

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: September 8, 2010

Board Item: VI-B-1

**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.

The Cheesman Dam Upstream Control Project will use the contingency fund for Change Order No. 4, in the amount of \$199,219.42. The majority of the costs (\$170,551.91) are associated with the Work Change Directive (WCD) authorizing the contractor to proceed with additional tunnel widening at the Mid level outlet works. A memorandum to the CEO/Manager and the Board, dated August 19, 2010 (attached) outlined the requirement for additional work due to the differing underwater physical conditions. Change Order No. 4 contains WCD's 7 through 9 and various modifications to the contract as described below:

- Additional widening of the Mid level tunnel by underwater construction rock sawing and hand chipping.
- Assistance in modifying the Auxiliary level Trashrack to fit changed physical conditions.
- Assistance in modifying the Mid level spool (Tunnel Liner).
- Adjustment to the generator exhaust per code requirement.
- Repair of the spillway approach road.

Change Order No. 5 will be presented at the October 13, 2010, Board Meeting, and will include WCD's 10 and 11, also presented within the August 19, 2010, memorandum to the CEO/Manager and the Board.

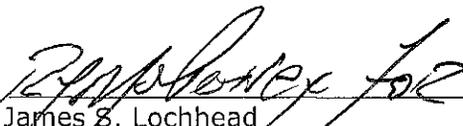
Attached to this Board Item is the third report of contingency usage for the three projects.

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