

COUNCIL ACTION FORM

SUBJECT: CHANGE ORDER 1 - UNIT #7 PIPING INSPECTION

BACKGROUND:

On February 6, 2017, staff issued a purchase order to M & M Engineering Associates, Inc. (M & M) in the not-to-exceed amount of \$49,700. The initial scope of work was for M & M to perform remote inspection of the Unit 7 Boiler feedwater and main steam piping, via non-destructive examination testing, for areas of thinning and flow accelerated corrosion. This work will provide analysis to staff on the current status of the Unit 7 boiler/feedwater piping and will provide proper recommendations for preventative maintenance countermeasures. The goal is to prevent future leaks and catastrophic failures in plant high pressure piping. These failures/leaks could result in unplanned plant outages, large equipment failures, and leads to large safety concerns.

Staff has determined that the scope of work for M & M needs to increase to include an inspection of the Unit 7 superheat and headers to the boiler feedwater piping. Inspections of these headers will provide information on the condition of the Unit 7 boiler headers for the Unit 7 boiler tube upgrade project scheduled for later this year. (The boiler tube upgrade project is to replace the Unit 7 boiler superheats and boiler tubes which have been deteriorating at an accelerated rate; causing unplanned Unit 7 outages, excessive maintenance and increased financial resources.)

Inspecting the boiler headers will provide the necessary information to determine if the headers are in good working condition or if they should be replaced during the tube replacement project. It is likely that the headers are in good shape; however it would be beneficial to understand the condition of the piping headers at this phase of the project so that they can be incorporated into the Unit 7 boiler tube repair scope of work, if necessary.

This change order will add an additional \$13,200 to the purchase order, bringing the total order amount to \$62,900. Funds for the purchase of this service are available from the approved FY 2016/17 Unit #7 Boiler Tube Repair project which includes \$3,844,850.

ALTERNATIVES:

1. Approve contract Change Order No. 1 to M & M Engineering Associates, Inc., Leander, TX, in the amount of \$13,200 for a total amount of \$62,900, which will include inspection of the Unit 7 boiler tube piping headers.
2. Reject contract Change Order No. 1 and delay this needed service.

MANAGER'S RECOMMENDED ACTION:

The inspection of the Unit 7 boiler tube headers is critical to ensure that the all boiler tube components are considered to be in good condition, for continued reliable operation of the power plant. To ensure success that the boiler tube upgrade project returns the unit 7 boiler to “like-new” condition for reliability, the information gathered from this inspection is important. Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1 as stated above.