


PUBLIC SERVICE COMMISSION

Abandoned Mine Lands Division

Memorandum

TO: Commissioners Kalk, Christmann and Fedorchak
Darrell Nitschke
Illona A. Jeffcoat-Sacco

From:  Jim Deutsch, Director - AML Division

Date: January 9, 2013

Subject: Change Order for the 2012 Coal Fire Suppression Project

In July of last year the AML Division received a special grant from OSM for \$35,000 for extinguishing coal outcrop fires at three or more sites on U.S. Forest Service lands in McKenzie and Slope County. These coal fires were likely started by grass fires and they pose a serious risk for starting other grass fires in the future. The coal fire suppression project involves the excavation of earthen materials to expose the burning coal seams, digging trenches to place the burning materials, covering the trenches, and placing earthen materials against the coal face and otherwise reshaping the site. The low bid for this project was received from Baranko Bros. Inc. of Dickinson in the amount of \$27,000. The Commission then entered into Contract No. AM-641-12 for that amount.

Work on the project began December 5th and was completed December 23rd. After work was completed on the first three coal fires, it appeared we had sufficient funds under the contract to extinguish a fourth coal outcrop fire. After excavation began on the fourth site, it was found to be much more extensive than expected and consequently required much more work. Work on this coal fire began Tuesday, December 18, and continued through Sunday, December 23. Bill Dodd was on site on December 21st and he agreed to issue a change order of \$5,000, the maximum amount staff was allowed to issue under the Commission's change order policy without Commission approval. This increased Baranko's contract amount to \$32,000. However, this increase was insufficient to cover all of Baranko's costs.

Since the total amount of the coal fire suppression grant is \$35,000, I'm requesting that the Commission authorize staff to issue a change order to that amount. We realize this request is being made after the work has been completed, but believe it is justified considering the circumstances and the need to complete work on the fourth coal fire site once it began.

Attached is a motion for the January 16th Commission meeting to allow staff to issue a change order to increase the contract amount with Baranko Bros. Inc. to \$35,000.

Attachment