



Legislation Text

File #: 2024-233, Version: 1

Contract Nos. 2204729a-1 and 2204729a-2 As-Needed Large Motor Repairs O&M

Agenda of: July 24, 2024

Item No.: **2024-233**

Amount: Birclar Electric, Contract No. 2204729a-1

Three Year Contract	\$756,000.00
First Year Renewal Option	252,000.00
Second Year Renewal Option	252,000.00
Total Contract 2202729a-1	\$1,260,000.00

Ideal Electric Power Co., Contract No. 2204729a-2

Three Year Contract	\$324,000.00
First Year Renewal Option	108,000.00
Second Year Renewal Option	108,000.00
Total Contract 2202729a-2	\$540,000.00

Total Contract Amount \$1,800,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: June 25, 2024

RE: **Contract Nos. 2204729a-1 and 2204729a-2
As-Needed Large Motor Repairs
Vendor: Birclar Electric & Ideal Electric Power Co.**

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. 2204729a-1, “As-Needed Large Motor Repairs” with Birclar Electric, for \$756,000.00, for a duration of three (3) years, with two (2) one (1) year renewal options at a cost not to exceed \$252,000.00 for each renewal year for a total contract amount of \$1,260,000.00; and Contract No. 2204729a-2, “As-Needed Large Motor Repairs” with Ideal Electric Power Co., in the amount of \$324,000.00, for a duration of three (3) years, with two (2) one (1) year renewal options at a cost not to exceed \$108,000.00 for each renewal year for a total contract amount of \$540,000.00; and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

GLWA operates five water treatment plants to provide drinking water to approximately 3.9 million people across southeast Michigan. Each of the water treatment plants utilizes large motors that range from 150 HP to 5,500 HP and operate at 480 V, 4.16 KV, 4.8 KV, or 13.8 KV. Most of the motors are synchronous, operating at speeds of 514 to 600 RPM to drive large pumps, with several of the motors speed controlled by variable frequency drives. When the various motors require repairs, GLWA may issue a task order to one of the selected contractors to inspect, repair and return the motor to operating condition.

JUSTIFICATION

The goal of the Contracts is to provide repairs for large motors. The project objectives include returning the motors to an operating condition equivalent to or greater than original equipment manufacturers’ standards. This will allow for continuity in providing reliable and efficient operation; reducing maintenance requirements; preventing forced outages; and increasing the remaining useful life of the motors as to the extent that is economically feasible.

FINANCIAL PLAN IMPACT

Summary: The proposed contract with Birclar Electric and Ideal Electric Power Co. encompasses Repairs & Maintenance expense only. The FY 2025 budget and the financial plan was based on the previous contract period. The value of the contract is within the current financial plan in total. The financial plan will be adjusted accordingly during the FY 2026 budget preparation to align with the proposed contract amount. Sufficient funds will be provided in the Operations & Maintenance (O&M) financial plan for this contract related to repairs & maintenance - equipment.

Funding Source: Operations and Maintenance (O&M) Budget

Cost Center(s): Water Works Park WTP.....Water Operations cost center 882131
Springwells WTP.....Water Operations cost center 882141
Northeast WTP.....Water Operations cost center 882151
Southwest WTP.....Water Operations cost center 882161
Lake Huron WTP.....Water Operations cost center 882171

Expense Type: Repairs & Maintenance - Equipment (622300)

Estimated Financial Plan by Year and Related Forecast Variance:

<u>Fiscal Years</u>	<u>Amount</u>
FY 2025 Budget	\$360,000.00
FY 2026 Financial Plan	360,000.00
FY 2027 Financial Plan	360,000.00
FY 2028 Financial Plan	360,000.00
FY 2029 Financial Plan	<u>360,000.00</u>
Financial Plan Forecast	\$1,800,000.00
Proposed Contract Amount	<u>\$1,800,000.00</u>
Variance (positive/(negative))	\$ 0.00

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on July 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.