



Legislation Text

File #: 2019-183, Version: 1

Proposed Change Order No. 1

GLWA-CON-181

Water Transmission Main Repair

Agenda of: May 22, 2019

Item No.: **2019-183**

Amount: N/A

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: May 1, 2019

RE: Proposed Change Order No. 1
Contract No. GLWA-CON-181
Water Transmission Main Repair
Vendor: Lakeshore Global Corporation

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-CON-181 Change Order No. 1 "Water Transmission Main Repair" with Lakeshore Global Corporation, to add 365 days to the Contract Time for a total contract duration of 1,096 days;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The GLWA water transmission system consists of approximately 800 miles of pipes ranging in diameter from 24-inch through 120-inch. Several significant mains are over 100 years old. Controlling flow through the mains are over 9,000 valves ranging in size from 2-inch diameter air valves to 120-inch diameter butterfly valves, and virtually every type of valve and diameter in-between manufactured for water service over the last century. Due to the unpredictable and infrequent nature of transmission main failure, GLWA does not maintain the staff and equipment necessary to excavate

and repair these mains and relies on contracted services. GLWA-CON-181 is currently the only contract used to respond to transmission main failures and valve repairs and replacements. This contract has also been used for urgent water related projects as necessary to ensure the safe and reliable flow of raw, treated and finished water to GLWA member partners.

JUSTIFICATION

The purpose of GLWA-CON-181 is to provide contractor services to repair, replace, or upgrade failed water transmission mains, valves and other urgent water related projects as necessary to maintain safe and reliable finished water to GLWA member partners. The current contract expires on October 13, 2019. GLWA intends to award a second contract for these services to an alternate contractor to ensure capacity and redundancy for emergency situations. The second contract is currently being evaluated for award and should come before the Board for approval in the next few months. However, to ensure complete coverage and to allow for onboarding time, GLWA staff requests that the Board approve this one-year time only extension for the current contractor. The Contractor has performed the work meeting or exceeding GLWA's expectations and staff wish to extend the time of this contract. The two water transmission and valve contracts will then be advertised and awarded for two-year contract terms on offsetting years to provide adequate contract capacity and manage major planned and emergency transmission main and valve projects.

PROJECT MANAGEMENT STATUS

Original Contract Time	730 Days
Proposed Change Order No. 1	366 Days
New Contract Time	1,096 Days

PROJECT ESTIMATE

Original Contract Price	\$ 15,000,000.00
Proposed Change Order No.1	\$ 0.00
Contract Total	\$ 15,000,000.00

FINANCIAL PLAN IMPACT

The proposed extension of CON-181 creates a timing financial impact. The contract's original plan spend for fiscal years 2018 and 2019 totaled \$10,000,000.00 for Capital Improvements and \$5,000,000.00 for the Operations and Maintenance budget. At the time of this extension proposal, the full contract value was not spent in fiscal years 2018 and 2019. The unspent portion was adjusted to reserves at the end of those fiscal years. The proposed extension into fiscal year 2020 will be funded by transferring the budget back to the project from reserves.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on May 8, 2019. 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.