



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: JEFF GOBLE, PUBLIC WORKS DIRECTOR
RE: APPROVAL OF FRISCO BAY MARINA LIFT STATION CONTRACT CHANGE ORDER #3
DATE: DECEMBER 14, 2021

Summary and Background: Since the start of the Frisco Bay Marina Lift Station and Deep Utilities project, the contractor BT Construction (BTC) has encountered higher groundwater levels than anticipated based on the project geotechnical findings and reservoir level predictions from Denver Water.

Analysis: Due to the additional groundwater handling, BTC experienced slower production rates throughout the project as well as having to acquire additional dewatering equipment that they have had to use to dewater for a longer period than planned. Additional work is listed below:

Lift Station – BTC spent an additional 14 days working on this excavation managing extra groundwater and implementing additional dewatering equipment (additional generator, addition of hydraulic and submersible pumps and rental costs for all equipment for additional time).

Building Site Utilities – BTC spent an additional 11 days working on installing these utilities while managing extra groundwater at the site and implementing additional dewatering equipment including; adding an extra frac tank, filter cans and a 4" diesel pump.

As the project manager, I made the decision at the time to continue working on the project and authorized the additional work to be done. It is my professional opinion that asking BTC to demobilize from that site and return later in the summer, when water levels dropped, was not the most beneficial action for the Town or the timeline of all projects.

Financial Impact: The additional cost of \$405,714.16 presented in this change order can be absorbed by the Marina Fund without any budget amendments or transfers.

Original amount budgeted for 2021 capital projects was \$3,438,000. Total bids for all projects came in at \$3,140,251.88 which is \$297,748.12 less than the budgeted amount. The remaining \$107,966.04 can be taken from the Marina Fund which has substantial payroll and other operational savings. Please see table below for Marina fund projections:

	2021 Budget	2021 Projected	2022 Budget
<u>Revenues</u>			
Total Revenues	2,012,050	2,091,862	2,341,200
<u>Expenditures</u>			
Total Expenditures	5,862,463	5,616,961	3,579,610
Net Change in Fund Balance	-3,850,413	-3,525,099	-1,238,410
Fund Balance - January 1	5,415,263	5,177,656	1,652,557
Fund Balance - December 31	\$1,564,850	\$1,652,557	\$414,147
4 month reserve			394,753

Alignment with Strategic Plan: This request aligns with the Quality Core Services section of the Strategic plan by ensuring the timely completion of the Lift Station and Deep Utilities that are needed to serve the new office building as well as all future improvements.

Staff Recommendation:

Based on the information contained in this report, it is recommended the Town Council approve payment of change order #3 in the amount of \$405,714.16.

Reviews and Approvals: This report has been reviewed and approved by:

Leslie Edwards, Finance Director
Tony O'Rourke, Town Manager

Attachments:

Attachment 1 – BT Construction Change Order #3