



# City Council Report

**Date:** April 16, 2018  
**To:** City Council  
**Through:** Kari Kent, Assistant City Manager  
**From:** Beth Huning, City Engineer  
Marc Ahlstrom, Assistant City Engineer  
**Subject:** Northwest Water Reclamation Plant Miscellaneous Improvements  
City Project No. C10478MIS  
District 1

## Purpose and Recommendation

The purpose of this report is to present the Guaranteed Maximum Price (GMP) for the Northwest Water Reclamation Plant (NWWRP) Miscellaneous Improvements, 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 \$2,888,594.67, (GMP) and authorize a change order allowance in the amount of \$288,859.47 (10%).

## Background

The NWWRP was originally constructed in 1990 and expanded in 2000. The plant is currently treating approximately 9 million gallons of wastewater per day. The plant utilizes various types of process equipment and technologies to treat the wastewater to meet permit requirements. Some of this process equipment and associated piping, valves, and controls need to be replaced or upgraded as they have reached the end of their useful life.

In addition to plant upgrades, one of the existing buildings is being re-purposed as a maintenance building, and new storage space is being provided. These improvements take advantage of the existing building and will provide additional workspace and storage for plant staff to adequately maintain equipment for the plant.

## Discussion

In March 2014, Staff received six (6) "Statements of Qualifications" (SOQ) from contractors proposing to act as the CMAR for a series of improvement projects at the NWWRP. This Miscellaneous Improvements Project is the final project in this series.

Based on an evaluation of the SOQ's and subsequent interviews, Hunter Contracting was recommended as the most qualified CMAR, and was later awarded a Pre-Construction Services contract for the Miscellaneous Improvements. Hunter Contracting has performed pre-construction services during the design development including reviewing the design for constructability, preparing cost estimates, and developing the project schedule and phasing.

Once underway, construction of this project is anticipated to last no more than 12 months.

### **Alternatives**

An alternative to the approval of a 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 complexity of the project and equipment at the plant. The majority of all work in this project has been competitively bid by Hunter Contracting to multiple subcontractors, and staff has ensured that Mesa-based businesses, including affiliated businesses, are given an opportunity to bid on the work.

Another alternative is not to perform the work. This is not recommended due to the aging facilities at the plant and the need to upgrade the plant to maintain permit required performance and compliance.

### **Fiscal Impact**

The total authorized amount recommended for this project is \$3,177,454.14, based upon a GMP of \$2,888,594.67, plus an additional \$288,859.47 (10%) as a change order allowance. This change order allowance will only be utilized for approved change orders.

This project is funded by 2010 authorized Wastewater bonds.

### **Coordinated With**

The Water Resources Department concurs with this recommendation.