



Legislation Text

File #: 2020-155, Version: 1

Contract No. 1903312

14 Mile Transmission Main Loop - Phase I

CIP# 122013 / BCE: 70.6

Agenda of: May 27, 2020
Item No.: **2020-155**
Amount: \$5,978,000.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: May 1, 2020

RE: **Contract No. 1903312**
14 Mile Transmission Main Loop - Phase I
Vendor: Major Cement Company

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. 1903312**

“14 Mile Transmission Main Loop - Phase I” with Major Cement Company, at a cost not to exceed \$5,978,000.00 for a duration of 424 days; and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The 14 Mile water transmission main that currently serves West Bloomfield Township, Farmington Hills, Commerce Township, Novi, Walled Lake, and Wixom is a single feed transmission system. If a disruption to service were to occur on this transmission main, many of the users along this main would experience a complete loss of pressure and water supply. This project would provide a

transmission main loop to the 14 Mile transmission system to provide redundancy on this branch of the system.

Completion of the 14 Mile Road Transmission Loop will eliminate a single feed to over 250,000 people, including major health care facilities, schools and businesses. The construction work for the 14 Mile Transmission Loop Project will be executed in two phases. Phase I, as described above, involves construction of approximately 1 mile of 24-inch diameter transmission main, associated 24-inch, 20-inch, and 16-inch gate valves, blow-off and air valves, and additional tie-ins to master meters WA-01, NV-04, and CM-01. Phase II will involve construction of approximately 8 miles of 54-inch transmission main, associated yard piping and a reservoir fill line at the Haggerty Booster Station as well as a control valve to regulate flows along this transmission main. GLWA Water Engineering is requesting Board approval of the Phase 1 construction contract for this Michigan Department of Environment, Great Lakes, and Energy (EGLE), Drinking Water State Revolving Fund (DWSRF) and Clean Water State Revolving Fund (CWSRF) project.

JUSTIFICATION

GLWA Contract No. 1903312 "14 Mile Road Transmission Loop Project - Phase I," will involve construction of approximately 1 mile of 24-inch diameter transmission main along 14 Mile Road from M-5 to west of Decker Road to reinforce the 14 Mile Transmission System. Implementation of this project will reinforce the existing 24-inch transmission main which runs parallel to the 42-inch main along 14 Mile Road. This will provide redundancy to Novi, Commerce Township, and Walled Lake. Once the parallel main is complete, it will be operated concurrent with the existing transmission main. Operation of both mains in parallel will reduce the operating pressure on the existing main, which will lessen potential breaks on the existing main.

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 (5519-882411.000-616900-122013)

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

Fiscal Year

FY 2022 Budget	\$ 1,396,000.00
FY 2023 Budget	1,396,000.00
FY 2024 Budget	1,396,000.00
FY 2025 Budget	1,396,000.00
Financial Plan Estimate	\$ 5,584,000.00

Proposed Contract Award			<u>5,978,000.00</u>	
Negative	Estimating	Variance	(\$	394,000.00)

This negative estimating variance to be funded from capital reserves.

SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT

The cost savings are not determinable at the time of award.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on May 13, 2020. 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.