



## Legislation Details (With Text)

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**Title:** RFP 1900318  
Task Order Engineering Services  
**Sponsors:** Navid Mehram  
**Indexes:** Wastewater Operations  
**Code sections:**  
**Attachments:** 1. Procurement Board Report RFP 1900318 Task Order Engineering Services

Date	Ver.	Action By	Action	Result
9/25/2019	1	Board of Directors	Approved as Amended	Pass
9/11/2019	1	Operations and Resources Committee	Recommended for Approval	Pass

### RFP 1900318 Task Order Engineering Services

Agenda of: September 11, 2019  
Item No.: **2019-324**  
Amount: \$30,000,000.00

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

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

**DATE:** **September 11, 2019**

**RE:** **Contract No. RFP-1900318**  
**Task Order Engineering Services - All GLWA**  
**Vendor: Various Vendors**

### **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. RFP 1900318, "Task Order Engineering Services" at a cost not to exceed Thirty Million Dollars (\$30,000,000.00) for a duration of three years, and any expenditures over One Million Dollars (\$1,000,000.00) will require Board approval;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

### **Vendors Included in this contract are the following:**

Arcadis of Michigan, LLC

Black & Veatch Ltd. of Michigan

Hazen and Sawyer

HDR Michigan, Inc.

Hubbell, Roth & Clark, Inc.

Wade Trim Associates

### **BACKGROUND**

Over the last 12 months, over 50 engineering contracts were issued by GLWA for consulting services for GLWA Facilities. Many of these contracts have been for projects/ tasks ranging from \$5,000 to \$200,000. Each one of these contracts induces a heavy burden on the GLWA team, due to the need to create a contract for each of these consulting service requisitions. Each contract associated with a requisition requires significant review and back & forth between the vendors, and GLWA Engineering, Procurement, legal counsel, and risk management to ensure that same necessary safeguards are in place as would be necessary for larger procurements. As a result, procurement of consulting services which are essential in improving our facilities and keeping our existing infrastructure intact, take significant time and staff effort to process before the vendor is authorized to proceed with the work. In recognition of the need to be able to react quickly, and reduce the burden on GLWA procurement, legal, and risk management teams, a Task Order Engineering Services Contract (TOES Contract) was developed, advertised, and evaluated in accordance with the GLWA qualifications-based selection process (QBS). This service will assist in full optimization of the Job Order Contract which is a similar model as it related to construction.

Six vendors were selected to provide task order engineering services on a task by task basis under this contract. Each task order can range in value between \$5,000 and \$500,000. GLWA will issue each selected vendor a contract and purchase order with no guarantee of the amount to be spent with that vendor. This TOES Contract will enable a single contract, procured and vetted through Legal and Risk Management, that encompasses all of the above-mentioned individual \$5,000 to \$500,000 contracts. The authorization for each task under this contract will be in accordance with the GLWA procurement policy. This TOES Contract is intended to service all areas of GLWA from Wastewater, Water, Field Services, Systems Control, and Fleet/Facilities.

Services provided under the TOES contract encompass various engineering disciplines including, but not limited to, individually or in combination, water/ wastewater process, site/civil, structural, geotechnical, electrical, instrumentation and controls, HVAC/mechanical, fire protection, architectural, plumbing, surveying and asset management. These disciplines may perform various services including, but not limited to, individually or in combination, study phase, CAD, 3-D modeling / building information modeling (BIM), hydraulic modeling/evaluation, laser scanning, virtual tours, structural evaluations, construction administration/construction engineering (CA/CE), limited scope design, inspections, testing, topographic/ALTA surveys, construction staking, easement /land acquisition, soil boring, reliability centered maintenance (RCM) assessment, reliability centered design (RCD), failure mode effect analysis (FMEA), root cause analyses/studies, soil boring/analyses, pavement design, document scanning/ organization and expert witness. Each task will be competitively bid by a minimum of two (2) out of the six (6) selected vendors. The selected vendors bidding on a task will

be provided with the scope, approach, schedule and budget elements being considered for responsiveness to the task. Each task will follow a route through the GLWA's established procedures for proper oversight, budgeting, and execution. Once a task is awarded, a notice to proceed will be issued to the selected vendor authorizing them to proceed on the task and identifying the task value against the vendor's PO issued to them during the contract award phase.

### **JUSTIFICATION**

To streamline the procurement of relatively small consulting services, this TOES Contract allows the organization to meet its needs in a more timely and efficient manner. This TOES Contract has been evaluated by GLWA Legal and Procurement teams and will meet GLWA Procurement Policies while simultaneously improving the level of service to GLWA's Operations & Maintenance teams who require quick turnarounds for contracted services to perform consulting services to GLWA Facilities. The TOES Contract is intended to work along-side the Job Order Contract for delivering quick solutions and quick fixes to GLWA assets on smaller sized projects.

Consulting service procurements are essential to GLWA's ability to meet current demand or regulatory requirements by fast-tracking designs or other consulting service projects aimed at improving GLWA infrastructure. By reducing many consulting service-related procurements and routing them through the TOES 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.

### **FINANCIAL PLAN IMPACT**

**Summary:** This contract will be available for Water & Wastewater Groups, Field Services, Systems Operations Control and Facility Operations engineering services. The use of this contract will be controlled by consistent application of current requisition and approval practices; individual engineering projects requested being reviewed against available budget within each cost center. With these controls in place this contract is within the financial plan.

As noted previously, this contract is intended to decrease the procurement cycle of these engineering services. By doing so tighter control can be achieved in the recognition of expenses in the period planned for by the requesting manager.

**Funding Source (depending on task):** The majority of the contract will be allocated to the Operations and Maintenance (O&M) budgets for Water (5910) and Sewer (5960). Additionally, Improvement & Extension (I&E) funds under Water (5506) and Sewer (5404) may be used for small capital projects such as equipment replacement and facility renovations.

**Cost Centers (depending on task):** Different Groups will have this contract available for their use. As noted above, each Group will continue to utilize the current requisition process for budget control. These groups, including Water Operations, Wastewater Operations, Systems Operations Control and Facility Operations, will be responsible for controlling their expenditures within their budget.

**Expense Types (depending on task):** Tasks assigned under this contact may include design for equipment and facilities as well as small capital I&E projects under Contractual Operating (617900) or Contractual Professional (617903) services. Engineering services performed by way of the TOES Contract have the potential to result in the identification of capital improvement projects which may allow for the reallocation of expenses to funding sources other than O&M and have the potential for capitalization of related expenses over the useful life of the constructed assets.

Examples of these services are covered in the BACKGROUND section of this document.

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

FY 2020 Budget (prorated)	\$4,467,150
FY 2021 Plan	6,183,500
FY 2022 Plan	6,316,025
FY 2023 Plan (prorated)	<u>1,596,805</u>
Financial Plan Forecast	\$18,563,480
Maximum Contract	\$30,000,000
Negative Estimated Variance	<u>-\$11,436,520</u>

**COMMITTEE REVIEW**

This item was presented to the Operations and Resources Committee at its meeting on September 11, 2019. 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.