



CHANGE ORDER(s)

AND /OR

LETTER(s) OF EXTENSION

--

**CONTRACT CHANGE ORDER NO. 038
DATED APRIL 2020**

FILED WITH CONTRACT #23336

(COVANTA ENERGY LLC)

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

Change Order No. 38
Contract No. 23336
Project: SERRF

Date: April 2020
Contractor: Covanta Long Beach Renewable Energy Corp.

This Change Order:
\$592,000

Program No.: GOELAD
Prior Change Orders: See Attachment 1.

Capital Improvement – Slipstick Extension and Enhanced Metals Recovery

BACKGROUND

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

1. In order to improve the bottom ash handling area of the facility, an extension to the slipstick is needed. This will greatly improve cleanliness of the area, as well as provide better throughput to the facility when compared to the current process.
2. With the extension in place, a refurbished ferrous recovery system will then be installed to directly pull ferrous metals out of the bottom ash stream. This will improve recovery over the current system.
3. The City and Contractor have agreed to fund the projects with the City funding \$592,000, and the Contractor funding the balance of \$290,000 for the total estimated project cost of \$882,000.
4. After installation of the improved ferrous system, the City will receive 100% of the monthly ferrous revenue after costs until its investment is recouped. Thereafter, the Contractor will receive 100% of the monthly ferrous revenue after costs until its investment is recouped.
5. After the City and Contractor have recouped their respective investments, the share will return to a 50%/50% split after costs.

SCOPE OF THE CHANGE ORDER

The change order is intended to cover the investment the City and Contractor will make into the slipstick extension and ferrous metals improvement project, as well as the respective parties' investment payback. The City will receive their investment first by receiving 100% of the monthly ferrous revenue after costs until its investment of \$592,000 is paid back. The Contractor will receive 100% of the ferrous revenue thereafter to recoup its \$290,000 investment.

The City's share of this project is limited to \$592,000.

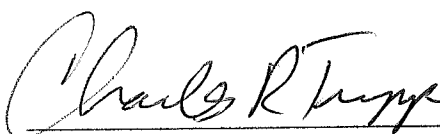
COST OF CHANGE ORDER

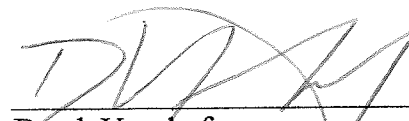
The Cost of the Change Order to the City of Long Beach has been estimated based on prior experience at \$592,000 for outside services.


Slip Stick Extension, Ash House Modifications, Metals Recovery	
– New Slip Stick and Installation	\$210,000
– Demolition & Ash House Modifications	\$165,000
– New Flyash & Cement Conveyors	\$80,000
– Engineering & Controls	\$85,000
– Magnet	\$195,000
<u>Sub-Total</u>	<u>\$735,000</u>
Contingency (20%)	\$147,000
<u>Total Project Cost</u>	<u>\$882,000</u>
Covanta Capital	\$(290,000)
<u>Total Ask to COLB</u>	<u>\$592,000</u>

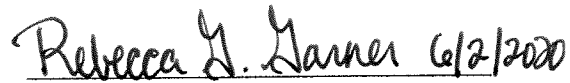
NO OTHER CHANGES

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

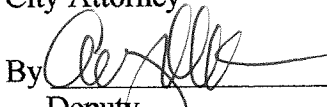
 5/27/20
 Charles R. Tripp Date
 Electric Generation Bureau
 Manager

 4/30/20
 Derek Veenhof Date
 Executive Vice President

 5/27/20
 Robert Dowell Date
 Director Long Beach
 Gas & Oil Department

 6/2/2020
 Tom Modica Date
 City Manager
 EXECUTED PURSUANT
 TO SECTION 301 OF
 THE CITY CHARTER

Approved as to form this 20th day of May, 2020

 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

ATTACHMENT 1**Prior Change Orders:**

1) Capital Improvement & Cement Transfer Screw Conveyor	\$500,000	Flyash Treatment Transfer Conveyor Installation.
2) Capital Improvement	\$ 86,000	Landscaping-Various 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 Construction	\$179,375	Refuse Driver's Restroom
(b) Base Operating Fee Maintenance of Refuse driver's	\$ 43,305	Annual Costs in June 1993 Dollars Restroom
7) (a) Capital Improvement	\$120,779	MACT Compliance
(b) Operations & Maint. Risk Assessment.	\$ 35,650	One time costs-Title V & Health
(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 by Contractor	\$1,372,525	Purchase of property insurance provided
29) Capital Improvement	\$ 550,000	Covers actual costs for the purchase of powder activated carbon, parts, and outside labor related expenses
30) Insurance by Contractor	\$1,296,900	Purchase of property insurance provided

31) CAISO (QF) Conversion	\$140,070	Install and prep for CAISO / QF
32) Bottom Ash		(Terminated)
33) Scheduling Coordinator	\$449,220	Covers Costs related to the scheduling coordinators requirements and associated service orders.
34) RA Capacity	\$1,000,000 – \$1,500,000	Estimated Revenue per year, 75% to the City and 25% to Covanta
35) RA Capacity Extension	\$0	Extension of authority to contract SERRF RA
36) Cap and Trade Allowances	\$2,250,071	Purchase of Allowances for SERRF
37) SERRF AB2588 Support	\$90,000	Prep of report for AQMD per AB2588