



City Council Report

Date: July 5, 2022
To: City Council
Through: Marc Heirshberg, Deputy City Manager
From: Beth Huning, City Engineer
Marc Ahlstrom, Assistant City Engineer
Subject: Northwest Water Reclamation Plant (NWWRP) Process Improvements
City Project No. CP0951
Council District 3

Purpose and Recommendation

The purpose of this report is to present the first Guaranteed Maximum Price (GMP) for the NWWRP Process Improvements – New Flare Construction, a Construction Manager at Risk (CMAR) project. (See Exhibit “A” for project location).

This is the first of multiple GMPs that will be presented to Council for approval. With GMP No. 1, the CMAR (Archer Wester Construction) will construct a new flare to replace the existing flare that is failing and beyond its useful life.

Staff recommends that Council award a contract for this project to Archer Western Construction in the amount of \$2,051,302.46, (GMP No. 1) and authorize a change order allowance in the amount of \$205,130.25 (10%).

Background

The Northwest Water Reclamation Plant (NWWRP) was originally constructed in 1988 and expanded in 2000. A recent facility study performed an in-depth evaluation of all the treatment processes for the current capabilities and future needs and developed recommendations to upgrade the facility. The processes evaluated included the plant headworks, primary treatment, aeration basins, tertiary treatment, electrical improvements, and digested gas treatment systems.

This GMP will include construction of a new flare to replace the existing flare that is beyond its service life and in need of replacement to allow to the plant to continue to operate within its treatment and air permit requirements. A following GMP will address the remainder of the anticipated project scope.

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 the SOQ’s and subsequent interviews, Archer Western Construction was recommended as the most qualified CMAR and was awarded a Pre-Construction Services contract on June 6, 2022. Archer Western Construction 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 project work will take place within the existing treatment plant site. Some construction noise and traffic may impact the immediate area as the work progresses. 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 project complexity, phasing, construction sequencing, and coordination with other ongoing projects and processes at the plant. The majority of work in this project will be competitively bid by Archer Western Construction 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 to not perform the work. This is not recommended due to the need to replace aging equipment in order for the plant to continue to efficiently treat wastewater.

Fiscal Impact

The total authorized amount recommended for this project is \$2,256,432.71, based upon a GMP of \$2,051,302.46, plus an additional \$205,130.25 (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.