



COUNCIL ACTION SUMMARY SHEET

MEETING DATE: August 26, 2024

TOPIC Approval of Project – Sanitary Sewer Pump Stations Improvement Project Phase I

BACKGROUND BRIEF:

Administration is requesting that the Village Council approve the necessary budget amendments and approve proceeding with the Sanitary Sewer Pump Stations Improvement Phase I Project. As Council is aware, this project involves rehabilitation of four (4) sanitary pump stations. Work includes but is not limited to demolition of the existing equipment within two (2) ejector stations and two (2) centrifugal stations, and all other equipment shown on the demolition drawings, installation of new pumping equipment, air compressors, air storage tanks, motors, air manifolds, valves, piping, pipe fittings, ventilation blowers, level transducers, electrical panels and wiring/conduit, control panels mounted on a new equipment rack with concrete foundation, new DTE electric meters, generator transfer receptacles, power distribution cabinets, manual transfer switches, and main service disconnect switches, new sump pumps, piping & valves, new lighting, new epoxy floor coating, new buried bypass pump connections and valves, and the installation of new low pressure force main by horizontal directional drilling methods across the lake at two (2) locations. The Phase I project is the first of three phases in rehabilitating all of the Village's sixteen (16) sanitary pump stations.

Oakland County Water Resources Commissioner's Office, as the Village's sanitary sewer operation and maintenance contractor, will award the construction contract and manage the project on behalf of the Village under a contract previously approved by the Village Council.

Sealed competitive bids were advertised in early July for the phase I project, and bids were opened on July 30. The Village received two (2) bids, and the bid tabulation sheet is attached for Council's information. WRC has determined that DVM Utilities, Inc., is the low bidder for the project, has the experience necessary to perform the work, and is capable of performing the work.

SUMMARY OF PREVIOUS COUNCIL ACTION:

01/23/2023 – Council approved the proposal from Hubbell, Roth & Clark, Inc., of Bloomfield, Hills, Michigan, dated October 19, 2022, in the amount not to exceed \$242,000 to complete the design plans and provide bid assistance for the Village of Lake Orion Sanitary Sewer Pump Station Improvement Project in accordance with the firm's proposal and authorized the Oakland County Water Resources Commission to execute the contract and oversee the project as part of its sanitary sewer maintenance and operating agreement with the Village.

04/22/2024 – Council adopted a resolution of intent to issue revenue bonds for the Sanitary Sewer Pump Stations Improvement Project in an amount up to \$11 million.

05/28/2024 – Council approved a contract with the Oakland County Water Resources Commissioner for WRC to manage the Sanitary Sewer Pump Stations Improvement Project on behalf of the Village.

FINANCIAL IMPACT:

Please see the attached project cost estimate. The total estimated cost of the phase I project is \$3,498,000. The Village will receive \$1,750,000 in 2024 Congressional Community Projects grant funding and has already received \$335,000 in ARPA funding. The Village is also receiving \$100,000 from Oakland County for ARPA Critical Infrastructure grant funding. The net cost to the Village will be \$1,313,000, which will be funded either through Water and Sewer Fund reserves or through a 20-year revenue bond issue with repayment through customer sewer rate adjustments.

RECOMMENDED MOTION:

#1 – To approve BA-2025-592-01 to increase Water and Sewer Fund revenues by \$3,163,000 and to increase expenditures by \$3,498,000 for the Phase I Sanitary Sewer Pump Stations Improvement Project.

#2 – To approve proceeding with the Village of Lake Orion Sanitary Sewer Pump Stations Improvement Phase I Project, subject to final award of the construction contract by the Oakland County Water Resources Commissioner's Office to low bidder DVM Utilities, Inc., in the total base bid amount of \$2,774,010.00, for construction of the Phase I Village of Lake Orion Sanitary Sewer Pump Stations Improvement Project in accordance with the project bid specifications and contract documents issued by WRC.

#3 – To authorize a lump sum payment from the Village of Lake Orion Water and Sewer Fund to the Oakland County Water Resources Commissioner's Office upon receipt of invoice for the Phase I Sanitary Sewer Pump Stations Improvement Project in the amount of up to \$1,413,000, with Village Manager's approval, in accordance with Section 5 of the Oakland County/Village of Lake Orion 2024 Sanitary Sewer System Improvements Contract approved by the Village Council on May 28, 2024.