



## Legislation Text

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File #: 2024-213, Version: 1

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### Contract No. 2301148

### Water Transmission Main, Valve Emergency and Other Urgent Repairs

### CIP #170506 / O&M / BCE Score: 57.7

Agenda of: June 26, 2024

Item No.: **2024-213**

Amount: \$21,500,000.00

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

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

**DATE:** May 29, 2024

**RE: Contract No. 2301148**  
**Water Transmission Main, Valve Emergency and Other Urgent Repairs**  
**Vendor: Ric-Man Construction, Inc.**

### 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. 2301148, "Water Transmission Main, Valve Emergency and Other Urgent Repairs" with Ric-Man Construction, Inc., at a cost not to exceed \$21,500,000.00 for a duration of five (5) years;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

### BACKGROUND

The GLWA Water Transmission Main System consists of a network of approximately 800 miles of large (greater than 24-inch diameter) water mains that serve 3.9 million people across 115 communities that are represented by 88 member partners in eight counties of southeastern Michigan. There are approximately 10,000 air, blow-off, and isolation valves associated with these water mains.

The average pipe age is over 60 years old with some exceeding 150 years in age.

This proposed Contract No. 2301148 will provide responses to water main breaks/leaks, valve repairs, and other urgent projects as necessary to allow GLWA to provide water of unquestionable quality at the promised level of service to our member partners. In addition, this contract provides support to the Linear System Integrity Program, Valve Exercising Program, Capital Improvement Plan and GLWA/DWSD decommissioning program. This contract is the replacement of Contract No. 1802745. This contract is one of two concurrent emergency repair contracts, the other being Contract No. 2003730, that GLWA intends to maintain on a staggered basis.

### **JUSTIFICATION**

Due to the size of GLWA's Water Transmission Main System, there will be emergencies and urgent projects throughout the year that will require a quick response to return the system to normal operation. Emergency response contracts give GLWA the ability to have additional crews to address the emergencies and urgent projects.

### **FINANCIAL PLAN IMPACT**

**Summary:** The proposed contract with Ric-Man Construction, Inc. encompasses Capital Improvement Plan and Operations & Maintenance expenses. The value of the contract is within the current financial plan in total. Sufficient funds will be provided in the Operations & Maintenance (O&M) and CIP financial plan for this contract related to contractual operating services.

**Funding Source:** Operations & Maintenance (O&M) Budget; CIP 170506

**Cost Center(s):** Field Engineering 882411....Centralized Services cost center 882431

**Expense Type(s):** Construction (616900); Contractual Operating Services-All Water (617901)

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

<b><u>Fiscal Year</u></b>	<b><u>CIP Plan</u></b>	<b><u>O&amp;M Budget</u></b>	<b><u>Total</u></b>
FY 2025 Plan	2,744,000.00	1,300,000.00	4,044,000.00
FY 2026 Plan	2,998,000.00	1,300,000.00	4,298,000.00
FY 2027 Plan	2,998,000.00	1,300,000.00	4,298,000.00
FY 2028 Plan	3,007,000.00	1,300,000.00	4,307,000.00
FY 2029 Plan	2,998,000.00	1,300,000.00	4,298,000.00
FY 2030+ Plan	<u>255,000.00</u>	<u>0.00</u>	<u>255,000.00</u>
Financial Plan Estimate	\$15,000,000.00	\$6,500,000.00	\$21,500,000.00

Proposed Contract Award	<u>\$15,000,000.00</u>	<u>\$6,500,000.00</u>	<u>\$21,500,000.00</u>
Estimating Variance	\$ 0.00	\$ 0.00	\$ 0.00

Contractual services are dependent on several factors such as, delays in estimated start and end dates, environmental constraints, and other unforeseen circumstances that can cause the expenses to fluctuate from fiscal year to fiscal year.

**COMMITTEE REVIEW**

This item is being presented directly to the GLWA Board of Directors.

**SHARED SERVICES IMPACT**

This item does not impact the shared services agreement between GLWA and DWSD.