



Legislation Text

File #: 2021-001, Version: 1

Proposed Amendment No. 2

Contract No. GLWA-CS-277

Fourteen Mile Road PCCP Water Main Condition Assessment and Pilot Study Evaluation

Agenda of: January 27, 2021

Item No.: **2021-001**

Amount:	Original Contract	\$2,277,315.00
	Amendment No. 1	0.00
	Proposed Amendment No. 2	571,536.00
	Total Revised Contract	\$2,848,851.00

TO: The Honorable
Board of Directors
Great Lakes Water Authority

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

DATE: January 6, 2021

RE: Proposed Amendment No. 2
Contract No. GLWA-CS-277
Fourteen Mile Road PCCP Water Main Condition Assessment and
Pilot Study Evaluation
Vendor: Pure Technologies U.S., 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. GLWA-CS-277 Proposed Amendment No. 2 “Fourteen Mile Road PCCP Water Main Condition Assessment and Pilot Study Evaluation” with Pure Technologies U.S., Inc., at an increased cost of \$571,536.00 for a total cost not to exceed \$2,848,851.00 and an increased duration of 60 months for a total contract duration of 90 months;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

This project is a pilot for the inspection and monitoring of prestressed concrete cylinder pipe (PCCP). Prior to installing a monitoring system, an inspection was required to determine the existing distress in the transmission main to determine if a monitoring system was justified. Distressed pipes were detected during the inspection; therefore, the monitoring system is justified in order to detect further prestressing wire breaks.

JUSTIFICATION

The increase in project cost covers the warranty and monitoring services for the acoustic fiber optic cable (AFO) that monitors the prestressed concrete cylinder pipe for prestressing wire breaks.

PROJECT MANAGEMENT STATUS

Original Contract Time	18 months
Amendment No. 1	12 months
Proposed Amendment No. 2	60 months
New Contract Time	90 months

PROJECT ESTIMATE

Original Contract Price	\$2,277,315.00
Amendment No. 1	0.00
Proposed Amendment No. 2	571,536.00
New Contract Total	\$2,848,851.00

FINANCIAL PLAN IMPACT

Summary: The proposed contract with Pure Technologies U.S., Inc. encompasses Improvement & Extension and Operations & Maintenance (O&M) expenses. The value of the contract is within the current financial plan in total. Sufficient funds will be provided in the Improvement & Extension (I&E) and Operations & Maintenance financial plan for this contract related to contractual professional services.

Funding Source: Improvement & Extension (I&E)
Operations & Maintenance (O&M) Budget

Cost Center(s): Field Service Operations, Centralized Services Operations cost center 882431

Expense Types: Contractual Professional Services (617903)

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

<u>Fiscal Year</u>	<u>Amount</u>
FY 2019 Budget (I&E)	\$1,094,429
FY 2020 Budget (I&E)	1,094,429
FY 2021 Budget (I&E)	0*
FY 2022 Financial Plan (O&M)	150,000
FY 2023 Financial Plan (O&M)	150,000
FY 2024 Financial Plan (O&M)	150,000
FY 2025 Financial Plan (O&M)	150,000
FY 2026 Financial Plan (O&M)	<u>150,000</u>
Financial Plan Forecast	\$2,938,858
 Proposed Contract Amount	 \$ <u>2,848,851</u>
Variance (positive/ (negative))	\$90,007

*FY 2021 total budgeted amount is \$0.00 for the water main condition assessment monitoring services. Contract was scheduled to end in FY 2020. Due to time delays related to COVID-19, an extension was requested to complete the assessment portion of the project in FY 2021. Therefore, a budget amendment (Improvement & Extension (I&E) will be required to capture the FY 2021 prorated amount of \$1,000,000 for Pure Technologies U.S., Inc.

SAVINGS, COST OPTIMIZATION, AND REVENUE ENHANCEMENT IMPACT

The award of this contract provides a variance of \$90,007 (\$2,938,858 financial plan forecast less \$2,848,851 proposed contract amount). Contractual services are dependent on several factors such as, delays in estimated start and end dates, environmental constraints, and other unforeseen circumstances that can cause the expenses to fluctuate from fiscal year to fiscal year.

COMMITTEE REVIEW

This item was presented to the Operations and Resources Committee at its meeting on January 13, 2021. 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.