



Legislation Text

File #: 2020-152, Version: 1

Proposed Change Order No. 1

Contract No. 1803025

Job Order Contracting

Agenda of: May 27, 2020

Item No.: **2020-152**

Amount:	Original Contract	\$24,000,000.00
	Proposed Change Order No. 1	4,500,000.00
	Total Revised Contract	\$28,500,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: May 4, 2020

RE: **Proposed Change Order No. 1**
Contract No. 1803025
Job Order Contracting
Vendor: Various Vendors

MOTION

Upon recommendation of Cheryl Porter, Chief Operating Officer - Water and Field Services, and 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. 1803025 Proposed Change Order No. 1 "Job Order Contracting" at an increased cost of \$4,500,000.00 to include Water Operations, for a total cost not to exceed \$28,500,000.00, and an increase in duration of one (1) year for a total contract duration of four (4) years;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

The following vendors are included in this contract:

- Commercial Contracting Corporation
- J.F. Cavanaugh Company
- Barton Malow Company
- LGC Global, Inc.
- Weiss Construction Company, LLC
- De-Cal, Inc.

BACKGROUND

The Job Order Contract was developed, advertised, and evaluated in accordance with the GLWA qualifications-based selection process (QBS). Six vendors were selected to provide job order contracting services on a task by task basis. Each task can range in value between \$5,000 and \$1,000,000. GLWA will issue each selected vendor a contract and purchase order with no guarantee of the amount to be spent. This Job Order Contract has enabled a single contract to be procured and vetted through Legal and Risk Management that can address multiple requisitions by the Wastewater Team. The authorization of each task has been in accordance to the GLWA procurement policy.

Services provided under the Job Order Contract include, but are not limited to, general contracting for demolition, earthwork, asbestos and lead abatement, concrete, masonry, steel erection, interior/exterior finishes, painting, mechanical, HVAC, plumbing, fire protection, interior/site electric, roofing, glazing, instrumentation and controls, sewer cleaning and inspection, flat work, paving, and pipeline construction. Each task over \$50,000.00 will be competitively bid by a minimum of three (3) out of the six (6) selected vendors per the GLWA Board approved Procurement Policy. The selected vendors will compete with understanding of the scope, approach, schedule and budget elements being considered for responsiveness to the task. Each task will follow an initiation that routes it through the GLWA established procedures for proper oversight, budgeting, and execution. Once a task is awarded, a notice to proceed to be issued to a vendor authorizing a task and identifying the task value against the vendor's purchase order issued to them during the contract award phase.

JUSTIFICATION

The Wastewater Team has reduced the heavy burden on GLWA Procurement, Legal, and Risk Management teams through the Job Order Contract. Water Operations has monitored the progress of the Job Order Contract and wishes to be included in this contract going forward through a change order. This will allow Water Operations to realize some of the optimization seen at Wastewater by streamlining the procurement process and completing needed critical tasks for operational efficiencies.

The Job Order Contract has been meeting the expectations of GLWA procurement policies while simultaneously improving the level of service to the GLWA operations and maintenance teams who rely on quick turnarounds for contracted services to perform maintenance and repairs to GLWA Facilities. These repairs and maintenance serve to protect, preserve, and improve performance of GLWA assets responsible for protecting public health and the environment.

The maintenance and repair procurements are essential to continue to meet current demand or regulatory requirements by keeping our infrastructure intact. By reducing many maintenance and repair related procurements and routing them through the Job Order Contract, the Procurement, Legal, and Risk Management teams at GLWA can focus more on procuring large capital improvement design and construction projects needed to preserve and obtain capacity/improvements necessary to meet future demands or regulatory requirements. This strategy will allow all current

and future procurement needs to have the priority and urgency they require.

In addition, given delays that COVID-19 has caused on many Job Order Contract projects, an extension of time is needed to allow GLWA sufficient time to complete projects that were planned for the Job Order Contract.

PROJECT MANAGEMENT STATUS

Original Contract Time 3 years

Proposed Change Order No. 1 1 year

New Contract Time 4 years

PROJECT ESTIMATE

Original Contract Price \$24,000,000.00

Proposed Change Order No. 1 4,500,000.00

New Contract Total \$28,500,000.00

FINANCIAL PLAN IMPACT

See attached memo regarding financial plan impact.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on May 13, 2020. 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.