

A blue-tinted map of North America with a grid overlay. A black dot is placed over the location of Denver, Colorado, with the word "DENVER" written in black capital letters to its right.

● DENVER

**SOUTH TERMINAL REDEVELOPMENT PROGRAM (STRP)
CONSTRUCTION MANAGER/GENERAL CONTRACTOR (CMGC) –
*Contract Amendment for Guaranteed Maximum Price (GMP)***

**Mortenson/Hunt/Saunders (MHS)
*Contract No: 201204956***

**KIM DAY & STU WILLIAMS
March 27, 2013**



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MHS CONTRACT DESCRIPTION



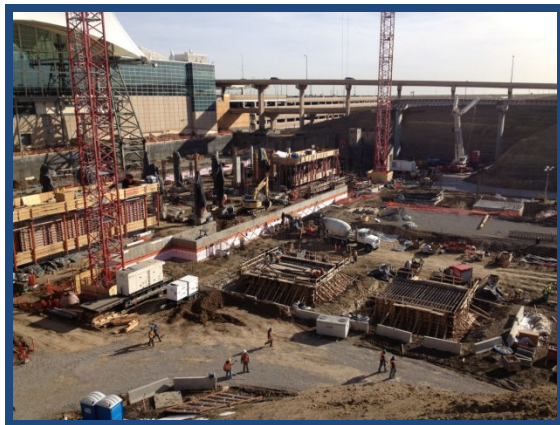
- Guaranteed Maximum Price (GMP) contract amendment supplements MHS's existing contract
- Establishes the costs for MHS' scope of work on the South Terminal Redevelopment Program (STRP)
- Adds previously un-contracted scope
 - Landscaping and retaining walls
 - Modifications to parking
 - Combined roadway package

MHS GOALS

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- MHS has a 30% Minority/Women Business Enterprise (M/WBE) participation goal
 - 30.4% forecasted
- Planned M/WBE Allocation
 - \$92.8 M Confirmed Participation
 - \$20.7 M Additional Targeted (still to be procured)*

\$113.5 Million



**Remaining Procurements are in the Finish Trades*

MHS CONTRACT TERMS AND AMOUNT

- Terms

- Original Contract
- GMP Amendment

**Added 6 months to ensure all close-out activities are completed*

NTP to 06/30/2016
NTP to 12/31/2016*

- Amount

- Original Contract
- GMP Amendment (includes contingency of \$12M)

***Reduced original scope to \$346M and added \$19M of previously un-contracted scope*

NTE \$350,000,000
NTE \$365,000,000**

- Schedule

- Train Platform per Inter-Governmental Agreement with RTD
(Public Transit Center platform ready for RTD Construction)
- Plaza Completion Date
- Hotel Substantial Completion Date

January 2014

February 2015

August 2015

MHS Team Members

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LOCAL FIRMS

AERO Automatic Sprinkler Company
American Industrial*
Belair Sitework Services
Blaeser Trucking
Brundage Bone
Burgess*
Concrete Frame Associates
DRG Construction*
Empire Construction*
Erix Crane & Rigging
Forming Concepts
Harmon
HP Construction*
Larimer Construction*
LMS Drilling
LPR
Martin Marietta Materials

LOCAL FIRMS

Mountain Man Welding
NM Industrial*
Perfecto Archuleta Construction*
Pikes Peak Steel*
Power-Up Services Corp.
Quality Linings & Painting*
R&D Pipeline Construction
RMS Crane
Restoration Specialist Inc.
Rocky Mountain Pre-stress
S.A. Miro
Select Concrete Services, Inc.
Shrewsbury & Associates*
Sierra Rebar *
Sky Blue Builders*
SNS Ironworks*
Soderberg Masonry
Steel Images*

NON-LOCAL FIRMS

AEGIS Surveying
BirdAir
Canam Group
MultiVista Colorado
Sturgeon
The Parker Company

***M/WBE Certified Firm**

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SOUTH TERMINAL REDEVELOPMENT PROGRAM (STRP)
Program Update

A blue-tinted background image showing the distinctive conical roof structures of the Denver International Airport terminal buildings.

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March 27, 2013



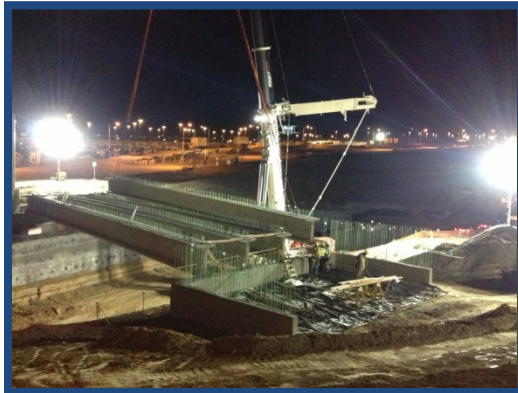
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BUDGET UPDATE: STRP

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PROGRAM ELEMENT	ORIGINAL BUDGET (in millions)	CURRENT COST (in millions)	DELTA
Hotel	\$180	\$179	(.5%)
Public Transit Center (PTC)/ Enabling/ Owner's Costs*	\$320	\$365	14.1%
STRP TOTAL	\$500	\$544	8.8%

* Includes art, insurance, and permitting



BUDGET UPDATE: RELATED CIP WORK

PROGRAM ELEMENT	ORIGINAL BUDGET <i>(in millions)</i>	CURRENT COST <i>(in millions)</i>	DELTA
Related CIP Work (Bridges, etc.)	\$65	\$75	15.4%

- East Airfield Storm Line/Drain
- FAA ASDE-X (Airport Surface Detection Equipment – Model X) Relocation
- Level 4 & 6 Bridges (Construction)
- Level 4 & 6 Bridges (Operations)
- 66" Storm Sewer
- Sanitary Sewer
- Excavation Phase I
- Terminal Baggage System Right of Ways
- Temporary Fencing
- Excavation to Runways/Taxiways/Pond 927
- Level 4 Security Checkpoint (Shell Only)
- Master Plan – Design/Planning/Construction Management
- Design/Planning/Construction Management (for listed items)
- Automated Guideway Transit System (AGTS) (the train between Jeppesen Terminal and the concourses)

BUDGET UPDATE: RTD WORK

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PROGRAM ELEMENT	ORIGINAL BUDGET <i>(in millions)</i>	CURRENT COST <i>(in millions)</i>	DELTA
RTD North of "X" Work (Cost of work for Commuter Rail line from end of original platform to "X")	\$0	\$53	N/A



- Additional 400' of platform
- North of "X" (NOX) Excavation/Embankment
- RTD Service Road
- Systems (Overhead Catenary System foundations, poles, and duct bank)
- Haul Road & Bridges
- NOX Retaining Walls

Partial reimbursement from RTD in arbitration

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ADDITIONAL PROGRAM COSTS

- Design Evolution
 - Building height increased
 - Increased curtain wall size
 - Canopy glazing
 - Tent tie-downs doubled
 - **Mechanical, Electrical, Plumbing costs**
- Added Scope
 - West side fire line
 - Relocation of additional FAA equipment
 - DIA lighting requirements
- **Replacement/Utilization of Aged Central Utility Plant (CUP) Materials**
- Delayed start of Construction without Extension of IGA Date
 - Steel shop drawing acceleration
 - Canopy scaffolding
 - Bulletins to keep design moving
 - Additional mobile crane
- Electrical Systems
 - Unanticipated redundancies
 - Increased power system for hotel
- **Poor Soil Conditions and Unexpected Existing Substructure**
- Increased Construction Costs
 - **Prevailing Wage Rate increases (carpenters up 29%)**
 - **Colorado construction costs up 3%-3.5% in 2013 (per Engineering News Record)**
- Market Conditions
 - Bidding major trades at same time as rebounding Denver Market (VA Hospital, FasTrax, etc.)

RISK MITIGATION

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- Design Nearly Complete
 - Platform/PTC Structure 100%
 - Main Structure 90%
 - Systems 80%
 - Interiors/Food Service 70%
- Substructure/Foundations Complete (*out of the ground*)
- Work under GMP Contracts
- Contingencies in all Contracts \$15M
- Incentive Based Contracts
 - Shared savings
 - Performance incentives
 - Certain incentives funded by savings
- Change Management Committee



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CHANGE MANAGEMENT COMMITTEE



- Composition
 - Patrick Heck (Chair)
 - Eric Hiraga
 - Scott Hergenrader (Consultant)
 - Department of Finance Representative
 - Department of Public Works Representative
 - Tom Hellwig (Parsons Brinckerhoff)
- Scope of Work
 - Review of significant change orders
 - Review of significant changes to project scope
 - Analysis of schedule impacts
 - Use or change in contingency
 - Administration of allowances
 - Management of unforeseen events

SCHEDULE UPDATE

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Public Transit Center Substantial Completion

IGA Date: January 1, 2014
Current Status: January 15, 2014
Status: **-15 Days**

Hotel/Program Completion

Contract Date: August 21, 2015
Current Status: September 21, 2015
Status: **-30 Days**

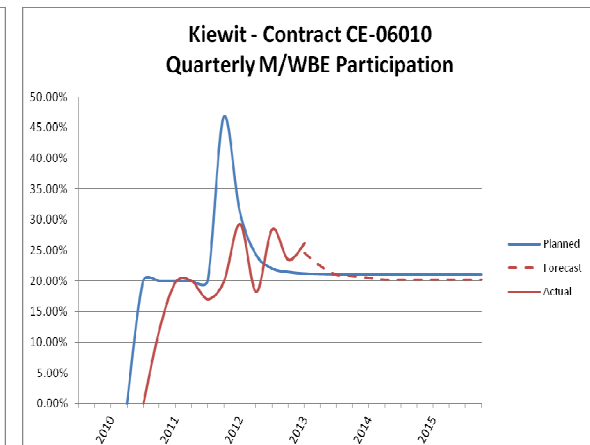
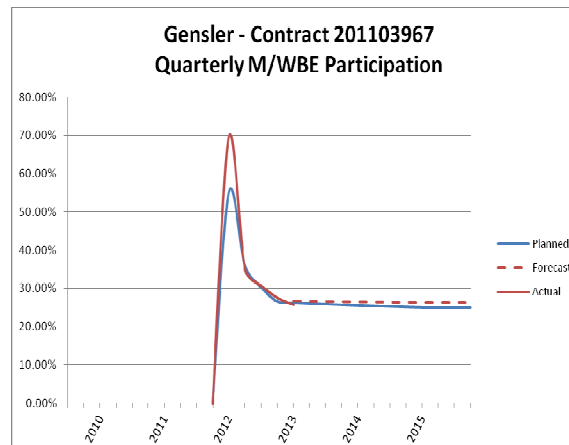
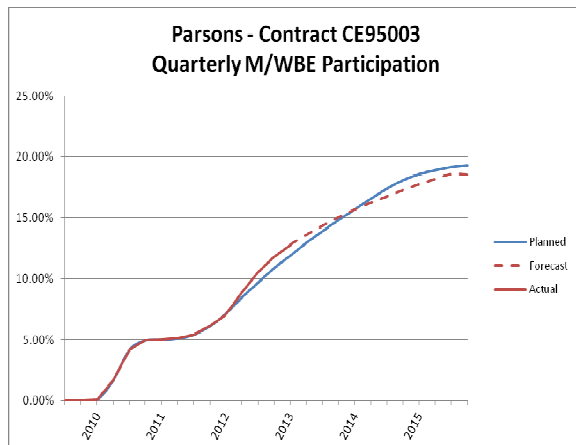
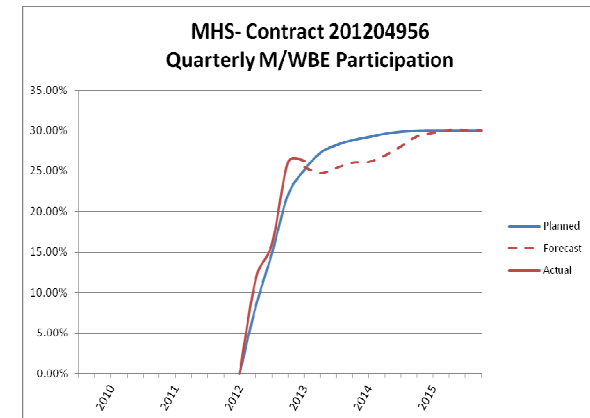
DIVERSITY UPDATE *(thru February 2013)*

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M/WBE Participation Forecast*

Prime Contractor	Total Contract Value	M/WBE Goal	Planned		Actual	
			Contract End Forecast	Planned to-Date	Actual to-Date	M/WBE Dollars Billed to-Date
Gensler	\$35M	25%	26.36%	26.29%	25.78%	\$6.04M
Kiewit	\$110M	20%	20.22%	21.23%	26.16%	\$12.49M
MHS	\$350M	30%	30.04%	25.12%	26.28%	\$9.22M
Parsons	\$100M	15%	18.53%	11.89%	12.74%	\$11.05M

*Q1 2013 Actuals based on financial accruals



DIVERSITY UPDATE *(thru February 2013)*

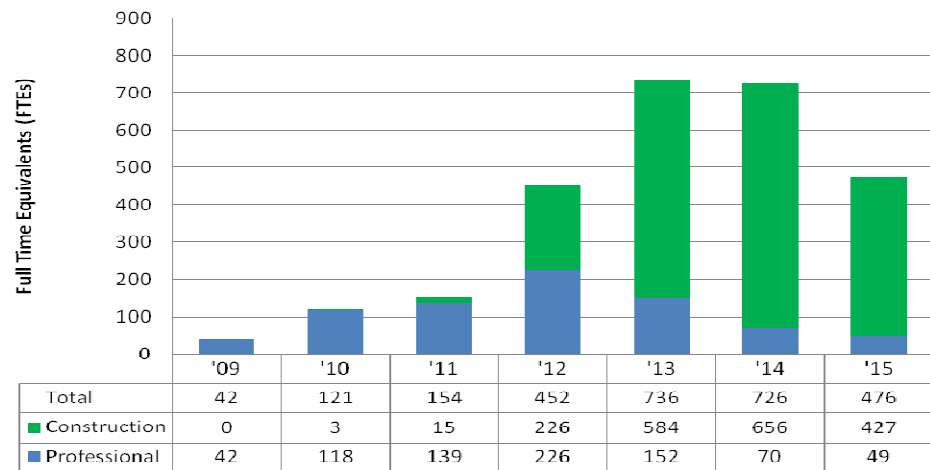
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Firm and Workforce Statistics

Program Statistics	Professional Services	Construction	Total
Firms	97	117	214
Local Firms	84	102	186
M/WBE Firms	51	45	96



STRP Full Time Equivalents by Year



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