



Legislation Text

File #: 2019-404, Version: 2

Proposed Amendment No. 2
Contract No. 1800395/1903308 - SCO-1134
Various Emerson Projects

Agenda of: December 19, 2019

Item No.: **2019-404**

Amount:	Original Contract	\$484,846.00
	Amendment No. 1	\$499,604.00
	Amendment No. 2	\$4,074,032.00
	Total Revised Contract	\$5,058,482.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: November 13, 2019

RE: Amendment No. 2
Contract No.: 1800395/1903308 - SCO-1134
Various Emerson Projects
Vendor: Emerson Process Management Power & Water Solutions, Inc.

MOTION

Upon recommendation of Navid Mehram, Chief Operating Officer - Wastewater Operating Services, The Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **amend the existing Contract No. SCO-1134, "Various Emerson Projects" with Emerson Process Management Power & Water Solutions, Inc., for a total not to exceed \$5,058,482.00 with no change to the duration of the contract;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The GLWA utilize Ovation Distributed Control System (DCS) for monitoring and control of the equipment required to treat, distribute and collect water and wastewater. The Ovation system installation originally began as part of the design/build/maintain contract PC-713 in the year 2000. Subsequently, the system was upgraded as part of PC-773 in the

year 2013. The GLWA DCS system is a large and complex system comprising of over 1,500 networked assets; controllers, servers, workstations, meters, instruments, and printers.

The Ovation DCS spans all GLWA sites including the Water Resource Recovery Facility, System Control Center (SCC), Water Treatment Plants, Treated Water Pump Stations, Wastewater Collection Booster Stations, and Combined Sewer Overflow (CSO) facilities. In addition to the above system, GLWA operates an independent Emerson Ovation DCS for Backup Control Center (BCC) in the event of a catastrophic event.

The Ovation Distributed Control System (DCS) provide operations and maintenance with the following services: cybersecurity, historical data archiving, reporting, and secure remote process monitoring. Emerson is the manufacturer and developer of the Ovation DCS.

JUSTIFICATION

The Ovation DCS is the backbone of our SCADA system and an essential for successful operations of our systems. It is a core component for our operations and maintenance team to maintain regulatory compliance while enhancing operational efficiency. Emerson Process Management Power & Water Solutions is the manufacture of the DCS system that works directly with the end user to ensure maximum quality. The services provided through this contract will include replacement of hardware that is at its end of useful life, upgrade unsupported software to the latest version with fully supported and secure operating system. Furthermore, the contract includes allowances for direct manufacturer support for software patches, onsite field engineering for emergency services and complex technical tasks. The above-mentioned upgrades include new technology and software to enhance; visualization, alarming, energy management and maintenance efficiency. Including, significant progress to continually shoring GLWA system from potential cybersecurity attacks.

PROJECT MANAGEMENT STATUS

Original Contract Length	3 years
Amendment No. 1	No Change
Proposed Amendment No. 2	No Change

PROJECT ESTIMATE

Original Contract Price	\$ 484,846.00
Amendment No. 1	\$ 499,604.00
Proposed Amendment No. 2	\$ 4,074,032.00

PROCUREMENT REPORT

Based on local research conducted by procurement this constitutes a specialized procurement as this is the only vendor (Emerson) who can fulfill and supply GLWA Ovation requirements. This contract is a task order contract that covers both water and wastewater services. Although we concluded that this is a specialized procurement, given the dollar values involved for future needs, GLWA procurement is scheduling an advertisement for January of 2020 to extend the research and survey the market nationally for similar services.

This amendment also undertakes two SureService Maintenance contracts with Emerson, purchase orders numbers 0004866 and 0007002, that are due to expire 1/31/2020.

FINANCIAL PLAN IMPACT

Summary: As a Task Order Contract this contract will be available for Wastewater Process Controls Group, Systems Controls, Information Technology and Water Operations for the instrumentation and controls maintenance tasks on the Operational Technology system. The use of this contract will be controlled by consistent application of current requisition and approval practices; individual tasks requested being reviewed against available budget by expense category and cost center. Additionally, the funding source will be determined as each task is requested. With these controls in place this contract is within the financial plan.

Funding Source (depending on task):

Operations and Maintenance (O&M)

Improvement & Extension (I&E)

Capital Improvement (CIP) - under allowance 170100 & program 260200

Cost Centers (depending on task):

Wastewater Process Controls (892222)

Systems Operations Control (882301)

Water Operations (882131)

Expense Types (depending on task): Tasks assigned under this contact may include:

616900 - Construction

617900 - Contractual Operating Services: Software licensing and network support

622301 - Repairs & Maintenance - Hardware: repairs and upgrades to controls equipment

622302 - Repairs & Maintenance - Software: Process control systems support Services

901100 - Capital Outlay over \$5,000 (Capitalized)

Estimated Financial Plan by Year and Related Estimating Variance:

	<u>O&M</u>	<u>I&E</u>	<u>CIP</u>	<u>TOTAL</u>
FY 2019	\$1,180,300	\$0	\$0	\$1,180,300

FY 2020	\$1,476,925	\$500,000	\$300,000	\$2,276,925
FY 2021(Prorated)	<u>\$790,740</u>	<u>\$325,000</u>	<u>\$300,000</u>	<u>\$1,115,740</u>
Total Budget	\$3,447,965	\$825,000	\$600,000	\$4,872,965
Maximum Proposed Contract	<u>\$3,187,453</u>	<u>\$1,271,029</u>	<u>\$600,000</u>	<u>\$5,058,482</u>
Estimated Variance	<u>\$260,512</u>	<u>-\$446,029</u>	<u>\$0</u>	<u>-\$185,517</u>

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on December 11, 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.