



City of Grand Island

Tuesday, November 14, 2017

Council Session

Item G-12

#2017-316 - Approving Change Order #1 for Precipitator, Bottom Ash and Boiler Industrial Cleaning at PGS - Fall 2017 Outage

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

From: Timothy G. Luchsinger, Utilities Director
Stacy Nonhof, Assistant City Attorney

Meeting: November 14, 2017

Subject: Change Order #1 - Precipitator, Bottom Ash and Boiler
Industrial Cleaning at Platte Generating Station – Fall
2017 Outage

Presenter(s): Timothy G. Luchsinger, Utilities Director

Background

The electrostatic precipitator at the Platte Generating Station is the air quality control equipment used to remove coal ash particulates from the plant's boiler flue gas stream. Proper performance of this equipment is required as part of the plant's operating permit. Due to volume and characteristics of the coal ash, the precipitator must be grit blasted twice a year to remove ash build-up to allow the plant to remain below permitted emission levels. In addition to maintaining performance, removal of the ash deposits also allows an inspection of the precipitator internal surfaces and components.

During this outage, the contractor also performed vacuum services and high pressure water blast cleaning services throughout the station. This work is done on a time and material basis, with the original bidding based on an estimate of the hours required to complete the work. Variations in the time required to accomplish the actual work performed at the time of the outage requires final adjustments based on the T&M rates provided at the time of bidding.

The specifications were issued for bid and the contract was awarded by Council to the low responsive bidder, W-S Industrial Services of Council Bluffs, Iowa, for \$112,804.00 on July 11, 2017, per Resolution 2017-195.

Discussion

There were both credits and debits in various areas of the work, resulting in a net increase in the cost of the overall contract. This was primarily due to additional work performed in the hydro blasting of the Spray Dry Absorber, additional vacuum work to remove coal from the coal runoff retention pond and additional vacuum work in the fly ash silo required to allow performance of maintenance inside the silo.

W-S Industrial Services performed the additional work, which was not part of the original scope, at an additional cost of \$13,016.95, for a total contract cost of \$125,820.95.

W-S Industrial Services had all of the manpower and equipment on site to perform the additional work. This additional cost was based on unit pricing for services included in the original bid documents in the event of the addition or deletion of work scope by the contractor. It included vacuum services, hydro-blasting services and use of specialty three dimensional cleaning nozzles used specifically for cleaning the SDA vessel.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve
2. Refer the issue to a Committee
3. Postpone the issue to future date
4. Take no action on the issue

Recommendation

City Administration recommends authorizing Change Order #1 with W-S Industrial Services of Council Bluffs, Iowa, for the Precipitator, Bottom Ash and Boiler Industrial Cleaning at Platte Generating Station for an addition of \$13,016.95 to the contract price.

Sample Motion

Move to approve Change Order #1 from W-S Industrial Services in the amount of \$13,016.95, for the Precipitator, Bottom Ash and Boiler Industrial Cleaning at Platte Generating Station.

Change Order #1

TO: W-S Industrial Services, Inc.
 35 Main Place, Ste. 175
 Council Bluffs, IA 51503
 712-366-8886

PROJECT: Precipitator, Bottom Ash and Boiler Industrial Cleaning at PGS-Fall 2017 Outage

You are hereby directed to make the following change in your contract:

- 1 Additional payment per the attached spreadsheet.

ADD: \$13,016.95

The original Contract Sum	<u>\$112,804.00</u>
Previous Change Order Amounts	<u>\$ -</u>
The Contract Sum is increased by this Change Order	<u>\$ 13,016.95</u>
The Contract Sum is decreased by this Change Order	<u>\$</u>
The total modified Contract Sum to date	<u>\$ 125,820.95</u>

Approval and acceptance of this Change Order acknowledges understanding and agreement that the cost and time adjustments included represent the complete values arising out of and/or incidental to the work described therein.

APPROVED: CITY OF GRAND ISLAND

By: _____ Date _____

Attest: _____

 Approved as to Form, City Attorney

ACCEPTED: W-S Industrial Services, Inc.

By: _____ Date _____

Precipitator, Bottom Ash and Boiler Industrial Cleaning at PGS-Fall 2017 Outage

Comments: This additional work was identified after the PGS fall outage began.

Contract: Fall 2017 Outage

\$112,804.00

<u>Change Order Request</u>	<u>Description</u>	<u>Amount</u>
001	Vacuum (T&M)	\$8,538.52
002	Hydro Truck (T&M)	(\$252.20)
003	Vacuum and Hydro Truck (mob)	\$1,796.90
004	Vacuum and Hydro Truck (demob)	\$2,082.15
005		
006		
007		
008	Tax	\$ 851.58
009		
010		
011		
012		
013		
014		
015	Total (final) w/out tax	\$12,165.37
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	Total	\$13,016.95

RESOLUTION 2017-316

WHEREAS, at the July 11, 2017 meeting, Council awarded the contract for Precipitator, Bottom Ash and Boiler Industrial Cleaning at Platte Generating Station for the Fall 2017 Outage, to W-S Industrial Services of Council Bluffs, Iowa, in the amount of \$112,804.00; and

WHEREAS, during the outage, the contractor also performed vacuum services and high pressure water blast cleaning services through the station; and this work was done on a time and material basis, with the original bidding based on an estimate of the hours required to complete the work; and

WHEREAS, variations in the time required to accomplish the actual work performed at the time of the outage requires final adjustments based on the T&M rates provided at the time of bidding; and

WHEREAS, as a result of these extra hours involved in the cleaning process, Change Order #1 was prepared for \$13,016.95 for a total contract amount of \$125,820.95.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that Change Order #1 for Precipitator, Bottom Ash and Boiler Industrial Cleaning at Platte Generating Station for the Fall 2017 Outage, is hereby approved and the Mayor is hereby authorized to sign Change Order #1 on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, November 14, 2017.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
November 9, 2017	☐ City Attorney