



City of Grand Island

Tuesday, January 24, 2023

Council Session

Item G-10

#2023-23 - Approving Change Order #1 for PGS Bottom Ash System Upgrade

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting: January 24, 2022

Subject: Approving Change Order #1 Platte Generating Station Bottom Ash System Upgrade

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

Background

The City of Grand Island Utilities Department at Platte Generating Station publicly requested proposals to upgrade the existing bottom ash handling system to comply with the changes in regulations for the Effluent Limit Guidelines Rule (ELG rule). Platte Generating Station uses a steam generator powered by coal combustion to generate power. Left over ash from the coal combustion falls to the bottom of the boiler and is removed by the bottom ash handling system. The water used to transport bottom ash can no longer be discharged without treatment.

Engineering design and equipment procurement required to meet the ELG rule was bid and awarded by Council on December 14, 2021 to UCC Environmental of Waukegan, Illinois in the amount of \$1,980,700.00 per Resolution 2021-342. Installation of the equipment was estimated between \$1,700,000-\$2,500,000 by UCC at the time of proposal, but a firm price could not be provided due to construction market volatility. This change order is to approve the installation of the equipment.

Discussion

The original contract provided engineering services and upgraded equipment supply. UCC Environmental has proposed a firm construction and erection installation cost of \$2,163,776.00. This installation cost of \$2,163,776.00 added to the initial bid of \$1,980,700.00 will create a final contract cost of \$4,144,476.00.

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 UCC Environmental of Waukegan, Illinois for the Platte Generating Station Bottom Ash System Upgrade for the addition of \$2,163,776.00 to the contract price, for a total contract price of \$4,144,476.00.

Sample Motion

Move to approve Change Order #1 from UCC Environmental in the amount of \$2,163,776.00 for the Platte Generating Station Bottom Ash System Upgrade.



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

*Working Together for a
Better Tomorrow. Today.*

TO: UCC Environmental
2100 Norman Drive
Waukegan, IL 60085
Caleb Thornburg

PROJECT: Platte Generating Station Bottom Ash System Upgrade
CHANGE ORDER 1

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

1 Additional payment per the attached spreadsheet.

ADD: \$2,163,776.00

The original Contract Sum	<u>\$1,980,700.00</u>
Previous Change Order Amounts	<u>\$ -</u>
The Contract Sum is increased by this Change Order	<u>\$ 2,163,776.00</u>
The Contract Sum is decreased by this Change Order	<u>\$</u>
The total modified Contract Sum to date	<u>\$ 4,144,476.00</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: UCC Environmental

By: _____

Date _____

Platte Generating Station Bottom Ash System Upgrade

Comments: Firm construction and erection installation of the Bottom Ash System

Contract:

\$1,980,700.00

<u>Change Order Request</u>	<u>Description</u>	<u>Amount</u>
001	Construction and erection installation	\$ 2,163,776.00
002		
003		
004		
005		
006		
007		
008		
009		
010		
011		
012		
013		
014		
015		
017		
018		
019		
020		
021		
023		
024		
028		
029		
030		
	Total	\$ 2,163,776.00

RESOLUTION 2023-23

WHEREAS, at the December 14, 2021, Council meeting, UCC Environmental, was awarded the contact for the Platte Generating Station Bottom Ash System Upgrade in the amount of \$1,980,700.00; and

WHEREAS, it was estimated to cost \$1,700,000.00-\$2,500,000 for the equipment installation, but a firm price could not be set due to the construction market volatility; and

WHEREAS, the actual cost for the installation will be an additional \$2,163,776.00 for a final contract cost of \$4,144,476.00.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that Change Order #1 with UCC Environmental, in the total amount of \$4,144,476.00, 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, January 24, 2023.

Roger G. Steele, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
January 20, 2023	☐ City Attorney