



City of Grand Island

Tuesday, July 23, 2019
Council Session/Budget Work Session

Item G-10

#2019-218 - Approving Change Order #1 - Fuel Oil Pipe and Tank Cleaning at Burdick Generating Station

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting Date: July 23, 2019

Subject: Change Order #1 – Fuel Oil Pipe and Tank Cleaning at Burdick Generating Station

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

Background

The City is preparing to scrap existing fuel oil tanks and piping once used for back-up fuel for power generation with the steam units at Burdick Station. The remaining 50,000 gallons of fuel in the #5 tank is being removed and the piping from the tank yard to the boilers is being cleaned.

Specifications were issued for bid and the contract was awarded by Council to the low responsive bidder, J & L Pipeline Services, Inc., for \$177,551.36 on October 23, 2018 per Resolution 2018-310.

Discussion

Fuel oil piping from the building connection to the recirculation heating skids inside the building was originally determined not to be able to be cleaned using the equipment used for the exterior piping work. J & L Pipeline Services, Inc., initially performed the additional work under a trial basis and determined that they could clean this interior piping and completed the work at the standard rates in the original contract, at an additional cost of \$ 29,384.24.

Utilizing J & L Pipeline Services, Inc., while they were on site allowed the additional work to be performed without the extra cost of mobilization and demobilization.

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 J & L Pipeline Services, Inc., for the Fuel Oil Pipe and Tank Cleaning at Burdick Generating Station for an addition to the contract price of \$29,384.24 for a total contract price of \$ 206,935.60.

Sample Motion

Move to approve Change Order #1 from J & L Pipeline Services, Inc., in the amount of \$29,384.24 for the Fuel Oil Pipe and Tank Cleaning at Burdick Generating Station.



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

*Working Together for a
Better Tomorrow. Today.*

TO: J & L Pipeline Services, Inc.
603 W. South Street, PO Box 403
Tipton, IA 52772
Laurie Brandenburg

PROJECT: Fuel Oil Pipe and Tank Cleaning at Burdick Generating Station

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

1 Additional payment per the attached spreadsheet.

ADD: \$29,384.24

The original Contract Sum	<u>\$177,551.36</u>
Previous Change Order Amounts	<u>\$ -</u>
The Contract Sum is increased by this Change Order	<u>\$ 29,384.24</u>
The Contract Sum is decreased by this Change Order	<u>\$</u>
The total modified Contract Sum to date	<u>\$ 206,935.60</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: J & L Pipeline Services, Inc.

By: Laurie Brandenburg

Date 7-11-19

Fuel Oil Pipe and Tank Cleaning at Burdick Generating Station

Comments: Additional Drain-up needed inside of the buildings

Contract: C126942

\$177,551.36

<u>Change Order Request</u>	<u>Description</u>	<u>Amount</u>
001	Skidloader w/Attachments	\$ 610.00
002	Mini Excavator	\$ 732.00
003	Pickup w/Tools & Fuel Tank	\$ 816.00
004	Pickup w/Tools & Fuel Tank	\$ 540.00
005	Welding Rig	\$ 3,654.00
006	Tool Trailer	\$ 465.00
007	Employees / Foreman / Laborer / Welder	\$ 12,251.00
008	Jackhammer Rental	\$ 851.40
009	Materials Purchases	\$ 1,218.00
010	Vac Truck	\$ 6,847.59
011	Consumables	\$ 1,399.25
012	***Includes all sales taxes***	
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	Total	\$ 29,384.24

RESOLUTION 2019-218

WHEREAS, at the October 23, 2018 meeting, Council awarded the contract for Fuel Oil Pip and Tank Cleaning to J & L Pipeline Services Inc., of Tipton, Iowa, in the amount of \$177,551.36; and

WHEREAS, fuel oil piping from the building connection to the recirculation heating skids inside the building was required to be drained to complete the project; and

WHEREAS, this work was beyond the original base scope of work and J & L Pipeline Services, Inc., had all the manpower and equipment on-site to perform the additional work without the extra cost of mobilization and demobilization; and

WHEREAS, J & L Pipeline performed the additional work at the standard rates in the original contract at an additional cost of \$29,384.24, for a total cost of \$206,935.60.

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 \$29,384.24 for the Fuel Oil Pipe and Tank Cleaning at Burdick Generating Station, is approved and the Mayor is hereby authorized to sign the Change Order on behalf of the City of Grand Island.

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Adopted by the City Council of the City of Grand Island, Nebraska, July 23, 2019.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
July 19, 2019	☐ City Attorney