



City Council Report

Date: February 3, 2024
To: City Council
Through: Marc Heirshberg, Deputy City Manager
From: Beth Huning, City Engineer
Marc Ahlstrom, Assistant City Engineer
Subject: McKellips Road Sewer Relief
City Project No. CP0619NS12
Council District 1

Purpose and Recommendation

The purpose of this report is to present the Guaranteed Maximum Price (GMP) for the McKellips Road Sewer Relief, a Construction Manager at Risk (CMAR) project. (See Exhibit "A" for project location).

Staff recommends that Council award a contract for this project to B&F Contracting, Inc. in the amount of \$13,400,832.47, (GMP) and authorize a change order allowance in the amount of \$1,340,083.25 (10%).

Background

The existing sewer pipes serving the area around McKellips Road and Gilbert Road were originally installed in the 1970's and 1980's. As the area continues to develop, additional sewer capacity is required for the increased flows. This project will install a relief sewer on McKellips Road between Gilbert Road and Stapley Drive and on Stapley Drive between McKellips Road and Brown Road.

In addition, reconstruction of the Gilbert Road intersection due to the 2024 water main break is included in the scope of this project. This work includes new pavement, sidewalk, curb and gutter and other incidental work.

Discussion

In January 2024, Staff received 3 "Statements of Qualifications" (SOQ) from contractors proposing to act as the CMAR for this project. Based on an evaluation of the SOQ's and subsequent interviews, B&F Contracting, Inc. was recommended as the most qualified CMAR and was awarded a Pre-Construction Services contract on August 26, 2024. B&F

Contracting, Inc. 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.

Community Impact – The community will be impacted by traffic restrictions as the contractor completes work. There will be continuous communication between the City and the team with B&F Contracting, Inc. to limit the impact on the community. Coordination and phasing of the work will take place to minimize impacts to the public.

Once underway, construction of this project is anticipated to last no more than 16 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. The majority of all work in this project will be competitively bid by B&F Contracting, Inc. to multiple subcontractors, and staff will ensure that Mesa based businesses, including affiliated business, are given an opportunity to bid on the work.

Another alternative is not to perform the work. This is not recommended because the current pace of development in the area is putting significant strain on the sewer system which is at capacity.

Fiscal Impact

The total authorized amount recommended for this project is \$14,740,915.72, based upon a GMP of \$13,400,832.47, plus an additional \$1,340,083.25 (10%) as a change order allowance. This allowance will only be utilized for approved change orders.

This project is funded by Utility Systems Revenue Obligations.

Coordinated With

The Water Resources Department concurs with this recommendation.