



## Legislation Text

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### GLWA-CS-151A

#### **Reservoir Inspection, Design, and Rehabilitation Project at Imlay Station, Lake Huron Water Treatment Plant (WTP), Springwells WTP, and Southwest WTP**

Agenda of: September 26, 2018  
Item No.: **2018-893**  
Amount: \$2,164,692.00

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

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

**DATE:** September 6, 2018

**RE:** **Contract No. GLWA-CS-151A**  
**Reservoir Inspection, Design, and Construction Project at Imlay Station, West Service Center, Lake Huron Water Treatment Plant (WTP), Springwells WTP, and Southwest WTP**  
**Vendor: Hazen and Sawyer**

### **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 Contract No. GLWA-CS-151A "Reservoir Inspection, Design, and Construction Project at Imlay Station, West Service Center, Lake Huron Water Treatment Plant (WTP), Springwells WTP, and Southwest WTP" with Hazen and Sawyer, at a cost not to exceed \$2,164,692.00 for a duration of fifty-six (56) months;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

### **BACKGROUND**

The Michigan Department of Environmental Quality (MDEQ) requires that finished water reservoirs be inspected every three years to determine their condition and make any necessary improvements to the reservoirs to maintain their integrity. The scope of services under this contract includes inspecting the reservoirs to identify the specific scope of improvements to be made, developing design documents to competitively bid construction of any necessary

improvements, and administering the construction contract and inspecting the work of the construction contractor.

### **JUSTIFICATION**

Finished water reservoirs must be inspected every three years to comply with MDEQ regulatory requirements. Any deteriorated conditions that are discovered as a result of the inspections must be corrected so that water quality is protected, and the structural integrity of the reservoirs is maintained.

### **FINANCIAL PLAN IMPACT**

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

**Funding Source:** Water Construction Bond

**Cost Center:** Water Engineering

**Expense Type:** Construction (5519-882111.000-617950-170801)

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

<b>Fiscal Year</b>	<b>Amount</b>
FY 2019 Budget	\$472,000.00
FY 2020 Budget	583,000.00
FY 2021 Budget	260,000.00
FY 2022 Budget	260,000.00
FY 2023 Budget	260,000.00
FY 2024 Budget	<u>225,000.00</u>
Financial Plan Estimate	\$2,060,000.00
Proposed Contract Award	\$ <u>2,164,692.00</u>
Negative Estimating Variance	\$(104,692.00)

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

This project is for the inspection of reservoirs as required by MDEQ. Cost savings are not determinable at the time of this award.

The award of this contract to the highest-ranking proposer creates a negative estimating variance of \$104,692.00. Based on discussion with the project manager sufficient budget within the construction phase is anticipated to be able to fund the negative estimating variance.

Project estimate	\$2,060,000.00
Proposed award	<u>2,164,692.00</u>
Construction phase adjustment	\$(104,692.00)

### **COMMITTEE REVIEW**

This item is being presented directly to the full Board of Directors for consideration.

### **SHARED SERVICES IMPACT**

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