



Legislation Text

File #: 15-0181, **Version:** 1

Resolution to Award a Construction Contract to Process Piping & Equipment, Inc. for Wastewater Treatment Plant Improvements (\$363,700.00)

Your approval is requested to award a construction contract in the amount of \$363,700.00 to Process Piping & Equipment, Inc. (PPE) to construct the Secondary Effluent Pump Replacement Project (SEPRP) at the City's Wastewater Treatment Plant (WWTP).

There are six secondary effluent pumps at the WWTP, each with a rated capacity of approximately 17 million gallons per day. These pumps transport wastewater from secondary (biological) to tertiary (sand filter) treatment, as well as enabling the plant to discharge final treated effluent to the Huron River when high flow conditions in the river prevent discharge by gravity. All six pumps are critical system components that were installed during the 1977 plant expansion. Over the past four years, three of the secondary effluent pumps have failed. One of the pumps was irreparable and the other two pumps were repaired but are not reliable for long-term use. The remaining three pumps are functional but in a worn condition and at high risk of failure in a similar manner. A permanent failure of one additional pump would put the WWTP at risk of permit violations and sanitary overflows during high flow periods characteristic of significant rain events.

Due to the nature of the failures, the criticality of the pumps, and the worn condition of the pumps that makes long-term repair impossible, replacement of all six pumps was determined to be the most reliable and cost effective remedy. An attempt to include replacement of these pumps into the ongoing Facilities Renovations Project (FRP) at the WWTP was rejected by the Michigan Department of Environmental Quality (MDEQ) because they were not part of the project plan approved by MDEQ. Improvements to the Tertiary Filter Building, which houses the secondary effluent pumps, were not included in the FRP because these improvements were not anticipated to be necessary for another 10-15 years during the development of the Facilities Master Plan.

On April 15, 2013, Council approved a contract with Hubbell, Roth & Clark, Inc. (HRC) to design the SEPRP. During design, HRC discovered that the average lead time to procure six pumps was approximately 32 weeks. In order to expedite the replacement of these critical pumps, and due to the long lead time to procure them, WWTP staff initiated a process to pre-purchase the pumps while design of their installation was underway. Separate bid specifications for pump procurement were prepared and advertised under ITB No. 4328 by the City's Procurement Unit. On July 21, 2014, Council approved a contract with Premier Pump, Inc. for the purchase of six secondary effluent pumps in the amount of \$425,682.00. The pumps are scheduled to be delivered no later than July 3, 2015.

The SEPRP was advertised under ITB No. 4351 by the City's Procurement Unit. On January 13, 2015, two bids were received with the lowest responsible bidder being PPE at \$363,700.00. WWTP and HRC staffs reviewed the bid and found it acceptable and recommend that PPE be awarded the contract in the amount of \$363,700.00. Additionally, a \$36,000 contingency is requested to fund change orders to the contract during construction.

PPE complies with the requirements of the nondiscrimination and living wage ordinances, and submitted a Conflict of Interest declaration on February 3, 2015.

You are requested to approve the contract for the life of the project with funds to be available until expended without regard to fiscal year and to authorize the City Administrator to approve amendments to the contract.

Funding for this project is available in the approved Sanitary Sewer Fund Capital Budget.

Prepared by: Michael D. Amicangelo, P.E., WWTP Senior Utilities Engineer

Approved by: Craig Hupy, Public Services Area Administrator

Approved by: Steven D. Powers, City Administrator

Whereas, The City's Wastewater Treatment Plant (WWTP) has six secondary effluent pumps that were originally installed during the 1977 plant expansion and are critical for ongoing reliable treatment of wastewater;

Whereas, Three of the six effluent pumps have failed in the past four years and only five remain operational, and permanent failure of one more pump would put the WWTP at risk of permit violations and sanitary overflows during periods of high flow;

Whereas, Due to the long fabrication time and need to expedite pump replacement, the pumps were pre-purchased by the City and are scheduled to be delivered no later than July 3, 2015;

Whereas, Through ITB No. 4351, the City received bids for construction of the Secondary Effluent Pump Replacement Project (SEPRP) and PPE submitted the lowest bid in the amount of \$363,700.00;

Whereas, The consultant design engineer, Hubbell, Roth & Clark, Inc., and WWTP staffs recommend PPE as the lowest qualified and responsible bidder for construction of the SEPRP;

Whereas, PPE complies with the requirements of the nondiscrimination and living wage ordinances, and submitted a Conflict of Interest declaration to the City's Procurement Unit on February 6, 2015;

Whereas, WWTP staff recommend establishing a contingency of \$36,000.00 to fund change orders during construction; and

Whereas, Funding for this project is available in the approved Sanitary Sewer Fund Capital Budget;

RESOLVED, That City Council award a contract to PPE in the amount of \$363,700.00 for construction of the SEPRP at the WWTP;

RESOLVED, That City Council approve a \$36,000.00 contingency budget to fund change orders to the contract during construction;

RESOLVED, That the Major and City Clerk be authorized to execute the contract after approval as to substance by the City Administrator and approval as to form by the City Attorney;

RESOLVED, That the City makes the following declaration for the purpose of complying with the

reimbursement rules of Treasury Regulations 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended, that the City reasonably expects to reimburse itself for expenditures for the costs of the Project with proceeds of Bonds; and

RESOLVED, The City Administrator is authorized to take all necessary administrative actions to implement this resolution including the authority to approve change orders within the approved contingency.