

**FOR BOARD ACTION**

Agenda Item # 7.b.

Meeting Date:

1/31/06

**SUBJECT:**

General Construction RPU Steam Supply Project Contract 02-28-C  
Change Order 005

**PREPARED BY:**

Wally Schlink, Director of Power Resources

**ITEM DESCRIPTION:**

Background: In May, 2001 RPU staff presented the initial project concept of a steam supply project to the RPU Utility Board for consideration. In June, 2001 the Board approved the project at their regularly scheduled Board meeting. At that time the commercial operation of the project was anticipated to be December, 2002.

On October 29, 2002 the RPU Utility Board approved a contract with Knutson Construction Services for the installation of a high pressure steam supply and condensate return system connecting the Silver Lake Plant with the Prospect Utility Plant portion of the project. The initial value of the approved contract was \$4,580,000. The contracts were signed in January 2003 with the anticipation that construction was to begin in the early spring of 2003 and substantial completion was to be by November 14, 2003.

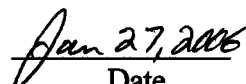
Due to the delay in the start in construction, increases in the cost of procurement of materials and changes in the scope of work there have been various change orders to the contract requested and approved. The contract history is in the following table.

Action	Date Submitted	Cost	Adjusted Contract Total
Original Contract	October 2002	\$4,580,000	
Change Order 001	September 2004	\$1,305,950	\$5,885,950
Change Order 002	April 2005	\$100,726	\$5,986,676
Change Order 003	July 2005	\$94,279	\$6,080,955
Change Order 004	October 2005	\$316,387	\$6,397,342
Change Order 005	January 2006	\$273,511	\$6,670,853

RPU Change Order 005 is being presented for additions to the scope and field adjustments that are required. The total being requested in Change Order 005 is \$273,511.

These changes are connected to the portion of the project that is a "pass through" cost and will be recovered as incurred from the end customer.

  
General Manager

  
Date

2 of 2  
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Attached is the recommendation from Stanley Consultants and the support documentation which specifically defines the changes and related costs.

**UTILITY BOARD ACTION REQUESTED:**

Staff recommends that the Utility Board approve RPU Change Order 005 to the contract with Knutson Construction Services in the amount of \$273,511 for the General Construction RPU Steam Supply Project. This brings the total amount of the contract to \$6,670,853.

\_\_\_\_\_  
General Manager

\_\_\_\_\_  
Date



A Stanley Group Company  
Engineering, Environmental and Construction Services - Worldwide

January 10, 2006

Tom Williamson  
Rochester Public Utilities  
4000 East River Road NE  
Rochester, MN 55906-2813

Dear Mr. Williamson:

Subject: RPU Steam and Condensate Project Change Order Packet 3-010

The following proposals have been received by Stanley Consultants:

PCO Number	Project Number	Description	Amount
PCO-048	3-045	Relocate Vault 2	\$ 5,766.00
PCO-037	3-049	Vault 8 Revision - Interference with 48" Storm Sewer	\$ 30,874.00
PCO-045	3-051	City Water Department Directed Broadway Mod	\$ 650.00
PCO-055	3-052	Asphalt At Collins Feed	\$ 7,544.00
PCO-081	3-062	Sanitary Sewer @ Oakridge Apartments	\$ 3,925.00
PCO-082	3-064	Manhole @ Second Avenue and Sixth Street NW	\$ 1,752.00
PCO-061	3-065	Anchor Block 4 Modification	\$ 798.00
PCO-080	3-067	Mayo Warehouse Sanitary Sewer Service	\$ 1,194.00
PCO-079	3-069	Reroute of Sanitary Service	\$ 4,749.00
PCO-084	3-071	Sidewalk and Curb Issues	\$ 558.00
PCO-075	3-074	Additional Storm Sewer Manhole	\$ 764.00
PCO-085	3-078	Collins Feed Curb Modification	\$ 1,773.00
PCO-070	3-081	Remove Two Additional Trees on Sixth Street NW	\$ 1,462.00
PCO-076	3-082	Remove Duct Bank at N78618	\$ 1,430.00
PCO-089	3-083	Catch Basin 7 Modification	\$ 35,626.00
PCO-078	3-084	Delete Catch Basin 5	\$ (716.00)
PCO-077	3-085	Demo Pedestrian Ramps	\$ 502.00
PCO-086	3-086	Alley Approach Between Lot 11 and Lot 33 on 6th St.	\$ 528.00
PCO-088	3-088	Extend Second Avenue South	\$ 3,069.00
PCO-091	3-092	Splash Blocks at WTB	\$ 247.00
PCO-083	3-084	Duct Bank at Vault 4	\$ 2,663.00
PCO-090	3-095	Communication Conduit in Substation	\$ (940.00)
PCO-087	3-096	Bituminous Patch at Mayo Warehouse	\$ 1,621.00

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Tom Williamson  
August 23, 2005  
Page 2

PCO-074	3-097	Vault 6 Manhole Cover Modification	\$ 1,492.00
PCO-073	3-098	Rock Excavation	\$ 146,280.00
PCO-033	3-099	Civic Center Drive Work (Aggress Schedule)	\$ 19,900.00
		<b>Total Amount of Change Orders</b>	<b>\$ 273,511.00</b>

After review of the above proposals, it is the recommendation of Stanley Consultants that these proposals be accepted as additions to the contract documents and Knutson Construction Services contract for the RPU Steam and Condensate Project be increased an additional \$ 273,511.00.

Sincerely,

Stanley Consultants, Inc.

Gary L. Phillips  
Sr. Resident Project Representative

Enclosure(s): KCS Proposed Change Order 48  
KCS Proposed Change Order 37  
KCS Proposed Change Order 45  
KCS Proposed Change Order 55  
KCS Proposed Change Order 81  
KCS Proposed Change Order 82  
KCS Proposed Change Order 61  
KCS Proposed Change Order 80  
KCS Proposed Change Order 79  
KCS Proposed Change Order 84  
KCS Proposed Change Order 75  
KCS Proposed Change Order 85  
KCS Proposed Change Order 70  
KCS Proposed Change Order 76  
KCS Proposed Change Order 89  
KCS Proposed Change Order 78  
KCS Proposed Change Order 77  
KCS Proposed Change Order 86  
KCS Proposed Change Order 88  
KCS Proposed Change Order 91  
KCS Proposed Change Order 83  
KCS Proposed Change Order 90  
KCS Proposed Change Order 87  
KCS Proposed Change Order 74  
KCS Proposed Change Order 73  
KCS Proposed Change Order 33

**Tom Williamson**  
**August 23, 2005**  
**Page 3**

**cc: Mr. Derek O'Connor, KCS**  
**Mr. Mark Henthorn, SCI**  
**Mr. Mark Browning, Mayo**

GLP:glp







## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve Change Order No. 005 to the General Construction RPU Steam Supply Project Contract 02-28-C between Rochester Public Utilities and Knutson Construction Services in the amount of \$273,511.00. This brings the total amount of the contract to \$6,670,853.00.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 31<sup>st</sup> day of January 2006.

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President

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Secretary