



City of Grand Island

Tuesday, June 25, 2019

Council Session

Item G-5

#2019-194 - Approving Change Order #1 - Boiler Chemical Cleaning at Platte Generating Station

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting Date: June 25, 2019

Subject: Change Order #1 - Boiler Chemical Cleaning

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

The main boiler at the Platte Generating Station produces 750,000 pounds per hour of steam for production of electricity. Over time, deposits build up on the interior of the boiler tubes. The deposits are made up of iron and copper compounds along with some chemicals from the routine water treatment. The deposits in the PGS boiler had reached a point where they needed to be cleaned out to avoid future damage to the boiler. Removal of the deposits required a chemical cleaning, generally consisting of circulating specialized cleaning chemicals through the boiler.

The specification was issued for bid and the contract was awarded by Council to the low responsive bidder, HydroChemPSC, for \$307,346.99 on February 12, 2019, per Resolution 2019-47.

Discussion

Additional chemicals beyond the base bid scope were required to remove the boiler deposits from the boiler tubing. Also, the disposal facility in Nebraska used for the base bid could not take the levels of ammonia present in the waste; therefore the waste had to be shipped to a facility in Texas, which resulted in extra costs associated with the delays in disposal and a higher cost of disposal.

HydroChemPSC performed the additional work, which was not part of the original scope, at an additional cost of \$36,921.00 plus the change in taxes for a total increased contract cost of \$38,384.16.

HydroChemPSC 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.

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 HydroChemPSC for the Boiler Chemical Cleaning for an addition to the contract price of \$38,384.16 for a total contract price of \$345,731.15.

Sample Motion

Move to approve Change Order #1 from HydroChemPSC in the amount of \$38,384.16 for the Boiler Chemical Cleaning at Platte Generating Station.



Platte Generating Station
1035 W. Wildwood Drive
Grand Island, NE 68801
308/385-5468

Working Together for a
Better Tomorrow. Today.

TO: HydroChemPSC
Box 380, 107 East
Crossville, Illinois 62827
Steve Pearce

PROJECT: Boiler Chemical Cleaning

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

1 Additional payment per the attached spreadsheet.

ADD: \$38,384.16

The original Contract Sum	<u>\$307,346.99</u>
Previous Change Order Amounts	<u>\$ -</u>
The Contract Sum is Increased by this Change Order	<u>\$ 38,384.16</u>
The Contract Sum is decreased by this Change Order	<u>\$</u>
The total modified Contract Sum to date	<u>\$ 345,731.15</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: HydroChemPSC

By:  _____

Date 6/6/19

Boiler Chemical Cleaning

Comments: Additional Materials and Labor required for Chemical disposal

Contract:

\$307,346.99

<u>Change Order Request</u>	<u>Description</u>	<u>Amount</u>
001	Material: V675 ChelClean Above bid	\$ 13,570.00
002	Material: A300 Inhibitor above bid	\$ 1,875.00
003	Material Sales Tax increase: April 1, 2019	\$ 1,463.16
004	Equipment & Miscellaneous, less hours not used	\$ (306.00)
005	Additional Days - Tank and Tank Transportation	\$ 10,621.00
006	Additional Days - Secondary Containment	\$ 5,096.00
007	Additional Hours - Personnel	\$ 6,065.00
008		
009		
010		
011		
012		
013		
014		
015		
017		
018		
019		
020		
021		
023		
024		
028		
029		
030		
	Total	\$ 38,384.16

RESOLUTION 2019-194

WHEREAS, at the February 12, 2019 meeting, Council awarded the contract for Boiler Chemical Cleaning to HydroChemPSC of Crossville, Illinois in the amount of \$307,346.99; and

WHEREAS, additional chemicals beyond the base bid scope were required to remove the boiler deposits from the boiler tubing; and

WHEREAS, the disposal facility in Nebraska used for the base bid could not take the levels of ammonia present in the waste and the waste had to be shipped to a facility in Texas; and

WHEREAS, the combination of the extra cleaning and the shipping of the waste to Texas resulted in a higher cost to complete the cleaning in the amount of \$38,384.16, for a total cost of \$345,731.15.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that Change Order #1 in the amount of \$38,384.16 for the Boiler Chemical Cleaning is approved and the Mayor is hereby authorized to sign the Change Order on behalf of the City of Grand Island.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, June 25, 2019.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	▣ _____
June 27, 2019	▣ City Attorney