



City Council Report

Date: May 16, 2016
To: City Council
Through: Kari Kent, Assistant City Manager
From: Beth Huning, City Engineer
Rob Kidder, Assistant City Engineer
Subject: Northwest Water Reclamation Plant
Variable Frequency Drives Replacements and Fiber Loop Project
City Project No. C10478
District 1

Strategic Initiatives



Purpose and Recommendation

The purpose of this report is to present the Guaranteed Maximum Price (GMP) for the proposed Northwest Water Reclamation Plant (NWWRP), Variable Frequency Drives (VFDs) Replacements and Fiber Loop project, a Construction Manager at Risk (CMAR) project. (See Exhibit "A" for project location.)

Staff recommends that Council award a contract for this project to Hunter Contracting in the amount of \$1,972,054.86 (GMP), and authorize a change order allowance in the amount of \$197,205.49.

Background

The NWWRP was originally constructed in 1990 and currently treats an average of 9 million gallons of wastewater per day. The plant is equipped with 30 existing VFDs that control electric motors used to route wastewater through the water reclamation process. The existing VFDs are beyond their useful life and replacing them with newer technology will increase reliability and reduce operating costs.

In addition, an updated fiber optic communications loop will be installed throughout the site to modernize key portions of the communications network, thereby enhancing security, and increasing reliability.

Discussion

Hunter Contracting was selected as the most qualified contractor for the NWWRP improvement projects through a publicly advertised CMAR solicitation and procurement process completed in early 2014. A preconstruction services contract for this project

was approved by Council on November 3, 2014. The CMAR procurement method allows the City to select a contractor based on qualifications, which considers experience, past performance, and project understanding as part of the selection criteria.

VFDs are necessary components of the treatment process. The NWWRP is an aging facility and rehabilitation of this equipment is essential to maintain the efficiency and reliability of the plant.

Alternatives

An alternative to the approval of the Construction Services contract for this CMAR would be to construct this project using the traditional Design/Bid/Build method. This is not recommended due to the size and complexity of the project. The majority of work in this project has been competitively bid by the CMAR to multiple subcontractors which will ensure competitive pricing.

Another alternative is to not complete the proposed improvements. This is not recommended due to the age of the existing VFDs. Operation and maintenance costs will continue to escalate, and the reliability of the plant may be compromised if these improvements are not completed.

Fiscal Impact

The total authorized amount recommended for this project is \$2,169,260.35, based upon a GMP of \$1,972,054.86, plus an additional \$197,205.49 (10%) as a change order allowance. This allowance will only be utilized for City approved change orders. Funding is available from the 2010 authorized Wastewater bonds.

Coordinated With

The Water Resources Department supports this recommendation.