



Legislation Details (With Text)

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Title: RFP-49412
HVAC Building & Mechanical Systems Program Management & On-Demand Repair Services
Sponsors: Cheryl Porter, Navid Mehram
Indexes: Wastewater Operations, Water Operations
Code sections:
Attachments:

Date	Ver.	Action By	Action	Result
2/26/2020	1	Board of Directors	Approved	Pass
2/12/2020	1	Operations and Resources Committee	Recommended for Approval	Pass

RFP-49412 **HVAC Building & Mechanical Systems Program Management & On-Demand Repair Services**

Agenda of: February 26, 2020
Item No.: **2020-044**
Amount: \$2,900,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: February 7, 2020

RE: **Contract No. RFP-49412**
HVAC Building & Mechanical Systems Program Management & On-Demand Repair Services
Vendor: Conti Corporation and Dunbar Mechanical, Inc.

MOTION

Upon recommendation of Navid Mehram, Chief Operating Officer - Wastewater Operating Services, and 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 **pay the outstanding invoices and provide for future needs through June 30, 2020 in the amount of \$2,900,000.00 for to Conti Corporation for \$1,358,400.00 and Dunbar Mechanical, Inc. for \$1,541,600.00;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

As GLWA's business processes and data analytics continue to improve and be refined, the team is identifying services and supplies that were previously procured on an as needed basis that can now be more proactively planned and competitively bid as entity-wide contracts in the future. In this example, an improvement opportunity was identified for the planning and procurement of services rendered that align with DWSD RFP-49412 "HVAC Building & Mechanical Systems Program Management & On-Demand Repair Services". In the past, Detroit Water & Sewerage Department (DWSD) Board approval was sought for this procurement under DWSD. This project was originally competitively bid, and two contractors were awarded. Acquisition of services and supplies since GLWA transition were procured, as needed, on a decentralized basis utilizing the rate schedule from the 2015 DWSD contract.

The scope of this contract as established in 2015 contains provisions for inspection and repair to the heating, ventilation and air conditioning (HVAC) equipment, and dehumidification equipment. The HVAC equipment includes natural gas-fired unit heaters, electric unit heaters, boilers, condensate return pumping units, steam traps, pressure relief devices, building mechanical instrumentation and controls, and all associated parts and equipment. The responsibility of the service between the two contractors was separated as follow:

Conti Corporation:

- Five Water Treatment Plants

Dunbar Mechanical Inc:

- Wastewater Operations
- Booster Stations
- CSO Stations
- Pumping Stations

JUSTIFICATION

Given the dollar amount of work in process, staff has determined that it is more prudent and transparent to view the individual, as needed, decentralized procurements as an entity wide need. This motion will allow GLWA to pay the current vendors until the service is competitively bid and new centralized contract(s) is awarded. This service is critical to the continuity of operation of GLWA facilities.

Action items:

1. Establish two (2) contracts for HVAC services with both Conti Corporation and Dunbar Mechanical to handle the interim needs through June 30, 2020.
2. GLWA is working on developing a solicitation for HVAC services subsequent to June 30, 2020.
3. The interim solution and subsequent new bid award(s) will be structured as centralized procurements to improve monitoring and control of spending for this service.

PROCUREMENT REPORT

Procurement will issue a request for bid in early March for HVAC Building & Mechanical Systems Program Management and as needed Services. Once a new contract is awarded, the services under the interim contracts will be terminated if a favorable contract is in place before June 30, 2020.

PROJECT MANAGEMENT STATUS

	Conti Corporation	Dunbar Mechanical	Total
Services Rendered through 01/31/2020 (invoiced; not paid)	\$354,100.00	\$217,600.00	\$571,700.00
Services Rendered through 01/31/2020 (not invoiced; not paid)	154,300.00	474,000.00	628,300.00
Services to be rendered through 06/30/2020	850,000.00	850,000.00	1,700,000.00
Total commitment	\$1,358,400.00	\$1,541,600.00	\$2,900,000.00

FINANCIAL PLAN IMPACT

Summary: HVAC services are covered in the FY 2020 Operations and Maintenance (O&M) budget of both Water Operations (Water Treatment Plants and Pumping Stations) and Wastewater Operations (Operations and Combined Sewer Overflow facilities). While the budget should be sufficient, it is recognized that HVAC is an as needed service. In the event that a budget amendment is needed, a reduction will be made in either another category or in the Unallocated Reserve.

Funding Source: Operations & Maintenance (O&M)

Cost Centers: Multiple Cost Centers throughout Water and Wastewater Operations

Expense Type(s): Contractual Buildings & Grounds Maintenance (617200)
Repairs & Maintenance-Equipment (622300)
Repairs & Maintenance-Facilities (622400)

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on February 12, 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.