

CHANGE ORDER(s)

AND /OR

LETTER(s) OF EXTENSION

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**CONTRACT CHANGE ORDER AUTHORIZATION NO. 32
DATED SEPTEMBER 19, 2017**

FILED WITH CONTRACT #23336

(COVANTA ENERGY LLC)

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

Change Order No. 32

Date: September 19th, 2017

Contract No. 23336

Contractor: Covanta Energy, LLC

Project: SERRF

Program No.: GOELAD

This Change Order:

Prior Change Orders: See Attachment 1.

\$ 1,699,251

Facility End of Equipment Life Replacement

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 City and Covanta have amended the contract to operate SERRF through June 30th, 2024.
3. This work is identified in the City commissioned independent condition assessment report for SERRF as end of equipment life replacement.
4. The Ash Discharger's and Bottom Ash Conveyor at SERRF have required substantial repair over the past few years and are in need of major upgrades for the facility to operate through 2024. This scope will include the replacement of all three Ash Dischargers and a substantial upgrade to the bottom ash conveyor system.
5. The Operator will solicit contractor proposals and administer scope of work required on the two major projects. This will include design, equipment, fabrication, testing, and all other related replacement and maintenance relative to the projects attached.
6. City will have input and final approval on scope of work or any changes to projects during

implementation.

7. Covanta will share 25% of the total project costs and this specific work will not be included in the minimum major maintenance and replacement budget.

SCOPE OF THE CHANGE ORDER

The change order is intended to cover all the costs related to the two major projects outlined in this Change order.

SCHEDULE

It is estimated that the above-mentioned work will be completed within eighteen (18) months of the change order approval.

COST OF CHANGE ORDER

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

Ram Replacement

- 3 New Dischargers/Rams \$612,698 + shipping (\$13,000)
- Installation of Dischargers/Ram \$300,000 total (\$100,000 per unit)
- Platform Modifications after install \$125,000

Estimate for Ram Replacement: \$1,050,698

Bottom Ash Conveyor Upgrade

- Slip Stick Conveyor \$314,000
- Demo & Installation \$495,000
- Ash House Grizzly & Vibrator Mods \$200,000

Estimate for Bottom Ash Upgrades: 1,009,000

Subtotal: \$ 2,059,698


- Contingency (10.0% of Subtotal) \$ 205,970
- Projects total: \$ 2,265,668
- Covanta investment (25% of approved costs), not to exceed: \$ 566,417

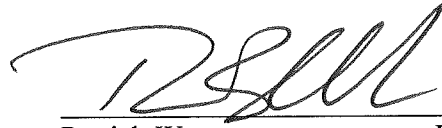

Total: \$ 1,699,251

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.

 9/28/17  Sep 22/17
 Charles R. Tripp Date Derek Veenhof Date
 Electric Generation Bureau Executive Vice President
 Manager

 10/5/17
 Robert Dowell Date
 Director Long Beach
 Gas & Oil Department

 10/11/17
 Patrick West Date
 City Manager

 Assistant City Manager

EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.

~~Approved as to form this _____ day of _____, 2017~~

APPROVED AS TO FORM

10-2, 2017

CHARLES PARKIN, City Attorney

By  _____
 AMY R. WEBBER
 DEPUTY CITY ATTORNEY

City Attorney

By _____
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

BY _____
AMY R WEBBER
DEPUTY CITY ATTORNEY

CHARLES PARKIN, City Attorney
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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	\$1,372,525	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
30) Insurance	\$1,296,900	Purchase of property insurance provided by Contractor
31) CAISO Conversion Project	\$125,000	CAISO conversion for SERRF 2018