



City Council Report

Date: July 1, 2014
To: City Council
Through: Kari Kent, Deputy City Manager
From: Beth Huning, City Engineer
Rob Kidder, Assistant City Engineer
Subject: Val Vista Transmission Main – Phase 2
Construction Manager at Risk (CM@Risk)
Pre-Construction Services Contract
City Project C10597-2
District 1

Strategic Initiatives



Purpose and Recommendation

The purpose of this report is to provide information to the Council on the pre-construction services proposal for the Val Vista Transmission Main – Phase 2 project. (Refer to Exhibit “A” for the project location.) This project will be completed using the Construction Manager at Risk (CM@Risk) contracting method.

It is recommended that Council approve the selection of Garney Construction as the CM@Risk and approve this pre-construction services contract in the amount of \$185,350.00.

Background

The City of Mesa has initiated a three-phase project to build a new water transmission main parallel to the existing Val Vista Water Transmission Main that delivers water to three City-owned reservoirs located in the City Zone. The new Val Vista Water Transmission Main will serve as a dedicated water transmission main for the City of Mesa to fulfill the requirements of an intergovernmental agreement between the City of Mesa and the City of Phoenix. Mesa owns 90 million gallons per day at the Val Vista Water Treatment Plant and this transmission main will deliver water to the three City Zone reservoirs.

Discussion

In March 2014, Staff received five responsive Statements of Qualifications (SOQ) from potential contractors that were interested in becoming the CM@Risk for Phase 2 of the Val Vista Transmission Main Project. A selection panel comprised of staff from the City of Mesa Engineering Department and Water Resources Departments, and an independent General Contractor (as required by State Law), selected Garney Construction as the top ranked firm.

This pre-construction services contract will allow the CM@Risk to be part of the project team during the development of the plans and specifications. At the conclusion of the design phase, Staff will bring Council the construction contract ("GMP" package) for consideration.

Alternatives

The City Council could choose not to build this project. Not constructing this project is not recommended since the City of Mesa already entered an IGA with the City of Phoenix that states a commitment to complete this construction work by the end of 2015.

Another alternative is to change the contracting delivery method to a design-bid-build method. This is not recommended because the CM@Risk contracting method allows the contractor to be selected based on qualifications. In addition, the CM@Risk is selected during the design process and participates in design, cost estimating, shop drawings, and overall project schedule development. By engaging a well-qualified contractor during the design of the project, the City benefits from reduced project risks and a higher quality project that is more likely to be completed within the desired timeframe. For these reasons, Staff recommends that the CM@Risk method be used and that the CM@Risk be involved in the pre-construction phase.

Fiscal Impact

The pre-construction phase contract is in the amount of \$185,350.00. This project is funded by the voter approved 2010 Water Bond Fund.

Coordinated With

The Water Resources Department concurs with this recommendation.