



City of Grand Island

Tuesday, November 12, 2013

Council Session

Item G-6

**#2013-351 - Approving Change Order No. 1 for Feedwater Heater
No. 5 Installation**

Staff Contact: Tim Luchsinger

Council Agenda Memo

From: Timothy G. Luchsinger, Utilities Director

Meeting: November 12, 2013

Subject: Feedwater Heater #5 Installation
Change Order #1

Item #'s: G-6

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

Background

The Platte Generating Station utilizes five stages of boiler feedwater heaters in its steam cycle. These feedwater heaters are specialized heat exchangers that use steam from the main turbine-generator to preheat the boiler feedwater and improve the overall plant steam cycle efficiency. One of the feedwater heaters had internal leakage problems which make control of its operation difficult and wall thinning of the feedwater heater tubes is occurring. The heater was original to the plant construction and weighs approximately 18 tons. On December 4, 2012 a contract for a replacement heater was awarded to Thermal Engineering International for \$401,750. Specifications for the installation of this heater were developed by plant engineering staff. On April 9, 2013, the Council awarded the contract for Feedwater Heater #5 Installation to Hayes Mechanical of Omaha, Nebraska, with the bid price of \$84,150.00, for installation during the October, 2013 planned maintenance plant shutdown.

Discussion

Subsequent to awarding the above contracts, changes were made to the original vent location which required extra labor and materials during the installation, which was a change to the original installation bid. Also, upon the removal of the existing feedwater heater, it was found that shortening of the nozzles on the new heater was required to fit the existing inlet/outlet feedwater lines. The 10" nozzles are composed of SA350-LF2 heavy wall carbon steel and require special counterbore equipment and personnel to accommodate welding nozzles to the existing piping, resulting in added labor and materials to the installation contractor. The total changes to the installation contract are for \$26,608.48 for a final installation contract cost of \$110,758.48.

The original Engineer's estimate for the procurement of the new heater and installation was \$650,000.

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 approval of Change Order #1 to the Feedwater Heater #5 Installation contract at the Platte Generating Station in the amount of \$26,608.48 for a final contract cost of \$110,758.48.

Sample Motion

Move to approve contract Change Order #1 to the Feedwater Heater #5 Installation contract with Hayes Mechanical, in the amount of \$26,608.48 to the contract amount, for a final contract amount of \$110,758.48.

Feedwater Heater #5 Installation

Comments: Additional work required to remove/install new feedwater heater #5

Contractor: Hayes Mechanical

\$84,150.00

<u>Change Order Request</u>	<u>Description</u>	<u>Amount</u>
001	Changes made to the original vent location which required extra	
002	labor and materials during the installation.	
003	Shortening of the nozzles on the new heater was required to fit	
004	the existing inlet/outlet feedwater lines.	\$ 26,608.48
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	Total	\$26,608.48

**INTEROFFICE
MEMORANDUM**



*Working Together for a
Better Tomorrow. Today.*

TO: Hayes Mechanical
10608 South 147th Street
Omaha, NE 68138
Attn: Larry Grief

PROJECT: Feedwater Heater #5 Installation

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

1 Additional payment per the attached spreadsheet.

ADD: \$26,608.48

The original Contract Sum	<u>\$84,150.00</u>
Previous Change Order Amounts	<u>\$0.00</u>
The Contract Sum is increased by this Change Order	<u>\$26,608.48</u>
The Contract Sum is decreased by this Change Order	<u>\$</u>
The total modified Contract Sum to date	<u>\$110,758.48</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: Hayes Mechanical

By: 

Date: OCTOBER 25, 2013

RESOLUTION 2013-351

WHEREAS, Hayes Mechanical, of Omaha, Nebraska was awarded the contract for Feedwater Heater #5 Installation at Platte Generating Station, at the April 9, 2013 City Council meeting; and

WHEREAS, changes were made to the original vent location which required extra labor and materials during the installation; and

WHEREAS, shortening of the nozzles on the new heater was necessary to fit the existing inlet/outlet feedwater lines requiring special counterbore equipment and personnel to weld the nozzles to the existing piping; and

WHEREAS, Change Order #1 was prepared for a contract adjustment of an additional \$26,608.48, resulting in a final contract amount of \$110,758.48.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that Change Order #1 with Hayes Mechanical, of Omaha, Nebraska, resulting in an additional cost of \$26,608.48 for a final contract price of \$110,758.48, is hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, November 12, 2013.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form ☐ _____
November 8, 2013 ☐ City Attorney