

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

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Chief Operating Officer*



Executive Summary

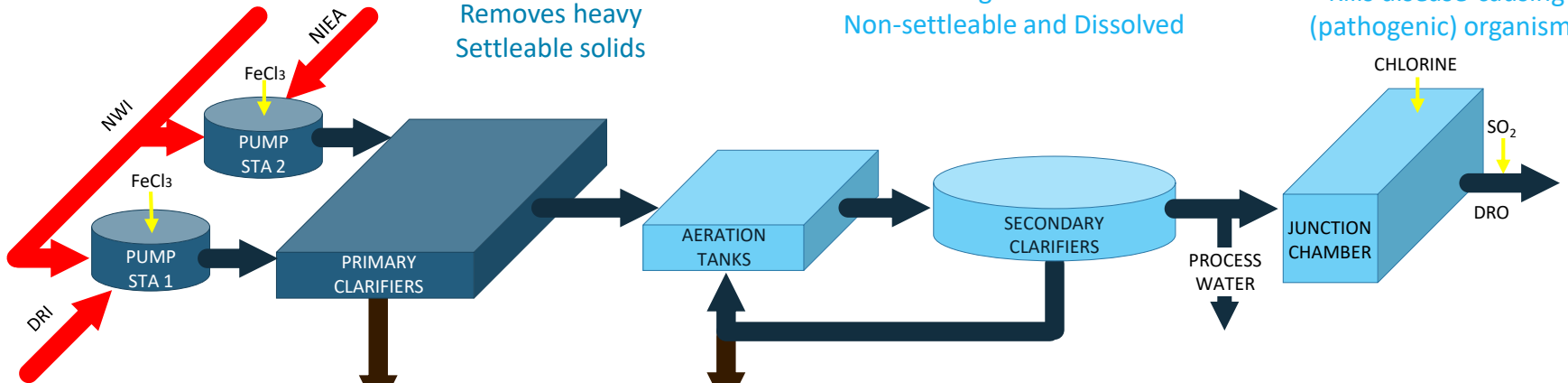
- Demonstrated, consistent performance of solids handling via the biosolids dryer facility has allowed the GLWA to reconsider capital project priorities and needs.
- The outcome is the determination that the Central Offloading Facility project, initially identified in FY 2010, may be eliminated from 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

Preliminary & Primary Treatment
Removes heavy Settleable solids

Secondary Treatment
Removes organic matter both Non-settleable and Dissolved

Disinfection
Kills disease-causing (pathogenic) organisms



SLUDGE PROCESSING - COMPLEX A

SLUDGE PROCESSING - COMPLEX B

DEWATERING PRESSES

Central Off-Loading Facility (COF)

BIOSOLIDS DRYER FACILITY

SLUDGE STORAGE

DEWATERING CENTRIFUGES

INCINERATORS

Residuals

Sludge is dried and formed into fertilizer pellets for beneficial reuse

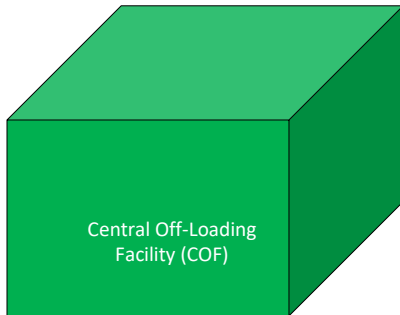
Dewatering

Removes water from solids to reduce volume before disposal

Residuals

Sludge is incinerated and the resulting ash is landfilled

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)

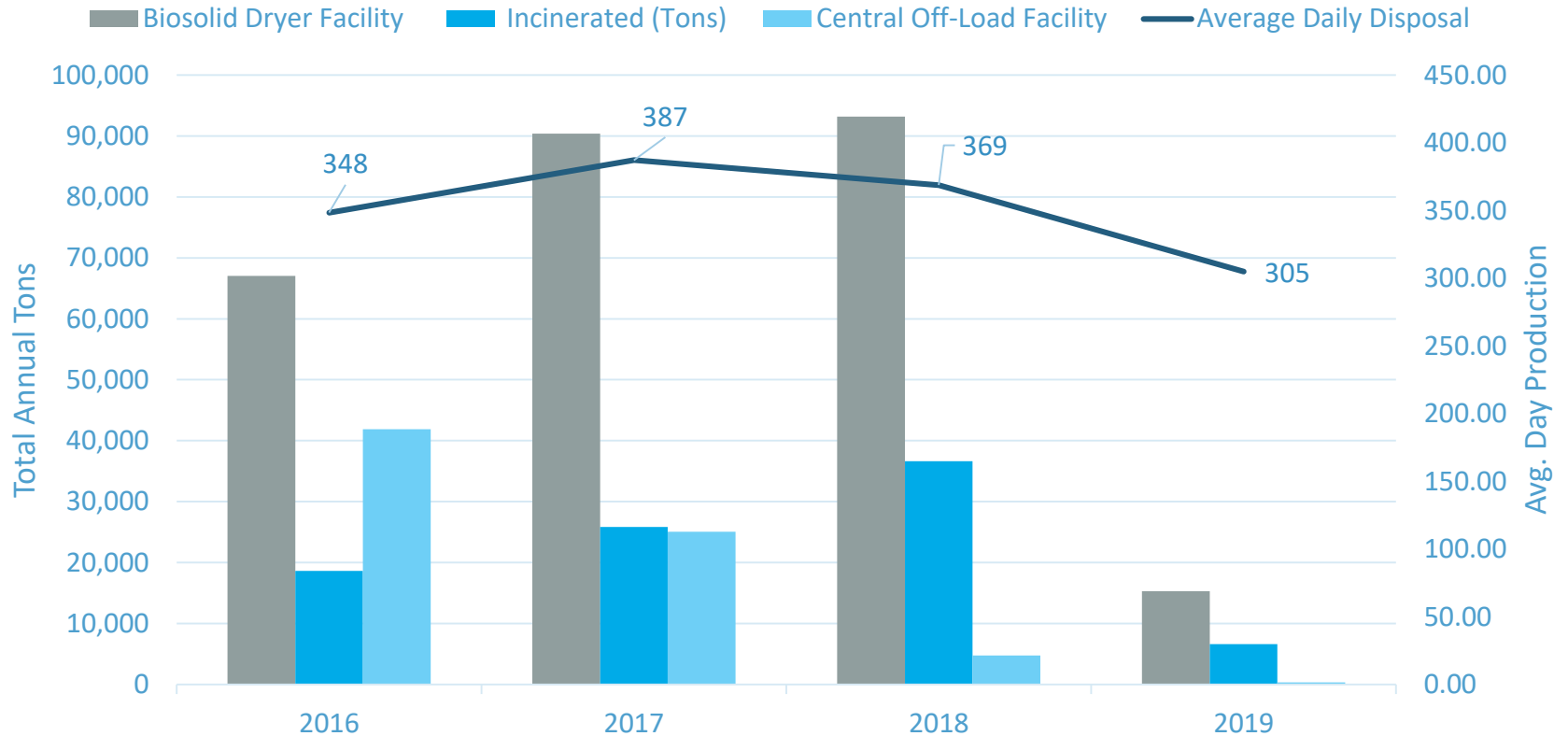
Lifetime Actual Thru FY 2018 (unaudited)	Planned 2019	Planned 2020	Planned 2021	Total Planned Project Total
\$0.982	\$4,204	\$7,696	\$3,297	\$ 16,179

*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

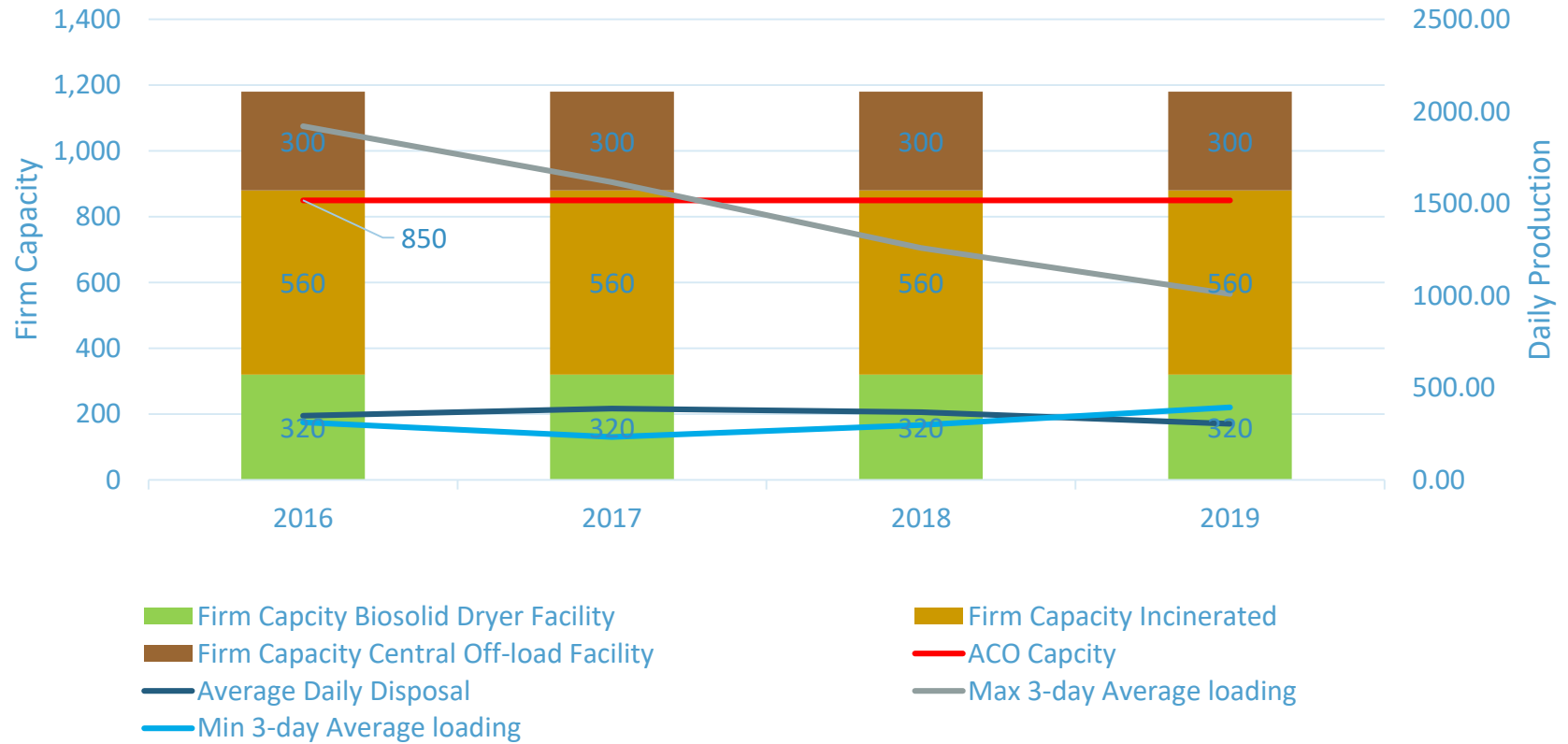
GLWA WRRF Influent Loading

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