



City Council Report

Date: July 8, 2024
To: City Council
Through: Marc Heirshberg, Deputy City Manager
From: Beth Huning, City Engineer
Lance Webb, Assistant City Engineer
Subject: Central Mesa Reuse Pipeline Plant GMP 3
City Project No. CP0896PLNT
Council District 1

Purpose and Recommendation

The purpose of this report is to present the third Guaranteed Maximum Price (GMP) for the proposed Central Mesa Reuse Plant Project, a Construction Manager at Risk (CMAR) project. (Refer to Exhibit “A” for the project location).

GMP No. 3 includes the construction of the proposed Intermediate Pump Station (IPS).

Staff recommends that Council award a contract for this project to Garney Companies, in the amount of \$15,040,620.00 (GMP No. 3) and authorize a change order allowance in the amount of \$752,031.00.

Background

The City of Mesa desires to utilize delivery of reclaimed water produced at the Northwest Water Reclamation Plant (NWWRP) as part of a water exchange agreement with the Gila River Indian Community (GRIC).

To further maximize the benefits of this exchange agreement, the City has determined that the construction of 10.5 miles of 36-inch reclaimed water pipeline and a new pump station along with various other improvements to existing pump stations are necessary for the delivery of reclaimed water to the GRIC delivery point.

Discussion

In September 2022, Staff received two “Statements of Qualifications” (SOQ) from contractors proposing to act as the CMAR for this project. Based on an evaluation of

these SOQ's, Garney Companies, Inc. was recommended as the most qualified CMAR. Staff has prepared a contract and negotiated the fee for the Pre-Construction Services contract. During the Pre-Construction Phase, the CMAR will work closely with the project team to develop the project design, review the design for constructability, prepare cost estimates, and develop the project schedule and project phasing plan. Once underway, construction of this project is anticipated to last no more than 14 months.

This GMP is the third of a series of GMP's relating to Central Mesa Reuse Plant work. The table below illustrates the anticipated timeline of future GMP's for Council review.

Project	Scope of Work	Anticipated Date	Anticipated Cost
Central Mesa Reuse Pipeline – GMP 1	Purchase of pipe and associated materials	March 6, 2023	\$13,098,750
Central Mesa Reuse Pipeline – GMP 2	16-inch waterline relocation within the south half of the project	July 3, 2023	\$13,355,497
Central Mesa Reuse Pipeline – GMP 3	36-inch pipeline construction within the south half of the project	July 10, 2023	\$48,602,610
Central Mesa Reuse Pipeline – GMP 4	16-inch waterline relocation within the north half of the project	Nov 20, 2023	\$11,061,203
Central Mesa Reuse Pipeline – GMP 5	Pipe Inspections – Val Vista Drive	April 15, 2024	\$2,625,053
Central Mesa Reuse Pipeline – GMP 6	36-inch pipeline construction within the north half of the project	May 6, 2024	\$59,305,170
Central Mesa Reuse Plant – GMP 1	Purchase of long lead items for pump station and plant improvements	August 21, 2023	\$10,600,800
Central Mesa Reuse Plant – GMP 2	Construction of plant improvements	April 15, 2024	\$10,279,248
Central Mesa Reuse Plant – GMP 3	Construction of Intermediate Pump Station	July 8, 2024	\$15,792,651

Total anticipated cost \$184,720,982

Community Impact –

Temporary impacts during construction will include traffic control restrictions or closures on Thomas Road near the future pump station. There may also be a need for lane restrictions on Val Vista Drive adjacent to the pump station site. Construction will be

phased to limit these traffic impacts. Public access will be maintained to businesses and local streets as required per contract documents.

Alternatives

An alternative to the approval of this GMP contract for this CMAR would be to construct this project using the traditional Design/Bid/Build method. This is not recommended due to the need for the additional services provided by a CMAR contractor during the design phase. The proposed Central Mesa Reuse Pipeline project will require extensive on-site investigation, construction sequencing, and constructability analysis by the contractor throughout the design phase.

Another alternative is to not perform the work. This is not recommended because without this project, credits for water exchange will not be available for the City to be able to expand water production and it would reduce the ability of the City to meet future water demands.

Fiscal Impact

The total authorized amount recommended for this contract is \$15,792,651.00, based upon GMP No. 3 of \$15,040,620.00, plus an additional \$752,031.00 (5%) as a change order allowance. This allowance will only be utilized for approved change orders.

This project is funded by the Water Utility Systems Revenue Obligations.

Coordinated With

The Water Resources Department concurs with this recommendation.