



City Council Report

Date: July 10, 2023
To: City Council
Through: Marc Heirshberg, Deputy City Manager
From: Beth Huning, City Engineer
Lance Webb, Assistant City Engineer
Subject: Central Mesa Reuse Pipeline GMP 3
City Project No. CP0896
Council District 2

Purpose and Recommendation

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

GMP No. 3 includes the construction of the south segment of proposed 36-inch reuse pipeline. The reuse line will be installed via open cut trenching and tunneling, and the scope includes all related appurtenances on the 36-inch water line.

Staff recommends that Council award a contract for this project to Garney Companies, in the amount of \$46,288,200.00 (GMP No. 3) and authorize a change order allowance in the amount of \$2,314,410.00.

Background

The City of Mesa desires to utilize reclaimed water produced at the Northwest Water Reclamation Plant (NWWRP) as part of a water exchange agreement with the Gila River Indian Community (GRIC). The completed project including 10.5 miles of 36" reclaimed water pipeline, modifications at the treatment plants, and construction of a new pump station will provide the infrastructure to deliver reclaimed water per the agreement with the GRIC.

Discussion

In July 2021, Staff received three "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 and was

awarded a Pre-Construction Services contract on June 20, 2022. Garney has performed pre-construction services during design development including reviewing the design for constructability, prepare cost estimates, and develop the project schedule, and project phasing plan.

Once underway, the overall construction for the various aspects of this project is anticipated to last no more than 24 months.

This GMP is the third of a series of GMP's relating to CMRP 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	Purchase of long lead items for pump station and plant improvements	August 21, 2023	\$11,097,030
Central Mesa Reuse Pipeline – GMP 5	16-inch waterline relocation and 36-inch pipeline construction within the north half of the project	Sept 18, 2023	\$65,116,800
Central Mesa Reuse Pipeline – GMP 6	Construction of intermediate pump station and plant improvements	October 2, 2023	\$20,664,000
Total anticipated cost			\$171,934,687

Community Impact –

Temporary impacts during construction will include traffic control restrictions along the project route. Construction will be phased to limit traffic impacts and maintain public access to businesses and local streets where feasibly possible. Additional street impacts include potential left turn restrictions, lane closures, and other temporary restrictions necessary to facilitate the construction of the pipelines.

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 to support its growth in southeast Mesa.

Fiscal Impact

The total authorized amount recommended for this contract is \$48,602,610.00, based upon GMP No. 3 of \$46,288,200.00, plus an additional \$2,314,410.00 (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.