

# Termination of Contract CIP 213002 (Rehabilitation of Central Off-Loading Facility)

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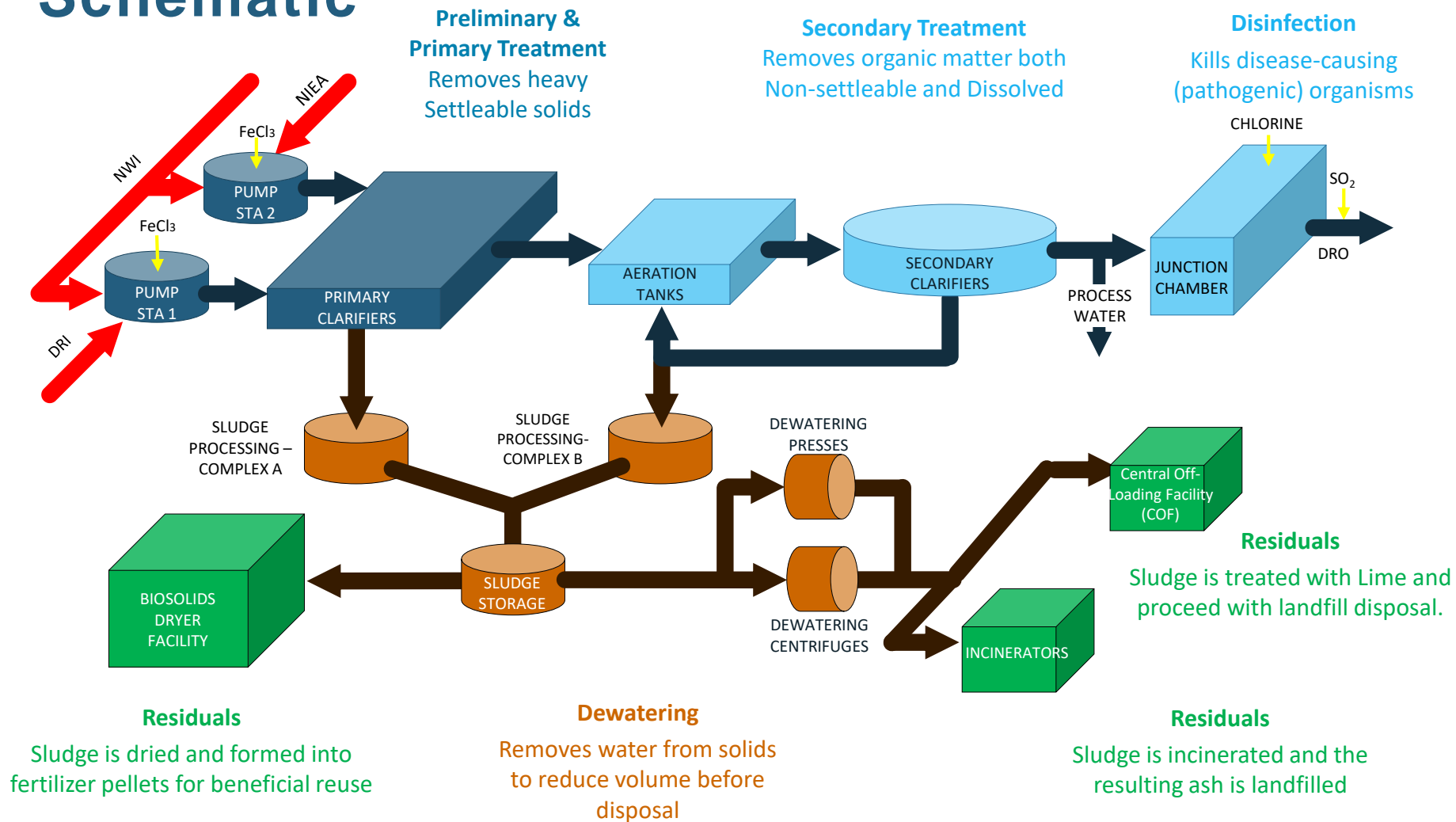
*Navid Mehram, P.E.  
Chief Operating Officer*



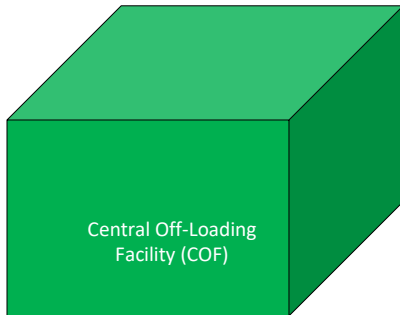
# Executive Summary

- Demonstrated, consistent performance of solids handling via the biosolids dryer facility has allowed the GLWA to reconsider capital project priorities and needs.
- The outcome is the determination that the Central Offloading Facility project, initially identified in FY 2010, may be eliminated from the capital program.
- The planned project spend estimated in the 2020 CIP totals \$16.2 million (including consulting and construction) . Project expenditures , incurred through 04/30/2019, totaling \$3.8 million, including estimated settlement costs of \$2.8 million, will be expensed in FY2019
- The project was approved for SRF Funding. Loan funds totalling approximately \$848,000 will be reimbursed to the State of Michigan
- The impact on annual operating costs is a modest positive variance
- Final result is better use of \$14.5 million in capital project funding.

# Water Resource Recovery Facility (WRRF) Schematic



# Central Off-loading Facility



- CIP # 213002
- Project Score: 76.2
- Introduced to the CIP in 2010
- Project was initiated for reliability and redundancy
- Project include replacement of belt conveyors, screw conveyors, lime stabilization systems, electrical .....
- NTP issued : October 22, 2018

FY 2020-2024 Approved CIP Schedule (Millions)

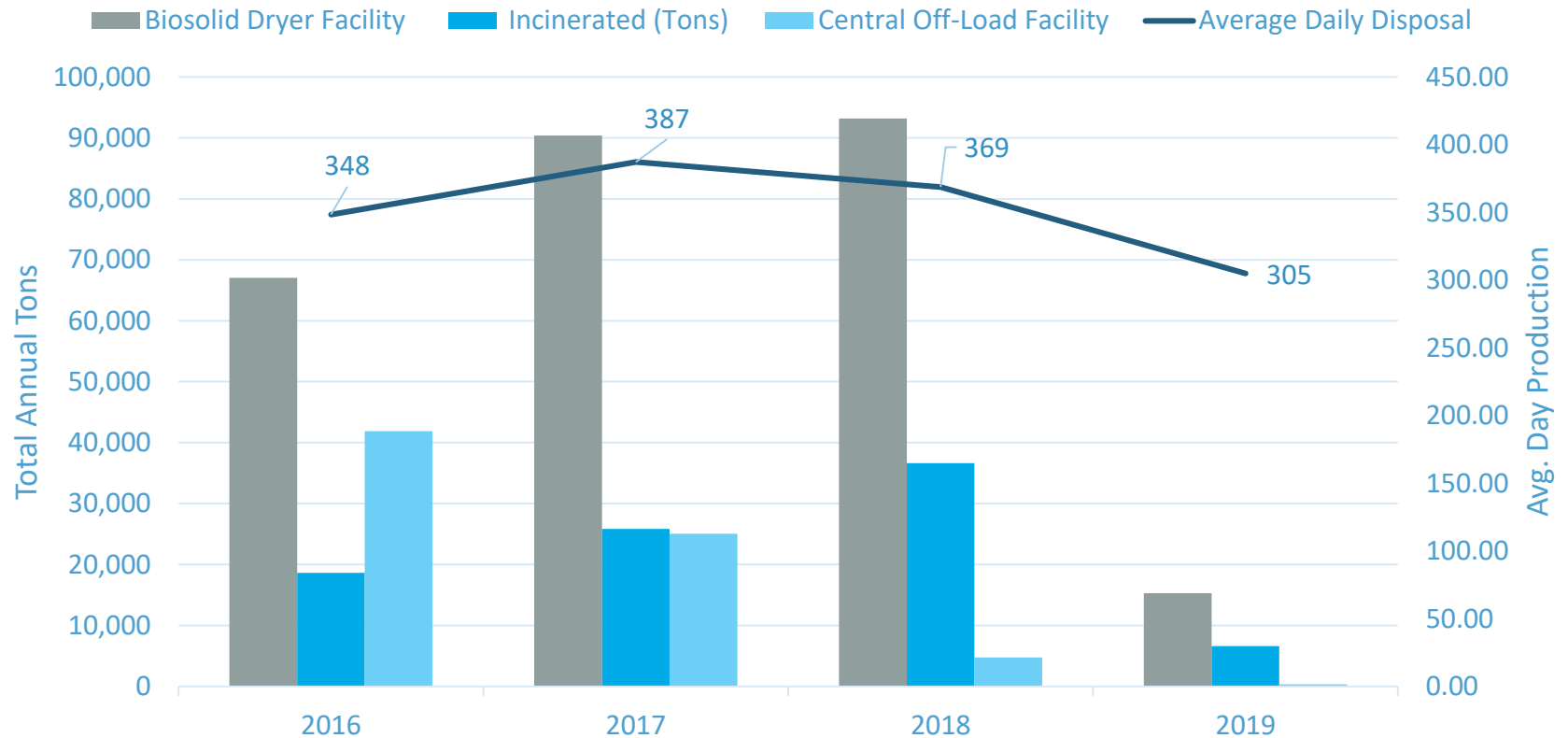
Lifetime Actual Thru FY 2018 (unaudited)	Planned 2019	Planned 2020	Planned 2021	Total Planned Project Total
\$0.982	\$4,204	\$7,696	\$3,297	\$ 16,179

\*Construction Contract bid amount: \$14,347,000, amount spent to date: \$0

\*Consultant Contract bid amount: \$1,170,123, amount spent to date: \$884,129

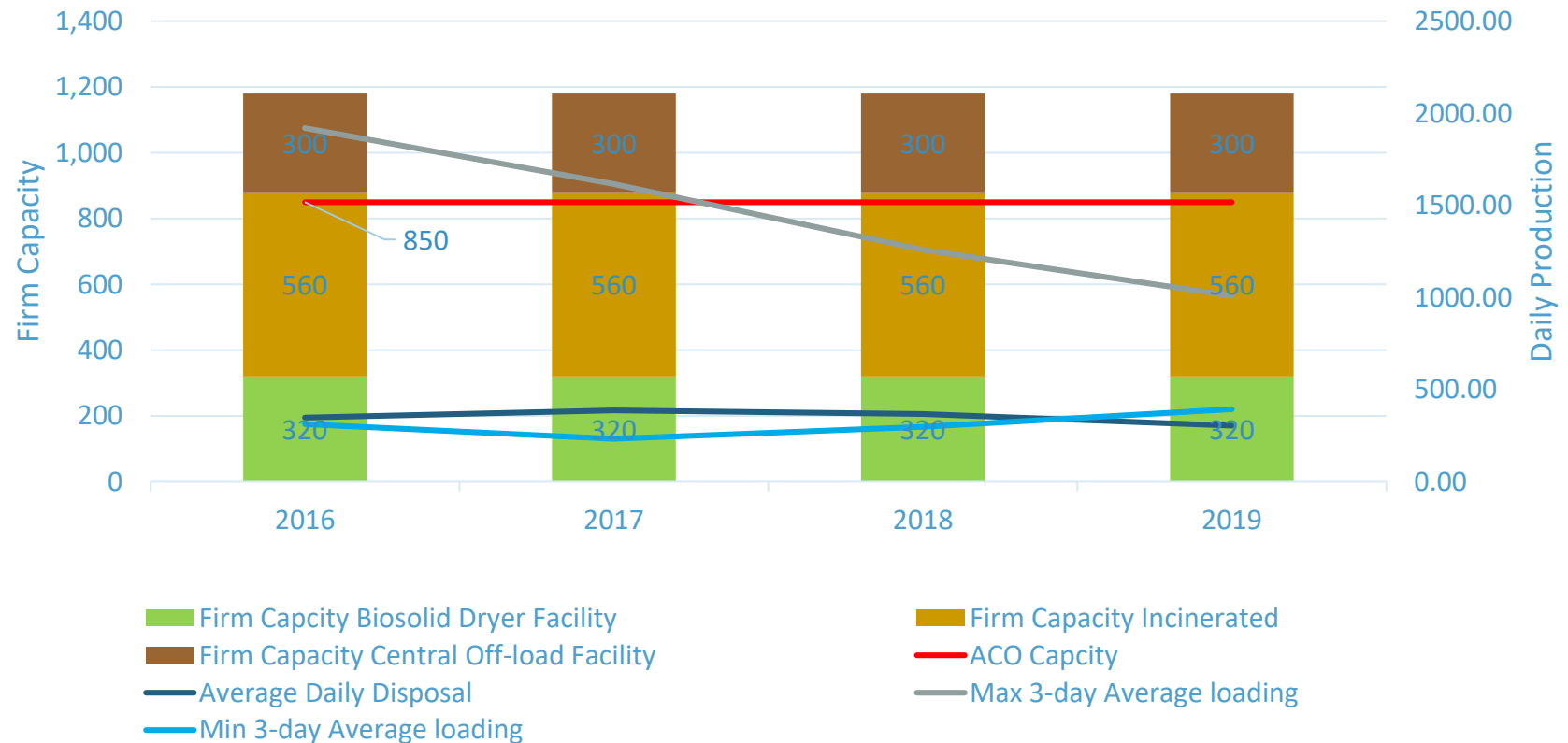
# GLWA WRRF Influent Loading

## WRRF Biosolid Disposal



# GLWA WRRF Capacity

## WRRF Biosolid Disposal Capacity



# Operational & Maintenance

## Central Off Load Facility

- Operate the facility for the next year
- Strategically decommission the facility starting FY20
- Place equipment into long term storage stand-by
- Full top-bottom cleaning of the facility
- 300 dry tons/day capacity available in emergency

## Incineration

- Increase reliability and uptime
- Procure as-needed contracts for specialty work
- Improve the frequency of instrumentation calibration
- Focus on reliable emission monitoring system “CEMS “

## Master Plan

- Alignment of our long term solids handling
- Apply a Triple Bottom review of the future Biosolids handling for the facility

# Financial Impact – Operating Budget

- ✓ Personnel – Potential re-deployment of staffing resources
  - ✓ Current 6 Operational FTE's (24/7 coverage) are assigned to the Central-Off-Load facility
- ✓ Preventative Maintenance # FY 2018 – 600 Work Orders
- ✓ Corrective Maintenance # FY 2018 – 30 Work Orders
- ✓ Chemicals – Annual Lime usage
  - ✓ FY 2018 - 1,266.43 tons - approx. \$198,000
- ✓ Hauling and disposal –
  - ✓ Sludge Loading and Site Storage – FY 2018 – 500 Hours - approx. \$25,000
  - ✓ Hauling and disposal – FY 2018 -15,888 Wet Tons - approx. \$674,000
- ✓ Utilities – minimal impact



# Financial Impact – Project Related

## **Construction Contractor Termination Payment Request** **\$2,707,556**

- Mobilization \$400,000
- Demobilization \$200,000
- General conditions including field staff \$632,312
- Overhead and profit \$629,973
- Bond \$86,371
- Insurance \$56,296
- Cost already incurred by subcontractors for preparing the submittals/field inspections/mobilization. \$702,604

## **Consultant Termination Payment Request** **\$932,850**

- Including \$884,129 already spent for the study and design, and 6 months of construction assistance service mainly reviewing submittals and attending
- Total financial impact (worst case): **\$3,640,406**

# Funding Sources

## State Revolving Fund

- GLWA Board approved Series Ordinance on June 20, 2018
- Loan Amount: \$16.3 million
- Loan Closing: September 2018
- All project costs anticipated to be funded through SRF loan
- \$ \$884,129 drawn on loan to date



**GLWA**

*Great Lakes Water Authority*