



## Legislation Details (With Text)

**File #:** 2020-273      **Version:** 1      **Name:**  
**Type:** Resolution      **Status:** Passed  
**File created:** 8/7/2020      **In control:** Board of Directors  
**On agenda:** 8/26/2020      **Final action:** 8/26/2020  
**Title:** Proposed Amendment 1  
GLWA-SOQ-135A  
Security Infrastructure Improvements  
CIP# 341001/ 341002 / BCE N/A  
**Sponsors:** W. Barnett Jones  
**Indexes:** Security and Integrity  
**Code sections:**  
**Attachments:** 1. CIP Excerpts

Date	Ver.	Action By	Action	Result
8/26/2020	1	Board of Directors	Approved	Pass
8/12/2020	1	Operations and Resources Committee	Recommended for Approval	Pass

**Proposed Amendment 1**  
**GLWA-SOQ-135A**  
**Security Infrastructure Improvements**  
**CIP# 341001/ 341002 / BCE N/A**

**Agenda of:** August 26, 2020

**Item No.:** **2020-273**

<b>Amount:</b>	Original Contract Price	\$ 7,604,479.08
	Proposed Amendment No. 1	\$ 5,101,903.10
	New Contract Total	\$12,706,382.18

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

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

**DATE:** July 29, 2020

**RE:** **Proposed Amendment No. 1**  
**Contract No.: GLWA-SOQ-135A**  
**Security Infrastructure Improvements**

## Vendor: Rotor Electric Company of Michigan, LLC

### MOTION

Upon recommendation of W. Barnett Jones, Chief Security and Integrity Officer, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **enter into Contract No. GLWA-SOQ-135A, Proposed Amendment No. 1 “Security Infrastructure Improvements” with Rotor Electric Company of Michigan, at an increased cost of \$5,101,903.10 for a total cost not to exceed \$12,706,382.18, and an increased duration of 294 days for a total contract duration of 1,389 days**; and authorizes the CEO to take such other action as may be to accomplish the intent of this vote.

### BACKGROUND

Contract SOQ-135A involves Camera installations, perimeter intrusion detection, enhanced access controls within the GLWA system. This design project includes virtually every facility within the GLWA System (47 different sites) ranging from Freshwater Treatment Plants and WRRF to small Fresh and Sewage Pumping Stations and all of the CSO Basins.

The start work date for SOQ-135A was February 21, 2018 with a Final Completion Date of February 19, 2021 (1095 days). There was no substantial completion date defined as the project was a design and construction administration contract. The original sequence of design and construction was provided during the bidding process.

- The base contract amount was defined based on an incomplete scope. Additional details were provided at the contract signing that could not be released through the bid process due to the confidential nature of the security improvements. These details specifically identified GLWA facilities and security specifications for the design and construction process.
- The design duration took longer than expected due to unforeseen conditions such as incomplete/inaccurate as built documentation, and existing non-code compliant installations.
- Additional design duration occurred as the anticipated cost of construction was getting too high, so redesign was required to reduce construction cost.
- The original Construction budget of \$6,000,000 was an estimate and has not matched the design projections.
  - To date, GLWA has under construction:

• Belle Isle Intake Facility	731,360.82
• Water Station Phase 1 (4 Sites)	765,471.22
• Water Station Phase 2 (5 Sites)	695,168.26
• Water Station Phase 3 (5 Sites)	432,509.90
• Water Station Phase 4 (4 Sites)	423,244.21
• Springwells WTP	749,000.00

- Water Resources Recovery Facility 1,860,162.88

**Total Under Construction (22 sites) 5,656,917.29**

**Construction Allowance Remaining: 343,082.71**

- The sites remaining to be constructed include:
  - CSO Phase 1 (4 Sites) 620,289.09<sup>1</sup>
  - Southwest WTP 661,730.46<sup>1</sup>
  - Water Works Park WTP 979,777.96<sup>2</sup>
  - Lake Huron WTP 1,153,595.30<sup>2</sup>
  - CSO Phase 2 (5 Sites) 780,000.00<sup>3</sup>
  - Northeast WTP 760,000.00<sup>3</sup>

**Total Remaining to be Constructed (13 Sites): 4,955,385.81**

1. Design is complete and final pricing is established.
2. Preliminary design is complete pricing is rough estimate
3. Preliminary design is ongoing, this is a budgetary estimate

### **JUSTIFICATION**

The SOQ-135A contract construction allowance of \$6,000,000 was insufficient to provide the necessary security upgrades at all of the GLWA facilities. As such, an increase in the construction allowance is necessary to complete the work at all of the facilities. Commensurate with that is a need for additional administration cost to manage that additional construction.

- Total Board request is \$5,101,903.10 this is broken down as follows:
  - Additional construction costs are **\$4,612,303.10<sup>1</sup>**.
    - CSO Phase 1: \$620,289.09
    - SW WTP Surveillance & Intrusion Detection 661,730.46
    - WWP WTP Surveillance & Intrusion Detection 979,770.96
    - LH WTP Surveillance & Intrusion Detection 1,153,595.30
    - NE WTP Surveillance & Intrusion Detection 760,000.00
    - CSO Phase 2 780,000.00
    - Total Construction Dollars Needed: \$4,955,385.81
    - Remaining Allowance from base contract: (\$343,082.71)

- Additional Administration costs are **\$489,600.00<sup>2</sup>**.
- The new Substantial Completion date is 9/10 /2021
- The new Final Completion date is 12/09/2021
- The extended duration is 294 total days
  1. Remaining to be constructed minus balance of existing Allowance
  2. (3) People for 6 months for Administration

### **PROJECT MANAGEMENT STATUS**

Original Contract Time	1,095 Days Three (3) years
Amendment No. 1	294 Days
New Contract Time	1,389 Days

### **PROJECT ESTIMATE**

Original Contract Price	\$ 7,604,479.08
Amendment No. 1	5,101,903.10
New Contract Total	\$12,706,382.18

### **FINANCIAL PLAN IMPACT**

**Summary:** Sufficient funds are provided in the financial plan for this project.

**Funding Source:** Water Improvement and Extension Fund / Wastewater Improvement and Extension Fund

**Cost Center:** Security & Integrity (881201.000 / 891201.000)

**Expense Type:** Construction (5506-881201.000-616900-341001)  
Construction (5404-891201.000-616900-341002)

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

Original Contract Price	\$ 7,604,479.08
Proposed Change Order No. 1	\$ 5,101,903.10

New Contract Total	\$12,706,382.18	
Financial Plan Estimate 341001/341002	<u>12,642,000.00</u>	
Negative Estimating Variance	\$	(64,382.18)

The award of this change order to the vendor creates a negative estimating variance of \$64,382.18. This variance will be funded from capital reserves.

### **COMMITTEE REVIEW**

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