



# City of Grand Island

Tuesday, August 10, 2021

Council Session

## Item G-12

**#2021-192 - Approving Change Order #1 - Burdick Station  
Asbestos Abatement**

Staff Contact: Tim Luchsinger, Stacy Nonhof

# **Council Agenda Memo**

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

**Meeting Date:** August 10, 2021

**Subject:** Burdick Station Asbestos Abatement Change Order #1

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

## **Background**

The Burdick Generating Station consisted of three steam units, three gas turbines and the City water control system operations. In 2016, Steam Units #1 and #2, and in 2017, Unit #3 were decommissioned. The large structure that housed the units is expensive to maintain and contains hazardous materials. Utility staff retained Black & Veatch to develop a demolition plan for the existing structure and hazardous materials removal.

Black & Veatch developed a specification for the abatement activities related to the removal of asbestos containing materials prior to demolition of the facility. Abatement will include all spaces inside and outside of the administrative and powerhouse buildings, equipment, pipes, and structures of the powerhouse, fuel oil tank farm, oil pump building and gas metering buildings. Council awarded the Burdick Station Asbestos Abatement to McGill Asbestos Abatement on May 11, 2021 in the amount of \$842,750.00.

## **Discussion**

During the removal of asbestos on Unit #2, additional asbestos containing material was discovered. The contract includes unit pricing for additional asbestos containing material that might be found during the project. Using the unit pricing, the cost for removing this additional material is \$128,800.00. Also, some taxes included in the original bid in the amount of \$8,700.00 need to be removed as the materials are consumables. The original contracted amount is \$842,750.00, for a total adjusted cost of \$962,850.00. This is still less than the engineers estimate of \$1,200,000.00.

## **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 that Council approve Burdick Station Asbestos Abatement Change Order #1 for \$120,100.00, for a total contract cost of \$962,850.00.

## **Sample Motion**

Move to approve Change Order #1, in the amount of \$120,100.00, to McGill Asbestos Abatement, LLC, for the Burdick Station Asbestos Abatement.



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

*Working Together for a  
Better Tomorrow. Today.*

**TO:** McGill Asbestos Abatement, LLC  
4205 S. 33rd Street  
Omaha, NE 68107  
Greg Johnson, President

**PROJECT:** Burdick Station Asbestos Abatement  
**CHANGE ORDER 1**

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

1 Additional payment per the attached spreadsheet.

ADD: \$120,100.00

The original Contract Sum	<u>\$842,750.00</u>
Previous Change Order Amounts	<u>\$ -</u>
The Contract Sum is increased by this Change Order	<u>\$ 120,100.00</u>
The Contract Sum is decreased by this Change Order	<u>\$</u>
The total modified Contract Sum to date	<u>\$ 962,850.00</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: McGill Asbestos Abatement, LLC**

By:  \_\_\_\_\_

Date 7/27/2021

**Burdick Station Asbestos Abatement**

Comments: During the removal of asbestos on Burdick Unit 2, additional asbestos containing materials was discovered.

**Contract:**

**\$842,750.00**

<u>Change Order Request</u>	<u>Description</u>	<u>Amount</u>
001	Removal of additional asbestos containing materials in Unit 2	\$ 128,800.00
002	Removal of taxes from "Materials" - consumables only	\$ (8,700.00)
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	Total	\$ 120,100.00

RESOLUTION 2021-192

WHEREAS, at the May 11, 2021 Council meeting, McGill Asbestos Abatement was awarded the contract for Asbestos Abatement at the Burdick Generating Station; and

WHEREAS, during the removal of Asbestos on Unit #2, additional Asbestos containing material was discovered; and

WHEREAS, the original contract included unit pricing for any additional asbestos containing material that was found during the project; and

WHEREAS, the additional material found to be removed on the Unit #2 boiler amounted to \$128,800.00; and

WHEREAS, taxes shown on the original bid in the amount of \$8,700.00 need to be removed as the materials are consumables; and

WHEREAS, the original contracted amount was for \$842,750.00, and with the \$8,700.00 deduction, and the \$128,800.00 addition, the total adjusted cost is \$962,850.00; less than the Engineer's Estimate of \$1,200,000.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that Change Order #1 with McGill Asbestos Abatement in the amount of \$120,100.00, is hereby approved, and the Mayor is 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, August 10, 2021.

\_\_\_\_\_  
Roger G. Steele, Mayor

Attest:

\_\_\_\_\_  
RaNae Edwards, City Clerk

Approved as to Form	☐ _____
October 21, 2021	☐ City Attorney