



City of Grand Island

Tuesday, March 10, 2020

Council Session

Item G-3

**#2020-55 - Approving Change Order #1 - Burdick Station
Demolition Engineering Services for Asbestos Abatement Removal
with Black & Veatch**

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting Date: March 10, 2020

Subject: Change Order #1 – Burdick Station Demolition -
Engineering Services (Asbestos Abatement Removal)

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

Background

The Burdick Generating Station consists of three steam units, three gas turbines and the City water control system operations. In 2016, Steam Units #1 and #2 were removed and are no longer a part of the Grand Island utility generation. In 2017, Steam Unit #3 was decommissioned. The large structure that housed the units is expensive to maintain and contains hazardous materials. Utility staff recommended retaining an engineering firm to help develop a demolition plan for the existing structure and future black start generation development plans for the Burdick Generating Station gas turbine.

The specification was issued for bid and the contract was awarded by Council to Black & Veatch Corporation in an amount not to exceed \$698,985.00 on May 14, 2019 per Resolution 2019-156.

Discussion

Based on a pre-demolition asbestos survey, several locations were identified as asbestos containing materials. The original plan was to have the asbestos abatement as part of the demolition. After evaluating the schedule and cost to have the abatement be part of the demolition, it was determined that a separate contract for the abatement would be more cost effective if done prior to the demolition. Black & Veatch Corporation will prepare a technical performance specification for the removal of asbestos containing materials. This work is beyond the original scope of work.

Black & Veatch Corporation will prepare the detailed specification at the standard rates in the original contract, at an additional cost not to exceed \$13,000.00.

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 Black & Veatch Corporation for the Burdick Station Demolition-Engineering Services for the Asbestos Abatement Removal for an addition to the contract price of not-to-exceed \$13,000.00 for a total contract price of \$ 711,985.00.

Sample Motion

Move to approve Change Order #1 from Black & Veatch Corporation in the amount not-to-exceed \$13,000.00 for the Burdick Station Demolition-Engineering Services for the Asbestos Abatement Removal.



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

Working Together for a
Better Tomorrow. Today.

TO: Black & Veatch Corporation
8400 Ward Parkway
PO Box 8405
Kansas City, MO 64180-0258

PROJECT: Burdick Generating Station Demolition Engineering Services
CHANGE ORDER 1

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

1 Additional payment per the attached spreadsheet.

ADD: \$13,000.00

Table with 2 columns: Description and Amount. Rows include: The original Contract Sum (\$698,985.00), Previous Change Order Amounts (\$ -), The Contract Sum is increased by this Change Order (\$ 13,000.00), The Contract Sum is decreased by this Change Order (\$ -), and The total modified Contract Sum to date (\$ 711,985.00).

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: Black & Veatch Corporation

By: [Signature]

Date 2-24-2020

~~Boiler Chemical Cleaning~~

Comments: Change Order 1 to C127713 Engineering Services Agreement in regards to Asbestos Abatement Removal

Contract: **\$698,985.00**

<u>Change Order Request</u>	<u>Description</u>	<u>Amount</u>
001	Abatement of Asbestos Materials for Burdick Steam Units 1-2-3	\$ 13,000.00
002	NOT-TO-EXCEED	
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	Total	\$ 13,000.00

Change Order 1 to C127713
ENGINEERING SERVICES AGREEMENT
Between
City of Grand Island
And
Black & Veatch Corporation
Asbestos Abatement Removal

Pursuant to the terms and conditions of the General Engineering Services Agreement executed and made effective as of the 20th day of December, 2019, by and between City of Grand Island (“Owner”) and Black & Veatch Corporation (“Engineer”). Owner hereby requests, and Engineer agrees to perform the following Services for the compensation indicated below:

A. **Services:** Engineer will prepare a technical performance specification for the Abatement of Asbestos Materials for the Burdick Generating Station Steam Units 1, 2 and 3. The performance specification will define boundaries of the project and provide generalized scope description including applicable codes and standards; the means and methods will be up to the Contractor and not defined by the Engineer; the ultimate responsibility to identify and confirm all plant asbestos materials shall be the responsibility of the Contractor. Engineer will neither monitor the asbestos abatement nor have any on-site presence for this scope of work.

B. **Schedule:** Engineer will perform these Services within eight weeks of receiving Owner’s notice to proceed according to the following:

- Develop draft specification and issue for Owner review within five weeks;
- Incorporate Owner comments and provide bid issue specification within one (1) week after receipt of Owner comments.

C. **Compensation:** Compensation shall be on a time-and-material basis plus a one-time Executive Board Approval Fee of \$3,000.00 to be billed in the first invoice for these Services, with an estimated total cost not to exceed \$13,000.00 exclusive of travel expenses. All travel expenses including transportation, lodging and meals will be invoiced at cost, and all office expenses, communication (telephone, email, etc.), will be at \$9.00 per hour. The Schedule of Labor Rates is attached: Invoiced cost shall not exceed US\$13,000.00 plus travel expenses without Owner’s prior approval.

D. **Monthly Billing:** Commencing on or about the first day of the calendar month following execution of this Agreement, and monthly thereafter, Engineer shall furnish Owner with an invoice covering the Services performed during the previous month and any interest due under this agreement. Payment will be due on the date that is 30 days after receipt of the invoice by Owner.

E. **Method of Payment:** Payments to be made to Engineer under this Agreement shall be electronically transferred either by ACH, specifically in CCD+ or CTX format, or wire transfer to the bank account and in accordance with the bank instructions identified in Engineer’s most recent invoice in immediately available funds no later than the payment due date. Invoice number and project name shall be referenced in the bank wire reference fields or the ACH addenda information.

F. Disputes: In the event Owner disputes any invoice item, Owner shall give Engineer written notice of such disputed item within ten days after receipt of such invoice and shall pay to Engineer the undisputed portion of the invoice according to the provisions hereof. If Owner fails to pay any invoiced amounts when due, interest will accrue on each unpaid amount at the rate of eighteen percent per annum, or the maximum amount allowed by law if eighteen percent is a violation of the law, from the date due until paid according to the provisions of this Agreement. Interest shall not be charged on any disputed invoice item which is finally resolved in Owner's favor. Payment of interest shall not excuse or cure any default of delay in payment of amounts due. In the event Engineer refers this Agreement to a third party for collection or enforcement of its terms, Engineer shall be entitled to reimbursement of all costs and expenses incurred, including a reasonable attorney's fee. In the event that Owner has an unpaid invoice over 50 days past due, Engineer may, in addition to all other remedies available at law and equity, terminate this Request for Services.

This Request for Services and the above-referenced Agreement constitute the complete understanding of the parties with respect to the Services specified herein. Terms and conditions contained in purchase orders, work orders, or other documents issued by Owner with respect to the Services shall be of no force and effect.

IN WITNESS WHEREOF, this Change Order 1 to Request for Services is executed effective as of this _____ day of _____, 20____.

CITY OF GRAND ISLAND

BLACK & VEATCH CORPORATION

By: _____

By: CURTIS G BROWN

Name: _____

Name: CURTIS G BROWN

Title: _____

Title: ASSOCIATE VICE PRES

Date: _____

Date: 2-26-2020

This contract is in due form according to law and hereby approved.

Attorney for the City

Date _____

RESOLUTION 2020-55

WHEREAS, on May 14, 2019, per Resolution #2019-156, Council awarded the Contract for Engineering Services for the demolition plan for the Burdick Generating Station to Black & Veatch Corporation in an amount not to exceed \$698,985.00; and

WHEREAS, based on a pre-demolition asbestos survey, several locations were identified as asbestos containing materials and the original plan was to have the asbestos abatement as part of the demolition; and

WHEREAS after evaluating the schedule and cost to have the abatement be part of the demolition, it was determined that a separate contract for the asbestos abatement would be more cost effective if done prior to the demolition; and

WHEREAS, Black & Veatch Corporation will prepare a technical performance specification for the removal of asbestos containing materials, and this work is beyond the original scope of work; and

WHEREAS, the detailed specification at the standard rates in the original contract, this work will be an additional cost not to exceed \$13,000.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that Change Order #1 with Black & Veatch Corporation in an amount not to exceed \$13,000.00, is hereby approved and the Mayor is authorized to sign the Change Order on behalf of the City.

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Adopted by the City Council of the City of Grand Island, Nebraska, March 10, 2020.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☒ _____
March 5, 2020	☒ City Attorney