



City of Grand Island

Tuesday, May 26, 2015

Council Session

Item G-4

#2015-132 - Approving Change Order #1 with Veolia North America for Precipitator, Bottom Ash and Boiler Industrial Cleaning - Spring, 2015 at Platte Generating Station

Staff Contact: Tim Luchsinger, Stacy Nonhof

Council Agenda Memo

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

Meeting: May 26, 2015

Subject: Change Order #1 - Precipitator, Bottom Ash and Boiler
Industrial Cleaning at Platte Generating Station – Spring
2015 Outage

Item #'s: G-4

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

Background

The electrostatic precipitator at the Platte Generating Station is the air quality control equipment used to remove coal ash particulates from the plant's boiler flue gas stream. Proper performance of this equipment is required as part of the plant's operating permit. Due to volume and characteristics of the coal ash, the precipitator must be grit blasted twice a year to remove ash build-up to allow the plant to remain below permitted emission levels. In addition to maintaining performance, removal of the ash deposits also allows an inspection of the precipitator internal surfaces and components.

The specifications were issued for bid and the contract was awarded by Council to the low responsive bidder, Veolia North America of Liberty, Missouri for \$207,140.10 on February 10, 2015 per Resolution 2015-31.

Discussion

The new Spray Dry Absorber (SDA) at the Platte Generating Station is the air quality control equipment used to remove acid gases from the plant's boiler flue gas stream. Proper performance of this equipment is required as part of the plant's future operating permit. During the Spring Outage, the SDA vessel and ductwork were inspected for the first time since running in the fall of 2014. Large quantities of ash and lime were found in the SDA hopper and ductwork. This required a major cleanout effort to restore the functionality and performance of the system.

Veolia proposed to perform the additional cleanout of the SDA, which was not part of the original scope, at an additional cost of \$57,161.50, for a total contract cost of \$264,301.60.

Veolia had all of the manpower and equipment on site to perform the additional work. This additional cost was based on unit pricing for services included in the original bid documents in the event of the addition or deletion of work scope by the contractor. It included vacuum services, hydro-blasting services and use of specialty three dimensional cleaning nozzles used specifically for cleaning the SDA vessel.

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 Veolia North America of Liberty, Missouri for the Precipitator, Bottom Ash and Boiler Industrial Cleaning at Platte Generating Station for an addition to the contract price of \$57,161.50.

Sample Motion

Motion to approve Change Order #1 from Veolia North America in the amount of \$57,161.50, for the Precipitator, Bottom Ash and Boiler Industrial Cleaning at Platte Generating Station.



Working Together for a Better Tomorrow. Today.

Change Order #1

TO: Veolia North America
2250 N. Church Road
Liberty, MO 64068
816-896-0079

PROJECT: Precipitator, Bottom Ash and Boiler Industrial Cleaning-Spring 2015 Outage

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

1 Additional payment per the attached spreadsheet.

ADD: \$57,161.50

The original Contract Sum	<u> \$207,140.10 </u>
Previous Change Order Amounts	<u> </u>
The Contract Sum is increased by this Change Order	<u> \$ 57,161.50 </u>
The Contract Sum is decreased by this Change Order	<u> \$ </u>
The total modified Contract Sum to date	<u> \$ 264,301.60 </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: Veolia North America

X By:  _____

Date 5/14/15 _____

City of Grand Island
 Utilities Department
 General Work Contract - Change Order
 Contract: 2015-31

Precipitator, Bottom Ash and Boiler Industrial Cleaning-Spring 2015 Outage

Comments: This additional work was identified during the Spring Outage.

Council Resolution 2015-31 awarded February 10, 2015

\$207,140.10

<u>Change Order Request</u>	<u>Description</u>	<u>Amount</u>
001-Labor	Additional cleaning to Spray Dry Absorber	\$57,161.50
002	Vacuum services	
003	Hydro work	
004	SDA clean	
005		
006		
007		
008		Tax
009		N/A
010		
011		
012		
013		
014		
015		
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	Total	\$57,161.50

RESOLUTION 2015-132

WHEREAS, Veolia North America of Liberty, Missouri, was awarded the contract for Precipitator, Bottom Ash and Boiler Industrial Cleaning – Spring, 2015, at Platte Generating Station, at the February 10, 2015 City Council meeting per Resolution 2015-3 in the amount of \$207,140.10; and

WHEREAS, during the Spring Outage, the Spray Dry Absorber (SDA) vessel and ductwork were inspected for the first time since running in the fall of 2014; and

WHEREAS, during this inspection, large quantities of ash and lime were found in the SDA hopper and ductwork and required a major cleanout effort to restore the functionality and performance of the system; and

WHEREAS, Veolia had all of the manpower and equipment on-site to perform the additional work based on unit pricing for services included in the original bid.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that Change Order #1 with Veolia North America, resulting in an additional cost of \$57,161.50, for a final contract price of \$264,301.60, is hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, May 26, 2015.

Jeremy L. Jensen, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
May 22, 2015	☐ City Attorney