



Legislation Text

File #: 2020-230, Version: 1

Contract No. 2000970
Rehabilitation of Screened Final Effluent Pump Station
CIP # 216008/ BCE Score: 55.8

Agenda of: July 22, 2020
Item No.: **2020-230**
Amount: \$3,399,730.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: July 22, 2020

RE: **Contract No. 2000970**
Rehabilitation of Screened Final Effluent Pump Station
Specialized Procurement
Vendor: Noresco, LLC.

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 **enter into Contract No. 2000970 “Rehabilitation of Screened Final Effluent Pump Station” with Noresco, LLC., at a cost not to exceed \$3,399,730 for a duration of 1,825 days (5 Years);** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The Water Resource Recovery Facility (WRRF) utilizes screened final effluent (SFE) (treated wastewater) as non-potable process water throughout our operations. Nearly all the SFE is used for sludge thickening, dewatering and incineration. The existing flow demand for SFE ranges from an average of 88 MGD with a maximum of 124 MGD. The existing system has exceeded its useful life

and need for complete replacement.

This project will include the study, design, and construction for the needed improvements to the SFE pump station. This includes right sizing capacity to the facility demand, replacement of pumps, strainers, piping, controls, building, and electrical supply. Through this effort, GLWA will also evaluate the potential for replacing the secondary water utilization with SFE where feasible. This includes carrier water for disinfection and seal water. However, in order to adequately use SFE, additional treatment such as chemical addition is needed. The use of SFE for all the WRRF non-potable water sources is very common in the water sector. This initiative continues GLWA progress towards becoming the Utility of the Future, while improving its operational resiliency.

JUSTIFICATION

The reliability and resiliency of the non-potable water source for operation of equipment is essential for the WRRF to maintain its compliance with its National Pollutant Discharge Elimination System (NPDES) permit.

In March of 2016, GLWA advertised for Investment Grade Energy Audit proposals. In general, the project scope (RFP#1003) included the review of energy savings opportunities at the WRRF that could have the energy savings required for short return on investment. The audit included several phases, Phase I (Preliminary Energy Audit), Phase II (Design Development), and Phase III (Construction). However, since Phase II and III are very dependent on the findings of Phase I, the vendor was only awarded the contract for Phase I. Nevertheless, the vendor was evaluated and awarded based on quality-based selection for all the phases of the project. This style of contract will incentivize the design build contractor to construct both, a quality product, while reducing operating and maintenance cost by formalizing a guaranteed performance and savings agreement between GLWA and Noresco. From Phase I, one project (Rehabilitation of Screened Final Effluent (SFE) Pump Station, CIP 216008) was identified to continue to Phase II. This project and the sequence of activities for this contract was presented to the GLWA Board on January 8, 2020 (presentation attached for reference).

Phase II services include evaluation of alternatives, development of 60% design documents and establishing a Guaranteed Maximum Price (GMP) including the guaranteed performance and savings. Upon completion of Phase II, GLWA and Noresco will review and evaluate the result to determine if the project warrants to be advanced to construction. If an agreement is reached between GLWA and the Noresco team, a change order to Contract 2000970 will be developed for the Phase III construction costs and presented to the GLWA Board for approval.

FINANCIAL PLAN IMPACT

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

Funding Source: Wastewater Construction Bond

Cost Center: Sewer Water

Expense Type: Design (5421-892211.000-617950-216008)

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

Fiscal Year

FY 2020 Budget	\$ 504,000.00
FY 2021 Budget	1,276,000.00
FY 2022 Budget	256,000.00
FY 2023 Budget	254,000.00
FY 2024 Budget	<u>250,000.00</u>
Financial Plan Estimate	2,540,000.00
Proposed Contract Award	<u>3,399,730.00</u>
Negative Estimate Variance	(\$859,730.00)

The award of this contract creates a negative estimating variance of (\$859,730.00). This variance will be funded from capital reserves.

SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT

This project provides for the design and construction on the Rehabilitation of Screened Final Effluent (SFE) Pump Station. 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 July 8, 2020.

SHARED SERVICES IMPACT

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