



## Legislation Text

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File #: 2018-577, Version: 1

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### GLWA-CON-197

### **Modifications to Incinerator Sludge Feed Systems in Complex II at Water Resource Recovery Facility (WRRF)**

Agenda of: February 28, 2018

Item No.: **2018-577**

Amount: \$18,631,083.00

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

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

**DATE:** February 14, 2018

**RE:** **Contract No.: GLWA-CON-197**  
**Modifications to Incinerator Sludge Feed Systems in Complex II at Water Resource Recovery Facility (WRRF)**  
**Vendor: Weiss Construction Co., LLC**

### **MOTION**

Upon recommendation of Suzanne Coffey, Chief Planning Officer, Interim Chief Operating Officer - Wastewater, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), **authorizes the Chief Executive Officer (CEO) to enter into Contract No. GLWA-CON-197, “Modifications to Incinerator Sludge Feed Systems in Complex II at Water Resource Recovery Facility (WRRF)” with Weiss Construction Co., LLC, at a cost not to exceed \$18,631,083.00 for a duration of 30 months;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

## **BACKGROUND**

The GLWA WRRF has multiple hearth incinerators (MHI) in Complex II (C-II) Incineration. This facility is used to dry and combust dewatered sludge by thermal conversion into exhaust gas and inert ash. Major rehabilitation has been deferred over the years in anticipation of an alternative bio-solids disposal solution to handle all the solids. In anticipation of the Maximum Achievable Control Technology (MACT) rules taking effect, GLWA put in place a capital improvement project that would extend the ability to utilize multiple hearth incineration technology. When the fire occurred at the GLWA WRRF on March 4, 2016, GLWA immediately initiated a study and design for improvements to the sludge conveyance system, which was part of a planned capital improvement project. Currently, the design is completed and the project has moved to the bidding/negotiation phase.

## **JUSTIFICATION**

The Complex-II incineration complex is over 40 years old with many major pieces of equipment that are nearing the end of their useful life. This equipment required replacement or major rehabilitation in order to be used as the primary solids disposal method. Moreover, the fire at the GLWA WRRF resulted in severe damage to the belt conveyors feeding incinerators. The motor control centers and the unit substation that feed power to this equipment are also over 40 years old and have reached their maximum life service expectancy. Therefore, replacement of this electrical gear is also needed to ensure continuous reliable operation. This project will restore sludge conveying capacity that was lost due to the fire damage and address the issues associated with the aging equipment providing improved sludge conveyance from the dewatering facilities, resulting in operational efficiency and reduce the future risks of fire.

## **PROCUREMENT METHOD**

Competitively bid - Lowest responsive and responsible vendor.

Advertised: October 31, 2017

On Michigan Inter-governmental Trade Network (MITN) website.

Distributed to: 1961 vendors

Downloaded by: 118 vendors

Addendums released: 5

Response due date: January 8, 2018

Responses received: 3 vendors submitted bids

Evaluation Method: Request for Bid (RFB) - Lowest responsive and responsible bid tabulation.

Fee type: Fixed fee by task

**Vendor (Lowest to Highest)**

**Cost**

Weiss Construction Co., LLC

\$18,631,083.00

Tooles Contracting Group LLC\$20,500.000.00

Walsh

\$22,076,000.00

It is recommended that Weiss Construction Co., LLC be awarded this contract.

Minority Business Enterprise (MBE): No

Detroit Based Business (DBB): Yes

Small Business Enterprise (SBE): No

**Sub-Contractor(s) List for Weiss Construction Co., LLC:**

Rotor Electric

Murray Painting

Titus Welding

**Litigation**

This vendor is not currently nor has been previously involved in any litigation with the GLWA.

**Financials**

A financial risk assessment was performed by the GLWA via Dun & Bradstreet and was determined that the selected vendor has the financial capacity to perform the tasks under this contract. This information is available for the Board of Directors to review upon request.

**Project Estimate**

The estimate for this project is \$18,741,500.00. It should be noted that this cost estimate was

prepared when the project design was nearly complete.

### **BUDGET IMPACT**

The proposed project to modify the incinerator sludge feed systems in complex II at WRRF was included in the Board Approved 2018 Capital Improvement Plan under CIP 213007. The estimate at that time was a planning level estimate. The proposed construction contract award of \$18,631,083.00 will be funded under the CIP 213007 in the amount of \$16,922,000.00. The reallocation of funding from the WRRF Allowance CIP 260100 in the amount of \$ 1,709,083.00 is necessary to fulfill the budgetary cost of this proposed project. A budget amendment will be completed to reallocate the funds from CIP 260100 (WRRF Allowance) to CIP 213007.

CIP 213007	\$16,922,000.00
CIP 260100	\$1,709,083.00
Total Budget	\$18,631,083.00

### **SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT**

This award of this contract budget provides an estimating variance of \$110,462.00. This estimate was made at a stage when the design was nearly complete.

Estimated Project Cost	
Project estimate	\$18,741,500.00
Actual costs	\$18,631,083.00
Estimating Cost variance	\$110,462.00

### **ADDITIONAL OPTIMIZATION INFORMATION**

Benchmarking was completed by comparing the bid table for this project. This analysis confirmed that rates are in competitive range. The rate comparisons are illustrated in the attached document labeled "GLWA-CON-197 RFB Evaluation."

**COMMITTEE REVIEW**

This matter is being presented directly to the full Board.

**SHARED SERVICES IMPACT**

This item does not impact the shared services agreement between GLWA and DWSD.