



## Legislation Text

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**File #:** ID 15-0292, **Version:** 1

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Resolution Authorizing Change Order in the Amount of \$1,486,000 to Contract No. 2012-102 with Haren Construction Company for Installation of a Wet Scrubbing Emission Control System with Integrated Mercury Removal Modules for the T.Z. Osborne Water Reclamation Facility

Department: Water Resources  
Council District: 2

Public Hearing: N/A  
Advertising Date/By: N/A

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### **PURPOSE:**

Water Resources is requesting a contract change order to the T. Z. Osborne Water Reclamation Facility (WRF) Incinerator #1 Rehabilitation Contract 2012-102 in order to install a new EnviroCare International Wet Scrubbing Emission Control System with Integrated Mercury Removal Modules. In order for the additional work to proceed, approval for a contract change order is requested.

### **BACKGROUND:**

Contract 2012-102 was approved by City Council on February 4, 2014. The contract was awarded to Haren Construction Company, Inc. in the amount of \$5,262,000.00. The contract called for repairing Incinerator #1 by adding a new heat exchanger, new refractory-lined shell, and new refractory lined exhaust duct work. The contract also included repairs to the solids handling building's south wall where the incinerators are located.

In order to meet the Environmental Protection Agency's new source performance standards and emission guidelines for new and existing Sewage Sludge Incinerator (SSI) units, City Council approval was obtained on December 2, 2014 to sole source the purchase of a wet scrubbing system from EnviroCare International. The regulations, as currently set forth, set a time limit of March 21, 2016 for demonstrating emissions compliance. Consequences of not being in compliance by this date could include potential fines, a requirement to shut down the system, or other legal consequences.

With Haren Construction Company currently onsite and under contract to repair the #1 Incinerator at the TZO WRF, having them install the new system in order to meet the March 21, 2016 compliance deadline was the most efficient approach identified, in part due to reduced mobilization costs. In addition, liability issues can arise when two different contractors are hired to work on the same piece of equipment at the same time.

Haren Construction Company has committed to the following M/WBE subcontracting goals for this work: **MBE 0.9%** and **WBE 1.4%**. This is slightly different from the MBE commitment of 0.7%, and WBE commitment of 2.9% on the original contract. The M/WBE office has reviewed the commitment for this work, and a letter of approval is

attached.

**BUDGET IMPACT:**

Funds in the amount of \$1,486,000 are budgeted in the Water Resources Capital Projects account 515-7056-01.6019 A14105. A budget adjustment is necessary to use this account.

**RECOMMENDATION / ACTION REQUESTED:**

The Water Resources Department recommends and requests that City Council adopt a resolution authorizing change order number 1 to contract 2012-102 for \$1,486,000 in order to install a new wet scrubbing emission control system at the TZ Osborne Water Reclamation Facility, and the associated budget adjustment.