

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: July 14, 2010

Board Item: V-E-6

**CHANGE ORDER NO. 3 WITH GLOBAL DIVING AND SALVAGE, INC.
FOR THE CHEESMAN UPSTREAM CONTROL PROJECT – PHASE 1
CONTRACT 11577A**

Action by Consent

Action

Information

On October 25, 2010, the Board awarded Contract 11577A to Global Diving and Salvage, Inc. for the Cheesman Upstream Control Project Phase 1 Contract in the amount of \$12,736,904. Two change orders have previously been approved in the total amount of \$11,244.12.

Change Order No. 3, in the amount of \$383,048.05 is requested. The majority of the costs (\$312,934.00) are associated with the Work Change Directive authorizing the contractor to proceed with additional tunnel widening at the Auxilliary level outlet works. A memorandum to the Manager/CEO and the Board, dated June 3, 2010 outlined the requirement for additional work due to the differing underwater physical conditions. Change Order No. 3 contains the Auxilliary level work and various modifications to the contract as described below:

- Additional widening of the Auxilliary tunnel by underwater construction rock sawing and hand chipping.
- Adjustments and modifications to the owner-furnished slide gate and spool.
- Grout void area in electrical conduit bore hole.
- Provide additional vent and exhaust piping for the new generator unit.
- Add trough drain and crash bar door hardware to the control building.
- Add concrete equipment pad as required by IREA for metering equipment.

The 2010 Capital Budget (MPC 1AB0012) includes funds for the original contract amount and the additional amount requested in this change order. The 2011 Capital Budget for this project will need to be raised to cover the variance to the overall project. It is recommended the Board approve a \$383,048.05 variance for Change Order No. 3, and maintain the \$380,000 contingency fund for future unforeseen conditions that may be encountered at the Mid and Low level outlets. The contingency fund is critical to authorize work associated with unforeseen conditions, and to avoid standby rates as high as \$80,000 per day.

RECOMMENDATION

It is recommended the Board approve Change Order No. 3 to Contract 11577A with Global Diving and Salvage, Inc. in the amount of \$383,048.05, bringing the total contract amount to \$13,131,193.17.

Budget Considerations

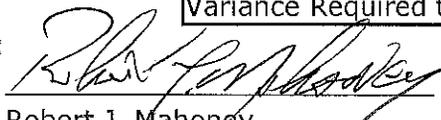
Master Plan Code(s): 1AB0012

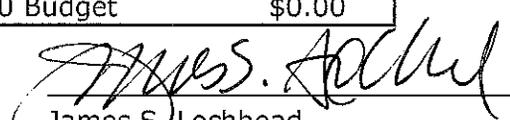
- Budgeted Item
- Unbudgeted Item
- Funds transferred from another project:

Budget Information

2010 Budget	\$15,792,571.00
Amount Requested This Item	\$383,048.05
YTD Expenditures	\$5,246,041.00
Additional Expenditures Anticipated	\$10,163,481.95
Revised 2010 Estimate	\$15,792,571.00
Variance Required to the 2010 Budget	\$0.00

Approvals:


 Robert J. Mahoney
 Director of Engineering


 James S. Lochhead
 CEO/Manager