

..Title

**Proposed Change Order No. 3 - GLWA CS-010 Water Residential Assistance Program**

..Body

Agenda of: To Be Determined

Item No.: **2020-117**

Amount:	Original Contract:	\$ 825,000.00
	Change Order No. 1:	\$ 480,000.00
	Change Order No. 2:	\$ 950,000.00
	Proposed Change Order No. 3:	<u>\$ 276,550.00</u>
	Total Revised Contract:	\$2,532,450.00

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

**FROM:** Sue F. McCormick  
Chief Executive Officer  
Great Lakes Water Authority

**DATE:** March 27, 2020

**RE: Proposed Change Order No. 3 - GLWA CS-010 Water Residential Assistance Program**

**MOTION**

Upon recommendation of Nicolette N. Bateson, Chief Financial Officer/Treasurer, The Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **ratify the action of the Chief Executive Officer to execute Change Order 3 for Contract No. GLWA CS-010, “Water Residential Assistance Program (WRAP)” with Wayne Metropolitan Communication Action Agency, at a cost increase of \$276,550.00, for a total cost not-to-exceed \$2,532,450.00, and a time extension of six months for a total contract duration of fifty-nine months, as authorized by Resolution 2020-114 adopted on March 20, 2020 regarding “Delegation of Additional Authority to CEO During**

**COVID-19 Emergency”** and authorizes the Chief Executive Officer or Chief Financial Officer to take such other action as may be necessary to accomplish the intent of this vote.

### **BACKGROUND**

The Water Residential Assistance Program (“WRAP”) provides sustainable funding for qualifying low-income residents served by the Great Lakes Water Authority’s (“GLWA”) customers. The program is currently funded by GLWA at an amount equal to 0.5 percent of budgeted revenues with the budgeted FY 2021 funding level of \$6.1 million combined for water and sewer services.

The WRAP began providing assistance to residents in the GLWA service area on March 1, 2016 and as of October 31, 2019 has committed over \$14.2 million in assistance and conservation funds to over 19,000 qualified WRAP participants. Wayne Metro has been the WRAP program administrator for GLWA since the program’s inception.

The current contract with Wayne Metro (GLWA CS-010) expires on June 30, 2020 and has been in place for nearly four and a half years. GLWA is recommending that the contract for the WRAP program administrator be bid out again through a competitive procurement process before the end of the current contract. If a new vendor is selected, the current contract with Wayne Metro will need to be extended in order to transition responsibilities to the new vendor. Therefore, GLWA is recommending the extension of the current contract (GLWA CS-010) through December 31, 2020 through a contract amendment (Change Order 3). The current status of GLWA CS-010 is summarized below:

### **PROJECT MANAGEMENT STATUS**

Original Start Work Date:	February 22, 2016
Original Contract End Date:	February 21, 2018
Change Order 1 Contract End Date:	June 30, 2018
Change Order 2 Contract End Date:	June 30, 2020
Proposed Change Order 3 Contract End Date:	December 31, 2020

### **Contract Estimate**

Original Contract Price:	\$825,000.00
Change Order No. 1:	\$480,900.00
Change Order No. 2:	<u>\$950,000.00</u>
Contract Total:	\$2,255,900.00
Proposed Change Order No. 3	<b>\$276,550.00</b>
Proposed New Contract Total:	\$2,532,450.00

### **JUSTIFICATION**

The contract with Wayne Metro specifies the not-to-exceed administrative fee amount based on the anticipated allocation of assistance dollars to each county. Change Order 3 extends the GLWA CS-010 contract six months to December 31, 2020 increasing the contract amount based on the total budgeted WRAP funding amounts. (See Table 1- FY 2021 WRAP Budget Attachment 1). This extension of time will provide for stakeholder input into program design before issuing a request for proposal for these services.

### **BUDGET IMPACT**

The funding of the proposed administration fees for WRAP are paid from the 0.5% of the budgeted WRAP funds each year and do not impact the FY 2021 Budget.

### **COMMITTEE REVIEW**

This matter was reviewed by the GLWA Audit Committee at its meeting on March 27, 2020. The Audit Committee [3/26/2020 pending action: *recommended that the CEO executes Change Order 3 of Contract No. GLWA CS-010, "Water Residential Assistance Program (WRAP)" with Wayne Metropolitan Communication Action Agency, at a cost increase of \$276,550.00, for a total cost not-to-exceed \$2,532,450.00, and a time extension of six months for a total contract duration of fifty-nine months. Said action to be reported to the Great Lakes Water Authority Board at their next regular meeting. Said action is consistent with in accordance with Resolution 2020-114 adopted on March 20, 2020 regarding "Delegation of Additional Authority to CEO During COVID-19 Emergency".*]