

Legislation Text

File #: 2018-905, Version: 1

GLWA-CON-285

Wholesale Water Meter Pit Rehabilitation and Meter Replacement

Agenda of: September 26, 2018

Item No.: **2018-905**

Amount: \$10,459,000.00

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-CON-285**
Wholesale Water Meter Pit Rehabilitation and Meter Replacement
Vendor: LGC Global, Inc.

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-285, "Wholesale Water Meter Pit Rehabilitation and Meter Replacement" with LGC Global, Inc., at a cost not to exceed \$10,459,000.00 for a duration of Forty-two (42) months;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The Great Lakes Water Authority (GLWA) operates two hundred ninety (290) wholesale water metering locations to collect flow data for proper billing and analysis of the water system.

GLWA has started a water metering capital improvement program. This is a first contract of the program. This contract will provide metering instrumentation upgrade, meter pit rehabilitation, and meter cabinet rehabilitation at fifty (50) meter pit locations. This contract will also provide corrective

and emergency maintenance at remaining two hundred forty (240) metering locations.

Reliable and accurate metering of the wholesale customers is critical for billing the wholesale customers in a fair and equitable manner. GLWA's System Analytics and Meter Operations Group ("Group") has a primary mission to monitor, measure, report and analyze flows in GLWA's water and sewer systems. This Group is also heavily involved in the GLWA's Member Outreach program and supports GLWA's System Control Center Group and Financial Services Area.

JUSTIFICATION

It is critical for the GLWA to have a robust and high-quality water metering program. Accurate metering increases customer confidences and bills the customers in a fair and equitable manner. Water meter data is also utilized to diagnose the system on an ongoing basis both internally and externally. Data from the water metering network provides Systems Control with critical flow and pressure information throughout the region. The data is utilized for water master planning and modeling.

As water usage declines regionally and nationally, there are GLWA water meters that are oversized for the demand which can decrease accuracy. Meter vaults have also degraded in the harsh environments and need to be rehabilitated to ensure safe working and proper conditions for field instrumentation. The services that will be provided in this contract are necessary to improve the metering technologies and meter vaults. Additionally, this contract gives GLWA the flexibility to bring on additional resources when emergencies and/or the need for the replacement of meters arise.

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 (5519-882111.000-616900-170901)

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

Fiscal Year

FY 2019 Budget	\$ 4,000,000.00
FY 2020 Budget	4,000,000.00
FY 2021 Budget	<u>4,000,000.00</u>
Financial Plan Estimate	\$ 12,000,000.00
Proposed Contract Award	<u>10,459,000.00</u>
Positive Estimating Variance	\$ 1,541,000.00

SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT

This project is rehabilitation or replacement of fifty (50) wholesale water meter pits. Cost savings are not determinable at the time of this award.

The award of this contract to the lowest, qualified bidder creates a positive estimating variance of \$1,541,000.00. This variance will be funded to capital reserves.

Project estimate	\$ 12,000,000.00
Proposed award	<u>10,459,000.00</u>
Capital reserve adjustment	\$ 1,541,000.00

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.