



City of Grand Island

Tuesday, December 03, 2002

Council Session

Item G3

#2002-372 - Approving Change Order #2 - Burdick Station GT-2 and GT-3 Combustion Turbine Project - Utilities Department

Background:

The Industrial Company (TIC) was awarded the general construction contract in December of 2001. The contract includes the erection of the combustion turbines, foundations, piping systems, electrical duct banks, area drainage, transformers, circuit breakers, substation modifications, fire protection, fuel oil and natural gas systems, controls systems, pollution control systems, roads and buildings; essentially the entire project.

Discussion:

Since construction began there have been numerous additions and changes as system and sub-system specific information has become available and engineering design finalized. Proposed Change Order No. 2 to the General Construction Contract covers additions and changes. The total Change Order amount is \$283,515.99. Of that amount, \$71,076.99 is back charged to equipment suppliers (primarily GE) for changes or additions to their equipment. The actual Change Order cost to the Utilities Department is \$212,439. Each change has been reviewed and negotiated by our engineering consultants, Sargent and Lundy, and Utilities Department Staff.

Summary of Change Order No. 2:

1.Drain systems - The engineers standard design drain systems in several of the new buildings did not meet the City Building Code and were modified for compliance.

Cost: \$18,084.00

2.Electrical Transition Box - The GE standard cranking motor is a 5000v unit which would have required the purchase of two new 13,800v/5000v transformers and associated switch gears, estimated at \$40,000. The motor was changed to 480v to make it more compatible with our equipment and to avoid the purchase of 5000v transformers with switchgear. The lower voltage design required larger power cables which, in turn, required major modifications to the electric cable motor connections.

Cost: \$11,874.00

3.Additional concrete work for area access.

Cost: \$9,173.00

4.The General Construction Contract includes unit prices for contractor services during startup. The amount of contractor start-up support is not known at the time of contract

*award. It is billed based upon the unit prices provided, as used. The amount in Change Order #2 includes services through November 1st. Additional cost is anticipated.
Cost \$173,308.00*

*5.Back charges to General Electric.
Cost: \$71,076.99*

TOTAL: \$283,515.99

Recommendation:

It is the recommendation of the Utilities Department that Change Order No. 2 to the General Work

Contract be approved in the amount of \$283,515.99.

Fiscal Effects:

Expenditure of \$283,515.99 from Electric Fund 520, with back charge of \$71,076.99 to other contractors. There are sufficient funds available. The total project cost remains within original cost projections.

Alternatives:

None recommended. See attached RESOLUTION.

Staff Contact: Gary R. Mader



CHANGE ORDER #2

TO: The Industrial Company
2211 Elk River Road
P.O. Box 774848
Steamboat Springs CO 80477

Project: GENERAL CONTRACT WORK - CT ADDITION BURDICK
GENERATING STATION

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

1. Additional payment of the items listed on the attached spreadsheet.

ADD: \$283,515.99 and/or DELETE \$ _____

The original Contract Sum	<u>\$10,997,615.00</u>
Previous Change Order Amounts	<u>\$ 705,382.43</u>
The Contract Sum is increased by this Change Order	<u>\$ 283,515.99</u>
The total modified Contract Sum to date	<u>\$11,986,513.42</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: _____
Mayor

Date _____

Attest: _____

Approved as to Form, City Attorney

ACCEPTED: **TIC, THE INDUSTRIAL COMPANY**

By: _____

Date _____

R E S O L U T I O N 2002-372

WHEREAS, on December 4, 2001, by Resolution 2001-328, the City Council for the City of Grand Island awarded the bid for general contract work on combustion turbines at Burdick Station to The Industrial Company of Steamboat Springs, Colorado; and

WHEREAS, it has been determined that modifications to the work to be performed by The Industrial Company are necessary; and

WHEREAS, such modifications have been incorporated into Change Order No. 2; and

WHEREAS, the result of such modifications will increase the contract amount by \$283,515.99 of which \$71,076.99 is back charged to equipment suppliers for changes or additions to their equipment.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Mayor be, and hereby is, authorized and directed to execute Change Order No. 2, between the City of Grand Island and The Industrial Company of Steamboat Springs, Colorado to provide the following modifications:

	<u>Amount</u>
Modify drain systems to comply with Building Code.....	\$ 18,084.00
Modifications to electrical transition box.....	11,874.00
Additional concrete work for area access	9,173.00
Additional contractor start-up costs for General Construction Contract.....	173,308.00
Back charges to General Electric	71,076.99

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Adopted by the City Council of the City of Grand Island, Nebraska on December 3, 2002

RaNae Edwards, City Clerk

Approved as to Form	?
November 27, 2002	? City Attorney