) issued for additional blasting and excavation at the low level tunnel portal (\$1,400,000). Other items incorporated within Change Order No. 6 include Request for Quotation's 12, 14, 15, 16, 17, 19 and 21. A memorandum to the CEO/Manager and the Board, dated October 5, 2010 (attached), and presented at the October 13, 2010 Board Meeting outlined the requirement for additional work due to the differing underwater physical conditions. The remaining contingency funds in the amount of \$169,536.46 were included in Change Order No. 6 to bring the balance to \$0.

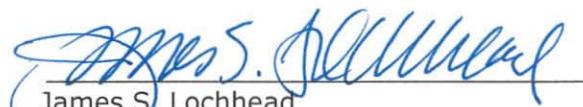
Attached to this Board Item is the third report of contingency usage for the three projects.

RECOMMENDATION

Staff will report to the Board quarterly via Information Item the ongoing status of contingency funds. Please reference the attached spreadsheet for the detailed Project Contingency Report.

Approvals:


Robert J. Mahoney
Director of Engineering


James S. Lochhead
CEO/Manager