



City Council Report

Date: November 6, 2017
To: City Council
Through: Kari Kent, Assistant City Manager
From: Beth Huning, City Engineer
Rob Kidder, Assistant City Engineer
Subject: Household Hazardous Waste Collection Facility
City Project No. CP0588
District 1

Purpose and Recommendation

The purpose of this report is to present the Guaranteed Maximum Price (GMP) for the proposed Household Hazardous Waste Collection Facility 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 Sun Eagle Corporation in the amount of \$2,763,778.63 (GMP), and authorize a change order allowance in the amount of \$276,377.86.

Background

Over the last several years, the Environmental Management & Sustainability Department has hosted four Household Hazardous Waste (HHW) collection events per year to provide Mesa residents with a way to properly dispose of hazardous and recyclable household waste such as paint, motor oil, pesticides, and other household chemicals. The participation in these collection events has steadily increased over the years and it has become increasingly difficult to meet the needs of residents with these events alone. Therefore, the Environmental Management & Sustainability Department would like to build a permanent HHW Collection Facility similar to those found in the Town of Gilbert and the City of Tempe. Building a new facility for HHW collection will be a more efficient use of funds that will increase customer service from 16 hours per year to about 20 hours per week.

Discussion

The proposed 7,000 square foot, single story HHW Collection Facility will be located at the existing Center Street Yard, north of the Loop 202 Red Mountain Freeway. The facility will consist of a collection and warehouse area for sorting and storage of HHW prior to shipment to contractors for proper recycling and/or disposal, office space for HHW staff, and office space for existing Solid Waste employees already located in a trailer on the site. Another key feature/service of the new HHW building will be a "Swap Shop" where household products and chemicals that are collected can be made available for re-use by other residents. This feature will help to avoid wasting materials

that are otherwise suitable for household use.

In September 2016, Staff received three “Statements of Qualifications” (SOQ’s) from contractors proposing to act as the CMAR for this project. Based upon an evaluation of these SOQ’s, Sun Eagle Corporation was recommended as the most qualified CMAR, and was subsequently awarded a Pre-Construction Services contract. During the Pre-Construction Phase, the CMAR worked closely with the project team to develop the project design, review the design for constructability, prepare cost estimates, and develop the project schedule.

The last item developed during the Pre-Construction Phase is the “Guaranteed Maximum Price” (GMP) for the project.

Community Impact – Once started, construction is anticipated to be completed in approximately ten months. Community impacts during construction will include construction noise and temporary traffic impacts; however, traffic impacts will be minimal due to the location of the facility.

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 and because a majority of the work in this project will be competitively bid by Sun Eagle Corporation to multiple subcontractors.

Another alternative is not to perform the work. This is not recommended because the current HHW collection events continue to set records for attendance and the volume of HHW collected per event and the no-build alternative would deny the community enhancement to a popular and well used service.

Fiscal Impact

The total authorized amount recommended for this project is \$3,040,156.49, based upon a GMP of \$2,763,778.63, plus an additional \$276,377.86 (10%) as a change order allowance. This contingency allowance will only be utilized for approved change orders. Funding is available from the 1994 Solid Waste Bond Program and the Environmental Compliance Fee.

Coordinated With

The Environmental Management & Sustainability Department concurs with this recommendation.