



Legislation Text

File #: 2022-165, Version: 1

Contract No. 2103380

Water Works Park HVAC Improvements

CIP #115005 / BCE Score: 93.0

Agenda of: May 25, 2022
Item No.: **2022-165**
Amount: \$14,953,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: April 29, 2022

RE: **Contract No. 2103380**
Water Works Park HVAC Improvements
Vendor: Commercial Contracting Corporation

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 Interim Chief Executive Officer (ICEO) to **enter into Contract No. 2103880 “Water Works Park HVAC Improvements” with Commercial Contracting Corporation, at a cost not to exceed \$14,953,000.00 for a duration of 1,124 days;** and authorizes the ICEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

Contract No. 2103380 is a construction services contract that is related to improving the heating, ventilating, and air-conditioning (HVAC) system in chemical storage and process areas of the Water Works Park Water Treatment Plant (WWP). During the condition assessment conducted at WWP under a separate contract (Contract No. CS-147), deficiencies with the existing HVAC system in the aforementioned areas were identified. These deficiencies include, but are not limited to, poor

mechanical venting, poor air distribution, limited instrumentation and control, limited warning alarms, and limited integration with Ovation Supervisory Control and Data Acquisition System. The purpose of this project is to improve the existing HVAC system so that it meets or exceeds current codes, standards, and best practices for management of indoor air quality. The main rooms where HVAC improvements will be made include the following: a) fluoride storage room, b) phosphoric acid storage room, c) sodium bisulfite storage room, d) ozone generator room, e) ozone destruct room, f) aluminum sulfate bulk storage room, g) aluminum sulfate day tank room, h) pilot plant rooms, i) filter operating galleries, j) flocculation and sedimentation rooms, and k) other smaller miscellaneous rooms.

JUSTIFICATION

The existing HVAC system does not provide adequate HVAC in several key areas of the plant, including chemical storage and process rooms where chemical off-gassing can occur. Improvement of the HVAC systems, particularly the ventilation system, is needed to prevent the accumulation of chemical gases in occupied areas.

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 (5519-882111.000-616900-115005)

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

Fiscal Year

FY 2023 Planned Spend	\$ 5,154,000.00
FY 2024 Planned Spend	2,854,000.00
FY 2025 Planned Spend	<u>1,854,000.00</u>
Financial Plan Estimate	\$ 9,862,000.00
Proposed Contract Award	<u>14,953,000.00</u>
Estimating Variance	\$ (5,091,000.00)

The estimating variance is primarily due to increase costs in labor and materials in the construction market. Additionally, an allowance of \$200,000.00 for DTE Gas Meter Replacement was added to the solicitation.

FY 2023 Plan Spend per CIP	\$ 5,154,000.00
FY 2023 Plan Spend adjusted for award value	<u>6,161,200.00</u>
FY 2023 Estimating Variance	\$ (1,007,200.00)

A budget amendment will be made to fund the estimating variance for FY23 of \$1,007,200.00 and funded from Capital Reserves. The balance of the estimating variance will be adjusted in the future 2024-2028 CIP Plan document.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on May 11, 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.