



City of Grand Island

Tuesday, April 13, 2010

Council Session

Item G8

**#2010-100 - Approving Change Order #1 - On-Site Technical
Advisor for GT3 Combustion Inspection - Burdick Station**

Staff Contact: Gary R. Mader

Council Agenda Memo

From: Gary R. Mader, Utilities Director
Dale Shotkoski, City Attorney

Meeting: April 13, 2010

Subject: On-Site Technical Advisor for GT3 Combustion
Inspection - Change Order #1

Item #'s: G-8

Presenter(s): Gary R. Mader, Utilities Director

Background

Burdick Generating Station utilizes three steam turbines and three gas turbines for electrical generation. Gas Turbine 3 (GT3) is a General Electric Frame 6 turbine generator and was commissioned in 2003. Based on the hours of operation and the number of unit starts, the manufacturer recommended performing a combustion inspection. A combustion inspection includes dismantling and inspection of combustion path components such as fuel nozzles and combustion chambers and is needed to properly ensure proper combustion for unit performance, efficiency, and emission control. It is also used to determine any future repair work based on the manufacturer's recommendations. In performing turbine generator inspections of this scope, the Department utilizes technical advisors specializing in these services. The advisors work with plant management to schedule work activities, order replacement parts, and provide technical guidance to plant maintenance staff during the inspection. Plant staff developed specifications to solicit bids for technical advisors for this work which included requirements of experience and factory training for General Electric Frame 6 gas turbine generator combustion inspections. These specifications required a firm bid based on an estimated project schedule of two weeks, with unit pricing to adjust the total cost based on actual project duration. General Electric International was awarded the contract for the On-Site Technical Advisor for GT3 Combustion Inspection at the Council Meeting of December 15, 2009 in the amount of \$42,602.05.

Discussion

This was the first combustion inspection done on this unit and the initial contract time estimate of two weeks proved to be too optimistic. The combustion inspection of GT3

required an additional five days of technical advisor time to complete. The additional cost is \$12,800.00, per the contract unit pricing, for a final contract cost of \$55,402.05.

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 to the On-Site Technical Advisor for GT3 Combustion Inspection at the Burdick Generating Station for an addition to the contract price of \$12,800.00 to GE International.

Sample Motion

Move to approve Change Order #1 with GE International for the On-Site Technical Advisor for GT3 Combustion Inspection for an additional amount of \$12,800.00.

**INTEROFFICE
MEMORANDUM**



*Working Together for a
Better Tomorrow. Today.*

TO: General Electric International
222 South 15th Street, #232
Omaha, NE 68102
Attn: John Kottmann

PROJECT: On-site Technical Advisor for GT3 Combustion Inspection Contract Change Order
- Burdick Generating Station

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

1 Additional payment per the attached spreadsheet.

ADD: \$12,800.00

The original Contract Sum	<u>\$42,602.05</u>
Previous Change Order Amounts	<u>\$0.00</u>
The Contract Sum is increased by this Change Order	<u>\$12,800.00</u>
The Contract Sum is decreased by this Change Order	<u>\$</u>
The total modified Contract Sum to date	<u>\$55,402.05</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: MIDWEST TOWERS, INC.

By: _____

Date _____

On-Site Technical Advisor for GT3 Combustion Inspection

Comments: This additional work was identified after the inspection started.

Contract: General Electric International

\$42,602.05

<u>Change Order Request</u>	<u>Description</u>	<u>Amount</u>
001	Engineering and design-additional 5 days	\$12,800.00
002		
003		
004		
005		
006		
007		
008		
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011		
012		
013		
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	Total	\$12,800.00

RESOLUTION 2010-100

WHEREAS, General Electric International was awarded the contract for On-Site Technical Inspection at the December 15, 2009 City Council meeting; and

WHEREAS, the specifications required a firm bid based on an estimated project schedule of two weeks, with unit pricing to adjust the total cost based on actual project duration; and

WHEREAS, the combustion inspection of GT3 required an additional five days of technical advisor time to complete, at an additional cost of \$12,800.00 per the contract pricing, for a final contract cost of \$55,402.05.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that Change Order #1 with General Electric International resulting in an additional cost of \$12,800.00 for a final contract price of \$55,402.05, is hereby approved.

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Adopted by the City Council of the City of Grand Island, Nebraska, April 13, 2010.

Margaret Hornady, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
April 8, 2010	☐ City Attorney