



CHANGE ORDER(s)

CONTRACT CHANGE ORDER AUTHORIZATION NO. 30

DATED 9/6/2015

FILED WITH CONTRACT # 23336

(COVANTA ENERGY LLC)

**OFFICE OF THE CITY MANAGER
CITY OF LONG BEACH
LONG BEACH, CA 90802**

Change Order No. 30

Date: September 6th, 2015

Contract No. 23336

Contractor: Covanta Energy, LLC

Project: SERRF

Program No.: GOELAD

Prior Change Orders: See Attachment 1.

This Change Order:

\$ 1,296,900

The Purchase of Property and Boiler and Machinery Insurance

BACKGROUND

This Contract Change Order is issued in accordance with provisions set forth in the subject Contract with reference to the following facts:

1. Section 4.3 of the Contract to operate provides for reimbursement for all costs approved by change order.
2. The purchase of property and boiler and machinery insurance is required under the terms of the Southeast Resource Recovery Facility (SERRF) revenue bonds and lease. The insurance is currently provided through Covanta.
3. The proposed property insurance will be provided through Covanta Energy, LLC and will include property, mechanical breakdown, business interruption, flood, and earthquake coverage.
4. By including SERRF in its group insurance portfolio, Covanta Energy, LLC offers competitive pricing while limiting exposure. The policy premium, which covers the period of October 20, 2015 to October 20, 2016, will not exceed \$1,296,900.

SCOPE OF THE CHANGE ORDER

The change order covers the purchase of insurance and will be provided by Covanta Energy, LLC, the SERRF facility operator. The insurance will provide property, mechanical breakdown, business

interruption, flood, and earthquake coverage.

SCHEDULE

It is estimated that the above-mentioned work will be completed within 30 days of the change order approval.

COST OF CHANGE ORDER

The cost for the above-mentioned scope has been estimated as follows:

• Cost of Insurance	\$ 1,179,000
Subtotal:	\$ 1,179,000
• Contingency (10.0% of Subtotal)	\$ 117,900
Total:	<u>\$ 1,296,900</u>

NO OTHER CHANGES

1. Except as specifically enumerated above, all other terms and provisions of the subject contract shall remain unchanged. The execution and delivery of this Change Order by the Contractor and the City shall not in any manner prejudice the rights which the Owner, the City or the Contractor may have to pursue any other claims which such party may have against the other, other than those claims which are the subject of the Change Order.

Charles R. Tripp 9/17/15
Date
Charles R. Tripp
Electric Generation Bureau
Manager

Derek Veenhof 9/17/15
Date
Derek Veenhof
Executive Vice President

acting Edward Danell 9/19/15
Date
Christopher J. Garner
Director Long Beach
Gas & Oil Department

T. B. Miller 9/30/15
Date
City Manager
Assistant City Manager

EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER

EXECUTED PURSUANT
TO SECTION 301 OF
THE CITY CHARTER.

Approved as to form this 16th day of September, 2015

Charles Parkin
City Attorney
By [Signature]
Deputy

- Distribution:
Original - City Clerk
City Auditor
City Attorney
Manager, Electric Generation Bureau
Financial Management, Accounting
Financial Management, Payments
General Manager, SERRF Authority
Plant Manager, Covanta Long Beach
Business manager Covanta Long Beach

ATTACHMENT 1**Prior Change Orders:**

1) Capital Improvement	\$500,000	Flyash Treatment Transfer Conveyor & Cement Transfer Screw Conveyor Installation.
2) Capital Improvement	\$ 86,000	Landscaping-Variou Areas Dust control
3) Capital Improvement	\$ 29,000	Landscaping-Cooling Tower Area Dust control
4) Capital Improvement	\$409,399	3 rd Pass Boiler Flyash Removal System
5) Pass-thru (spare parts)	\$108,816	Inventory Increase-Spare Motors
6) (a) Capital Improvement	\$179,375	Refuse Driver's Restroom Construction
(b) Base Operating Fee	\$ 43,305	Annual Costs in June 1993 Dollars Maintenance of Refuse driver's Restroom
7) (a) Capital Improvement	\$120,779	MACT Compliance
(b) Operations & Maint.	\$ 35,650	One time costs-Title V & Health Risk Assessment.
(c) Base Operating Fee	\$ 97,548	Additional Operations Costs (in 1993 dollars) Per Year
8) Capital Improvement	\$ 63,200	Underground Diesel Storage Tank Modification
9) Capital Improvement	\$264,833	MSW Drying Gas Burner Installation
10) Capital Improvement	\$261,708	Steam Blowing System and Service Platform Installation
11) (a) Capital Improvement	\$442,747	MSW Drying Gas Burners Installation

(b) Spare Parts	\$ 22,458	MSW Spare Parts for Gas Burners
12) Capital Improvement	\$303,480	Installation of NOx Reduction System with Minimal Ammonia Slip
13) Capital Improvement	\$104,500	Build and Maintain a Training Room
14) Capital Improvement	\$425,150	Install Photovoltaic System
15) Capital Improvement	\$ 28,875	Install Crane Deck Restroom
16) Capital Improvement	\$108,649	Upgrade COMS
17) Capital Improvement	\$190,596	Security Cameras
18) Capital Improvement	\$281,630	PV Demo Project Modification
19) Capital Improvement	\$255,596	Performance Improvement Work – Group 1 Design
20) Capital Improvement	\$153,891	Performance Improvement Work – Group 1 Implementation
21) Capital Improvement	\$556,292	Fueltech Demonstration Test – Urea System
22) Change of Law	\$ 47,225	AB 32 Implementation & Climate Exchange Registry
23) Change of Law	\$ 41,344	New SCAQMD CEMS for SERRF (NO2 Channel and NO2 Calibration)
24) Capital Improvement	\$190,250	Training Building Upgrade
25) Capital Improvement Change of Law	\$991,507	Reduction of Mercury Emission in Refuse-Burning Power Plant – (Carbon Injection System)
26) Capital Improvement	\$ 15,000	Engineering for a potential Ferrous and Non Ferrous Metal recovery System

27) Capital Improvement	\$ 58,436	Fire Protection Upgrades Required Due to New Fire Protection Codes on Elevator Refurbishing
28) Insurance	\$1,296,900	Purchase of property insurance provided by Contractor
29) Capital Improvement	\$ 550,000	Covers actual costs for the purchase of powder activated carbon, parts, and outside labor related expenses