



## Legislation Text

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File #: 2020-351, Version: 1

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**Contract No. 2002048**

**Phase II - 14 Mile Transmission Main Loop - Double Disc Gate Valves**

**CIP# 122013 / BCE Score: 58.4**

Agenda of: October 28, 2020

Item No.: **2020-351**

Amount: \$1,177,770.03

**TO:** The Honorable  
Board of Directors  
Great Lakes Water Authority

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

**DATE:** October 7, 2020

**RE:** **Contract No. 2002048**  
**Phase II - 14 Mile Transmission Main Loop Project - Double Disc**  
**Gate Valves**  
**Vendor: Kennedy Industries, Inc.**

### **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. 2002048 "Phase II - 14 Mile Transmission Main Loop Project - Double Disc Gate Valves" with Kennedy Industries, Inc., at a cost not to exceed \$1,177,770.03 for a duration of 1,060 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 Road transmission main supplies water to the communities of Novi, Farmington Hills, West Bloomfield, Commerce, Walled Lake, and Wixom. If a disruption to service occurs on the 14

Mile transmission system, without the gate valves GLWA may not be able to supply sufficient pressure and may have a boil water advisory.

GLWA proposed a new transmission main loop to connect the 8 Mile and 14 Mile transmission systems in order to provide redundancy to the 14 Mile transmission system. The new transmission main is being constructed in two phases. Phase I is currently under construction and involves installing approximately 1 mile of 24-inch diameter transmission main along 14 Mile Road between M -5 and Decker Road. Phase I started in August 2020 and will be complete by September 2021. Phase II of the project is currently in the design phase (approximately 90% complete) and will involve the construction of a 54-inch diameter transmission main between 8 Mile and 14 Mile Roads. The bidding phase for Phase II construction will commence around January of 2021 and construction is planned to start in the summer of 2021. This proposed Contract No. 2002048 involves the direct purchase of double-disc gate valves to be installed under the Phase II construction of the transmission main. The double-disc gate valves to be purchased include: two 24-inch, one 30-inch, and seven 48-inch diameter valves. Construction of the entire project, including the purchase of the double-disc gate valves under this proposed contract is being funded by State of Michigan Department of Environment, Great Lakes, and Energy Drinking Water Revolving Loan funds.

### **JUSTIFICATION**

The double-disc gate valves to be purchased under this proposed contract have a lead time of approximately 12 months to manufacture and deliver. Therefore, ordering these valves now through this proposed contract will help avoid potential delays during construction due to the associated long lead time.

### **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 (5519-882411.000-617955-122013)

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

Fiscal Year

FY 2022 Plan - Phase II	\$14,168,000.00
FY 2023 Plan - Phase II	14,168,000.00
FY 2024 Plan - Phase II	14,168,000.00
FY 2025 Plan - Phase II	<u>14,168,000.00</u>
Financial Plan Estimate	\$56,672,000.00

Proposed Contract Award	<u>1,177,770.03</u>
Balance Reserved for Construction	\$55,494,229.97

### **SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT**

This award is for purchase of Phase II - 14 Mile Transmission Main Loop Project - Double Disc Gate Valves. Cost savings are not determinable at the time of this award.

### **COMMITTEE REVIEW**

This item was presented to the Operations and Resources Committee at its meeting on October 15, 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.