



Legislation Details (With Text)

File #: 2020-190 **Version:** 1 **Name:**

Type: Resolution **Status:** Passed

File created: 6/1/2020 **In control:** Board of Directors

On agenda: 6/24/2020 **Final action:** 6/24/2020

Title: Proposed Amendment No. 3
GLWA-PS-074
Oversight of Construction Contractors for Water and Wastewater Treatment
CIP# N/A

Sponsors: Cheryl Porter, Grant Gartrell

Indexes: Water Operations

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
6/24/2020	1	Board of Directors	Approved	Pass
6/10/2020	1	Operations and Resources Committee	Recommended for Approval	Pass

Proposed Amendment No. 3

GLWA-PS-074

Oversight of Construction Contractors for Water and Wastewater Treatment

CIP# N/A

Agenda of: June 24, 2020

Item No.: **2020-190**

Amount:	Original Contract	\$300,000.00
	Amendment No. 1	80,000.00
	Amendment No. 2	130,000.00
	Proposed Amendment No. 3	390,000.00
	Total Revised Contract	\$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: June 3, 2020

RE: Proposed Amendment No. 3
Contract No. GLWA-PS-074
Oversight of Construction Contractors for Water and Wastewater Treatment
Vendor: Hugh Connolly

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 GLWA-PS-074 Proposed Amendment No. 3 “Oversight of Construction Contractors for Water and Wastewater Treatment” with Hugh Connolly, at an increased cost of \$390,000.00 for a total cost not to exceed \$900,000.00, and an increased duration of 3 years for a total duration of 7 years;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

Contract No. PS-074 is a personal services contract that is used to supplement the construction inspection personnel within GLWA’s Water Engineering and Water Operations Administration groups. This contract is principally used to oversee the sludge removal and disposal contract work that is conducted routinely at the Northeast, Southwest and Springwells Water Treatment Plants, as well as sludge removal work at the Lake Huron Water Plant. This contract is also used to oversee and document construction work performed on various capital improvement program projects. The initial term of the contract commenced on July 18, 2016 and has been extended twice to the current contract end date of July 1, 2020. The contract amount is based on an hourly billing rate of \$65.00 per hour, which has not changed since the inception of the contract. The hourly billing rate will remain at \$65.00 per hour.

JUSTIFICATION

The personal services provided under Contract No. PS-074 are needed to supplement existing staff levels for construction inspection on GLWA Water Engineering projects. All budgeted positions within the Water Engineering group are filled. The experience and effectiveness of the PS-074 personal services contractor is also vital to GLWA’s oversight of the sludge removal and disposal services contractor that works at the Northeast, Southwest and Springwells Water Treatment Plants. No in-house personnel are available to staff this essential function.

PROJECT MANAGEMENT STATUS

Original Contract Time	2 years
Amendment No. 1	1 year
Amendment No. 2	1 year
Proposed Amendment No. 3	3 years
New Contract Time	7 years

PROJECT ESTIMATE

Original Contract Price	\$300,000.00
Amendment No. 1	80,000.00

Amendment No. 2	130,000.00
Proposed Amendment No. 3	390,000.00
New Contract Total	\$900,000.00

FINANCIAL PLAN IMPACT

Summary: The proposed contract with Hugh Connolly encompasses Operations & Maintenance expense only. The FY 2021 budget and five-year financial plan was based on the previous contract period. The value of the contract is within the current financial plan in total. Sufficient funds will be provided in the Operations & Maintenance (O&M) financial plan for this contract related to contractual professional services.

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

Cost Center(s): Water Engineering.....Water Operations cost center 882111

Expense Type(s): Contractual Professional Services (617903)

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

<u>Fiscal Year</u>	<u>Amount</u>	
FY 2017 Budget	\$150,000	
FY 2018 Budget	150,000	
FY 2019 Budget	80,000	
FY 2020 Budget	130,000	
FY 2021 Budget	130,000	
FY 2022 Financial Plan	130,000	
FY 2023 Financial Plan	<u>130,000</u>	
Financial Plan Forecast	\$900,000	
Proposed Contract Amount	<u>\$900,000</u>	
Variance (positive/ (negative))		\$(0)

SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT

The award of this contract provides a variance of \$0 (\$900,000 financial plan forecast less \$900,000 proposed contract amount). 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 was presented to the Operations and Resources Committee at its meeting on June 10, 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.