



## Legislation Text

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File #: 2022-553, Version: 1

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### Proposed Amendment No. 1

#### Contract No. 2100998

#### East Avon Early Works Pipe Material Procurement for the 96-Inch Water Transmission Main Relocation Project

CIP #122004 / BCE Score: 77.50

Agenda of: December 14, 2022

Item No.: **2022-553**

Amount:	Original Contract	\$2,843,263.00
	Proposed Amendment No. 1	6,394,320.00
	Total Revised Contract	\$9,237,583.00

**TO:** The Honorable  
Board of Directors  
Great Lakes Water Authority

**FROM:** Suzanne R. Coffey, P.E.  
Chief Executive Officer  
Great Lakes Water Authority

**DATE:** December 2, 2022

**RE:** **Proposed Amendment No. 1**

**Contract No. 2100998**

**East Avon Early Works Pipe Material Procurement for the 96-Inch Water Transmission Main Relocation Project**  
**Vendor: Northwest Pipe Company**

### MOTION

Upon recommendation of Cheryl Porter, Chief Operating Officer - Water and Field Services, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. 2100998 Proposed Amendment No. 1 "East Avon Early Works Pipe Material Procurement for the 96-Inch Water Transmission Main Relocation Project" with Northwest Pipe Company, at an increased cost of \$6,394,320.00 for a total cost not to exceed \$9,237,583.00 and an increased duration of 12 months for a total duration of 24 months;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent

of this vote.

### **BACKGROUND**

GLWA's Water Engineering Group is overseeing the relocation of a portion of its 96-inch water transmission main (WTM) that connects the North Service Center and Rochester Pump Stations. The 96-inch WTM relocation is being completed to relocate GLWA facilities outside the influence of the decommissioned G&H Industrial Landfill site, a listed U.S. Environmental Protection Agency Superfund site. This relocation project involves installation of approximately 10,560 feet of new 96-inch water transmission main along Dequindre Road, Avon Road, and the Macomb Orchard Trail between Hamlin Road and 24 Mile Road. Once this new section of 96-inch water transmission main is placed into service, the existing water transmission main that is within the influence of the decommissioned G&H Industrial Landfill site will be abandoned in place by filling the main with flowable fill and cutting/capping the main on both ends to eliminate the possibility that landfill site groundwater can infiltrate into this main in the future.

The original procurement for Contract No. 2100998 was for the purchase of 2,590 feet of 96-inch diameter pipe, fittings, and appurtenances to be ready for installation by our Construction Manager at Risk (CMAR) contractor beginning in November 2022 as part the first segment of pipeline installation along Avon Road between Dequindre and 23 Mile Roads to include the Clinton River crossing. The first segment of piping will be installed early in the construction schedule as part of GLWA's coordination with the Road Commission for Oakland County's (RCOC) planned roadway and bridge improvements along Avon Road.

Amendment No. 1 proposes to add 7,985 feet of 96-inch diameter of pipe, fittings, and appurtenances includes segment of 96-inch water transmission main to the original scope of Contract 2100998 to provide material procurement for the second segment of pipeline relocation along Dequindre from the Clinton River to Hamlin and along Dequindre Road from the Clinton River to the Macomb Orchard Trial. In order to maintain the Michigan Department of Environment, Great Lakes, and Energy (EGLE) Drinking Water State Revolving Fund (DWSRF) fiscal year loan schedule, advanced procurement of pipe materials is required.

### **JUSTIFICATION**

By GLWA pre-purchasing the 7,985 feet of new pipe material now, it will ensure that the pipe materials are available and ready for the CMAR contractor to begin installation in June 2023 in accordance with the EGLE DWSRF loan schedule. This will allow the CMAR contractor to continue the installation of the new 96-inch WTM when the Guaranteed Maximum Price (GMP) No. 1 pipe installation is complete. In addition to time, this will also save GLWA approximately \$960,000.00 by purchasing the pipe directly from Northwest Pipe.

### **PROJECT MANAGEMENT STATUS**

Original Contract Time	12 months	(01/17/2022 - 01/16/2023)
Proposed Amendment No. 1	12 months	(01/17/2023 - 01/16/2024)
New Contract Time	24 months	(01/17/2022 - 01/16/2024)

### **PROJECT ESTIMATE**

Original Contract Price	\$2,843,263.00
Proposed Amendment No. 1	6,394,320.00
New Contract Total	\$9,237,583.00

### **FINANCIAL PLAN IMPACT**

**Summary:** Sufficient funds are provided in the financial plan for this project.

**Funding Source:** Water Construction Fund

**Cost Center:** Water Field Engineering

**Expense Type:** Construction (5519-882411.000-617950-122004)

**Estimated Cost by Year and Related Estimating Variance:** See table below.

Original Contract Price	\$ 2,843,263.00
Proposed Amendment No. 1	<u>6,394,320.00</u>
New Contract Total	9,237,583.00
Amended Financial Plan Estimate	<u>151,179,000.00</u>
Balance Reserved for Construction	\$141,941,417.00

The award of this amendment to the vendor creates a positive estimating variance of \$141,941,417.00.

#### **COMMITTEE REVIEW**

This item was presented to the Operations and Resources Committee at its meeting on December 14, 2022. The Operations and Resources Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

#### **SHARED SERVICES IMPACT**

This item does not impact the shared services agreement between GLWA and DWSD.