

AGENDA

Denver Board of Water Commissioners

Denver Water Board Room, 1600 W 12th Avenue, Denver, Co 80204 and

Video Conference: <http://zoom.us/join>, Meeting ID: 872 2836 0814 - Passcode: 349089 or

Dial in (669) 900-6833 - Meeting ID: 872 2836 0814 - Passcode: 349089

Members of the public are welcome to attend either in person or by video conference.

Wednesday, September 14, 2022 – 9:00 a.m.

I. INTRODUCTORY BUSINESS

A. Call to Order and Determination of Quorum

B. Public Comment and Communications

At this point in the agenda, the Board may allow members of the public to address the Board on any item of interest within the jurisdiction of the Board, and not on the agenda for action. Speakers wishing to address a specific Action Item will be invited to address the Board when the item is being considered. Three minutes are allowed for each person unless the President determines otherwise.

1. Distributor Communications
2. Citizen Advisory Committee Communications

C. Ceremonies, Awards and Introductions

II. ACTION ITEMS

A. Consent Items

Items listed below are considered routine and may be enacted by one motion and vote. If any Board member desires discussion beyond explanatory questions, or corrections to the Minutes, the President may order that item to be considered in a separate motion and vote.

1. Minutes from August 10, 2022
2. Minutes from August 24, 2022
3. Second Amendment to Total Construction Cost GMP 10 for Northwater Treatment Plant – Contract 504179

B. Individual Approval Items

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III. POLICY MATTERS

- A. Lead Reduction Program Update** Alexis Woodrow 10 minutes

IV. EXECUTIVE UPDATE

- A. CEO Update**
- B. CFO Update**
- C. Operations Update**

V. BRIEFING PAPERS & REPORTS

- A. Briefing Paper**

- B. Report**

VI. ADJOURNMENT

VII. TRUSTEE MATTERS

VIII. EXECUTIVE SESSION

The Board may adjourn the regular meeting and reconvene in executive session on topics authorized by D.R.M.C Sec. 2-34.

- A. Confidential Report**

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: September 14, 2022

Board Item: II-A-3

Second Amendment to Total Construction Cost GMP 10 for Northwater Treatment Plant Contract 504179

Action by Consent

Individual Action

Purpose and Background:

The purpose of this Board item is to approve the second amendment to Contract 504179 for Guaranteed Maximum Price (GMP) 10, to advance the Northwater Treatment Plant (NTP) through the construction phase. This amendment is required due to an overrun of the value originally included for Work Package (WP) 8 – Site Finishes, allocated as an allowance in GMP 10 at the time of contract execution in April 2020. The WP 8 work includes construction of site finishes and Facilities Commissioning and Startup (FCS) activities, as follows:

- Contractor support of FCS activities, including staff and craft labor, equipment, and materials
- Final grading of the site, including all remaining spoils piles, laydown areas, the trailer complex, and staff and craft lots
- Final site landscaping, including plants, seeding, irrigation, and initial year's maintenance
- Permanent site fencing and gates, roadways, striping, and signage
- Concrete flatwork including site-wide sidewalks, exterior equipment pads, and stairs

The second amendment to GMP 10 also incorporates changes to interim milestone dates based on warranted time impacts and excess weather days approved to date; however, the contractual Project Substantial Completion and Project Final Completion dates remain unchanged.

Budget and Schedule:

The total amount of this second amendment to GMP 10 is \$2,071,945, resulting in a revised GMP 10 contract total of \$355,415,275.24. The allowance for WP 8 – Site Finishes was established in April 2020 as part of the GMP 10 – Total Construction Cost (TCC) Amendment. The increased cost of WP 8 resulting in this amendment is largely driven by market conditions including global supply chain issues, labor shortages, and reduced bidder pools. There is no impact to the schedule for completion of GMP 10 resulting from this second amendment, though interim milestone dates are being modified to reflect approved changes to date. This amendment assumes the release of the remaining WP 8 funds within GMP 10 allowances, or \$7,723,879 including fees, bonds, and insurance, to yield the total WP 8 negotiated value of \$9,795,824. No additional contingencies or allowances are requested within this amendment, as existing contingency pools are anticipated to be sufficient to cover associated risks.

This amendment will increase the Project's Estimate at Completion (EAC), as presented in future quarterly updates to the Board of Water Commissioners. The revised EAC, including all contingencies and allowances, will be \$517.7M, which remains below the established project budget of \$520M.

This second amendment to GMP 10 necessitates a change to the TCC within the Construction Manager at Risk (CMAR) Agreement with Kiewit Infrastructure Co., Contract 503388, which will be handled via a no cost amendment. The 18th amendment will reflect a revised TCC of \$407,127,084, which remains below the TCC baseline budget of \$414,567,509, and includes all Owner and Contractor contingencies and allowances. The difference in value between GMP 10 and the TCC is comprised of all GMP expenditures, including early site work, that occurred prior to establishing the TCC.

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The NTP business unit for 2023 and 2024 includes sufficient funds for this second amendment to GMP 10.

Selection of Business Partner:

Kiewit Infrastructure Co. was previously selected through a competitive selection process and contracted through Contract 503388 executed by the Board on September 26, 2018. Subcontractors and suppliers providing services under this first amendment to GMP 10 were selected through competitive procurement and quality-based selection, and a portion of the work has been negotiated directly with Kiewit Infrastructure Co. due to staff's knowledge of the FCS plan and to mitigate duplicate mobilization costs resulting from intermittent nature of the work.

S/MWBE Information:

The Minority and Women-owned Business Enterprise (MWBE) participation goal for the TCC was established by the Board at 8% or \$31,500,000. The MWBE goal for GMP 10 is 8% and assumed a participation of \$700,000 within WP 8. Actual participation for this second amendment to GMP 10 exceeds the goal at \$710,385 despite significant difficulty in garnering interest from the MWBE community at the time of bid.

Recommendation:

Staff recommends that the Board approve the Second Amendment to Contract 504179 for NTP GMP 10 with Kiewit Infrastructure Co. for Site Finishes and FCS Services with no change to the contract period and for an addition of \$2,071,945 for a total amended contract amount not to exceed \$355,415,275.24.

Approvals

- | | |
|---|---|
| <input checked="" type="checkbox"/> James S. Lochhead, CEO/Manager | <input type="checkbox"/> Brian D. Good, Chief Administrative Officer |
| <input type="checkbox"/> Julie Anderson, Chief of Staff | <input type="checkbox"/> Richard B. Marsicek, Chief Water Resource Strategy Officer |
| <input type="checkbox"/> Jessica R. Brody, General Counsel | <input checked="" type="checkbox"/> Robert J. Mahoney, Chief Engineering Officer |
| <input checked="" type="checkbox"/> Angela C. Bricmont, Chief Finance Officer | <input type="checkbox"/> Thomas J. Roode, Chief Operations Officer |