



Council questions and staff responses for items on November 21, 2022 City Council Meeting

8.3. Presentation, discussion, and possible action regarding approval of a Change Order to a Contract with Schweitzer Engineering Laboratories (SEL) for an increase of \$21,645.17 for a new not-to-exceed amount of \$516,645.17.

Question:

I see where the Spring Creek Substation has sustained two change orders resulting in an approximate 30% increase in the contract cost and approximately two years in additional time to complete.

1) Is this correct? 2) If so, why?

3) Mostly unrelated question: a) are any of our substations upgradable to receive the installation of a combined-cycle generator? B) if so, when we do significant work on these potentially upgradable substations, are we planning for potential future power generation?

Response: I see where the Spring Creek Substation has sustained two change orders resulting in an approximate 30% increase in the contract cost and approximately two years in additional time to complete.

1) Is this correct?

No. The Spring Creek Substation project bid was accepted in March of 2021 and the project was completed on time and on budget in February of 2022. Consent Agenda Item 8.3 is related to a 3 year “not to exceed” \$400,000/year contract with SEL, a current CSU contractor who, along with other scheduled engineering relay related compliance work, was assigned relay related work for the substation. The first change order was to cover the estimated cost of adding this work to SEL’s contract and to extend the contract to the end of construction. Because of additional work involved in the commissioning of the substation, the contract amount was exceeded. Hence, the second change order.

2) If so, why? – N/A

3) Mostly unrelated question: a) are any of our substations upgradable to receive the installation of a combined-cycle generator? B) if so, when we do significant work on these potentially upgradable substations, are we planning for potential future power generation?

No. A combined-cycle generator is essentially a power plant with gas supply, cooling, and other requirements. Anything generating over 10MW requires us to be classified as a “Generator”, which

requires significant NERC and ERCOT compliance. Our substations are not designed structurally, big enough physically, or located in areas zoned to handle a power generation station.

