

## FOR BOARD ACTION

Agenda Item # 10.

Meeting Date: 2/28/06

**SUBJECT:** General Construction--Silver Lake Plant Modification Project Contract 03-23-E  
Change Order 005

**PREPARED BY:** Tom Williamson, Sr. Mechanical Engineer

### ITEM DESCRIPTION:

The Mayo steam system has been operating at reduced pressure since the initial start up. The style of pressure relief valve provided does not allow enough margin between the initial lifting pressure and the operating pressure of the system. In order to correct the problem, a different type of pressure relief valve will be required. In addition to the two new valves, a small electrically operated relief valve will be installed to minimize the number of operations of the main relief valves.

Over the past few weeks, we have investigated several solutions and are now bringing the details to the Board. The change exceeds the contract contingency so approval is required before an Instruction to Contractor can be issued.

The estimated cost is \$162,000. Final adjustments to the cost will be made through the contract contingency fund.

The contract is nearing completion and this change order may delay final close out for 4 to 6 months. It is requested that the retainage be reduced at the appropriate time so RPU is not holding retainage on the complete project for this specific change order.

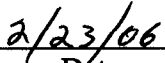
The required changes will be recovered through the steam rate.

A summary of previous change orders was presented in January 2006.

### UTILITY BOARD ACTION REQUESTED:

Staff recommends that the Utility Board approve RPU Change Order 005 to the contract with Himec Inc. in the amount of \$162,000 for the General Construction Silver Lake Plant Modifications Project. This brings the total amount of the contract to \$3,551,718.

  
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General Manager

  
\_\_\_\_\_  
Date

**ROCHESTER PUBLIC UTILITIES**

February 22, 2006

Mr. Walter Schlink  
Manager of Power Production  
Rochester Public Utilities  
4000 East River Road NE  
Rochester, MN 55906-2813

Dear Mr. Schlink:

**Subject:** Installation of new Pressure Safety Valves (PSVs) and Electronic Relief Valve (ERV) associated with the RPU-Mayo Steam Export Project. SCI Project No. 15505.03/07

This letter documents an additional scope item as requested by Rochester Public Utilities for their Silver Lake Plant to be included during the modifications required for the RPU to Mayo Foundation steam export project.

**Scope Modification: Install two PSVs and one ERV in the export steam header within Silver Lake Plant**

Install two PSVs and one ERV in the export steam header within Silver Lake Plant to allow for higher operating and delivery steam pressure to Prospect Plant. Modify steam header to accept the new Electronic Relief Valve and install new vent through roof with silencer. Install new monorails above the two PSV valves and one ERV valve to assist in future maintenance of these valves.

We request that the construction contract ceiling be increased \$162,000 to incorporate the above item. A break down of costs is enclosed. If you have any questions, please give me a call at 563.264.6474.

Sincerely,

Stanley Consultants, Inc.



Mark Henthorn  
Project Manager

Enclosures

cc: Mark Browning  
Russ Price  
Files 15545.02

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This document was sent electronically

**RPU Silver Lake Plant Modifications - General Construction**

2/21/2006

**Change Document: Install two PSVs and one ERV in the export steam header within SLP.**

Item	Material	Labor	
OES 01PSV 6"x8" valve	\$ 17,598		
7% sales tax	\$ 1,232		
15% S&H	\$ 2,500		
OES 02PSV 6"x8" valve	\$ 17,598		
7% sales tax	\$ 1,232		
15% S&H	\$ 2,500		
OES 01ERV 2" valve w/ actuator, control panel and isolation valve	\$ 30,500		
7% sales tax	\$ 2,135		
15% S&H	\$ 3,900		
Install OES 01PSV Pipefitter crew		\$ 500	
		\$ 2,080	
Modify vent through roof @ valve		\$ 1,000	
Insulation repair	\$ 100	\$ 520	
Install overhead monorail steel W8x18	\$ 900	\$ 3,120	
Reroute lighting conduit and conductor	\$ 100	\$ 1,040	
Modify platform grating		\$ 250	
Install OES 02PSV Pipefitter crew		\$ 500	
		\$ 2,080	
Modify vent through roof @ valve		\$ 1,000	
Insulation repair	\$ 100	\$ 520	
Install overhead monorail steel W8x18	\$ 1,800	\$ 3,120	
Modify platform grating		\$ 250	
Install OES 01ERV Pipefitter crew			
Modify 8" header with weldolet and flange	\$ 500	\$ 2,500	
New 10" vent pipe through roof	\$ 3,000	\$ 3,100	
Roof penetration/roofing flashing etc.	\$ 250	\$ 3,000	
Sound Attenuator	\$ 6,000	\$ 5,000	
Remove insulation / Reinstall insulation	\$ 100	\$ 1,000	
Modify platform grating		\$ 250	
Conduit and wiring for control Panel	\$ 2,000	\$ 5,200	
Controls Modifications		\$ 2,000	
Misc. Materials Sales Tax	900		
	<u>\$ 94,945</u>	<u>\$ 38,030</u>	\$ 132,975
Contractor OH&P 15%			\$ 19,946
Owner's Contingency 6%			\$ 9,175
			<u>\$ 162,000</u>



## 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 Silver Lake Plant Modifications Project Contract 03-23-E between Rochester Public Utilities and Himec Inc. in the amount of \$162,000.00. This brings the total amount of the contract to \$3,551,718.00.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 28<sup>th</sup> day of February 2006.

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President

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Secretary