



Legislation Details (With Text)

File #: 2019-362 **Version:** 1 **Name:**
Type: Resolution **Status:** Passed
File created: 9/30/2019 **In control:** Board of Directors
On agenda: 10/31/2019 **Final action:** 10/31/2019

Title: Contract No. 1804129
Schoolcraft Road 48 Inch Water Transmission Main
CIP# 122005 / BCE 42.0

Sponsors: Cheryl Porter, Grant Gartrell

Indexes: Water Operations

Code sections:

Attachments: 1. 1804129 Procurement Report, 2. 1804129 Cost Summary, 3. 1804129 CIP Attachment

Date	Ver.	Action By	Action	Result
10/31/2019	1	Board of Directors	Approved	Pass
10/9/2019	1	Operations and Resources Committee	Recommended for Approval	Pass

Contract No. 1804129

Schoolcraft Road 48 Inch Water Transmission Main

CIP# 122005 / BCE 42.0

Agenda of: October 31, 2019

Item No.: **2019-362**

Amount: \$14,490,960.20

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: October 2, 2019

RE: **Contract No. 1804129**
Schoolcraft Road 48 Inch Water Transmission Main
Vendor: Lakeshore Global

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. 1804129 “Schoolcraft Road 48 Inch Water Transmission Main” with Lakeshore Global, at a cost not to exceed \$14,490,960.20 for a duration of 730 days;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

Contract No. 1804129 is a construction contract that involves constructing approximately 2.1 miles of new 48-inch diameter steel water transmission main along westbound Schoolcraft Road. This new main will replace an existing 48-inch diameter prestressed concrete embedded cylinder pipe (PCCP) located along eastbound Schoolcraft Road. This existing main is part of an older system with a history of catastrophic breaks. A portion of the new 48-inch diameter main was installed in the Interstate 96 (I-96) freeway when it was reconstructed in 2015 under the Michigan Department of Transportation (MDOT) Contract No. 82188-89095.

JUSTIFICATION

The existing 48-inch PCCP transmission main along this segment of Schoolcraft Road has had a history of breaks. The manufacturer of this transmission main segment has a documented history of failures due to hydrogen embrittlement of its prestressed steel wires. Replacing this existing PCCP water transmission main will improve water service reliability in GLWA’s system.

FINANCIAL PLAN IMPACT

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

Funding Source: Water Construction Bond

Cost Center: Water Engineering

Expense Type: Construction (5519-882411.000-616900-122005)

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

Fiscal Year

FY 2020 Budget	\$ 7,945,000.00
FY 2021 Budget	8,990,000.00
FY 2022 Budget	<u>565,000.00</u>
Financial Plan Estimate	\$17,500,000.00
Proposed Contract Award	<u>14,490,960.20</u>
Positive Estimating Variance	\$ 3,009,039.80

SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT

Cost savings are not determinable at the time of award.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on October 9, 2019. 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.