



Legislation Text

File #: 2023-495, Version: 1

Proposed Change Order No. 3

Contract No. 2103206

Emergency Replacement of Effluent Butterfly Valves Actuators at Seven Mile and Puritan-Fenkell CSO Facilities

I&E

Agenda of: January 24, 2024

Item No.: **2023-495**

Amount:	Original Contract	\$1,280,000.00
	Change Order No. 1	0.00
	Change Order No. 2	45,000.00
	Proposed Change Order No. 3	150,000.00
	Total Revised Contract	\$1,475,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: December 21, 2023

RE: Proposed Change Order No. 3

Contract No. 2103206

Emergency Replacement of Effluent Butterfly Valves Actuators at Seven Mile and Puritan-Fenkell CSO Facilities

Vendor: Lakeshore Global Corporation

MOTION

Upon recommendation of Navid Mehram, Chief Operating Officer - Wastewater Operating Services, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. 2103206, Proposed Change Order No. 3, "Emergency Replacement of Effluent Butterfly Valves Actuators at Seven Mile and Puritan-Fenkell CSO Facilities" with Lakeshore Global Corporation, for an increased cost of \$150,000.00 for a total cost not to exceed \$1,475,000.00 and an increased duration of 275 days for a total contract duration of 758 days**; and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

During wet weather and high river level events, the effluent chamber actuators and controls are submerged, rendering the gates inoperable and causing interruption in operations. This project includes raising the actuator above the flood levels, updating actuator controls and gate improvements to alleviate this concern.

JUSTIFICATION

Upon completion of the work, it was discovered that the gate did not close all the way. There appears to be damage to the stem, potentially from operating under stressed environments with sludge in the path of the gate, which also may have caused the gate to become warped. Additionally, there is an unknown obstruction when trying to force the gates past the actuator's close position. The additional time and expenses are to investigate and repair the gate operation to achieve a fully closed position.

PROJECT MANAGEMENT STATUS

Original Contract Time	330 days (07/06/2022 - 05/31/2023)
Change Order No. 1	60 days (06/01/2023 - 07/30/2023)
Change Order No. 2	93 days (07/31/2023 - 10/31/2023)
Proposed Change Order No. 3	275 days (11/01/2023 - 08/02/2024)
New Contract Time	758 days (07/06/2022 - 08/02/2024)

PROJECT ESTIMATE

Original Contract Price	\$ 1,280,000.00
Change Order No. 1	0.00
Change Order No. 2	45,000.00
Proposed Change Order No. 3	150,000.00
New Contract Total	\$ 1,475,000.00

FINANCIAL PLAN IMPACT

Summary: This emergency contract, change orders, and the extensions of time were not anticipated during the development of the FY 2023 and FY 2024 budgets and the FY 2025 financial plan. Budget amendments were put forth for this project. First, offsetting other positive variances within the Combined Sewer Overflow facilities' (CSO) budgets, then from other areas, and finally from the unallocated reserves. A portion of the O&M estimated costs is anticipated to be reimbursed as outlined in the Grant Application Status section below.

Funding Source: Operations and Maintenance (O&M) - 5960

Improvement and Extension (I&E) - 5404

Cost Center(s): Puritan Fenkell Combined Sewer Overflow (892271)

Seven Mile Combined Sewer Overflow (892272)

Expense Type(s): Repairs & Maintenance - Equipment (622300)

Repairs & Maintenance - Facilities (622400)

Capital Outlay over \$5k (I&E-Capitalized) (901100)

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

<u>Fiscal Year</u>	<u>O&M Amount</u>	<u>I&E Amount</u>	<u>Total</u>
FY 2023 Amended Budget	\$572,600.00	\$797,090.96	\$1,369,690.96
FY 2024 Budget	69,732.20	68,000.00	137,732.20
FY 2025 Plan (Prorated)	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
Total Financial Plan	642,332.20	865,090.96	1,507,423.16
Maximum Contract	<u>\$642,234.71</u>	<u>\$832,765.29</u>	<u>\$1,475,000.00</u>
Variance (positive/(negative))	<u>\$97.49</u>	<u>\$32,325.67</u>	<u>\$32,423.16</u>

GRANT APPLICATION STATUS

GLWA has applied for two grants through the State of Michigan which will be funded through the Federal Emergency Management Agency (FEMA) and are related to the June 2021 flood events. The grants are associated with expenditures made to mitigate future flood damage at the Seven Mile and Puritan-Fenkell CSO facilities. These grants, and all other grants, are included in a Grants, Gifts and Other Resources Report provided to the Audit Committee monthly.

The Grants, Gifts and Other Resources Report has aligned language related to the grant lifecycle with best practices related and the Workday system being implemented. The grant's lifecycle refers

to the process required to secure, administer, and close out grant activity. These steps are broken down into three major phases: pre-award, award, and post-award.

The pre-award phase includes the process of applying for a grant and the period prior to the signing of the grant agreement between the awarding agency and GLWA.

The award phase reflects the period after the agreement is executed with the awarding agency. In this phase, GLWA becomes responsible for meeting the administrative, financial, and programmatic reporting requirements of the award.

The post-award phase is the final stage of grant activity and includes final reporting requirements, auditing, and closeout. There are final financial and programmatic reports that must be submitted to formally close out the grant as defined in each grant agreement.

The Seven Mile CSO grant has been awarded in the amount of \$49,996.16, and this amount was received on June 30, 2023. The Puritan Fenkell CSO grant has been applied for and is in the pre-award phase. The grant amount applied for is \$80,128.72, and GLWA is waiting for notice of award at this time.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on January 10, 2024. 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.