



City Council Report

Date: June 06, 2022
To: City Council
Through: Marc Heirshberg, Deputy City Manager
From: Beth Huning, City Engineer
Lance Webb, Assistant City Engineer
Subject: Brown Road Water Treatment Plant Network and Control System Upgrades
City Project No. CP0634BR19
Council District 5

Purpose and Recommendation

The purpose of this report is to present the Guaranteed Maximum Price (GMP) No. 1 for the Brown Road Water Treatment Plant Network and Control System Upgrades, a Construction Manager at Risk (CMAR) project. (See Exhibit "A" for project location.)

GMP No. 1 includes a portion of the electrical and control equipment in preparation for the project. Staff recommends that Council award a construction contract to Sturgeon Electric Company, Inc. in the amount of \$1,082,823.77, (GMP No. 1) and authorize a change order allowance in the amount of \$108,282.38 (10%).

GMP No. 2 will be presented to Council at a future date for the remaining scope of work necessary to complete the project.

Background

Originally constructed in the 1980s, the Brown Road Water Treatment Plant is in need of upgrades to the existing communication network, control systems and motor controls. Existing equipment is reaching the end of its service life and the current system does not have the capacity to support new equipment. Upgrades to the network and control systems are required to bring plant operation controls and monitoring up to current standards.

Discussion

In May 2021, Staff received one (1) "Statement of Qualifications" (SOQ) from a contractor proposing to act as the CMAR for this project. Based on an evaluation of the SOQ,

Sturgeon Electric Company, Inc., was recommended as the qualified CMAR and was awarded a Pre-Construction Services contract. Sturgeon Electric Company, Inc. continues to perform pre-construction services during the design development including reviewing the design for constructability, preparing cost estimates, developing the project schedule, sequencing, and phasing for the planned construction improvements.

Community Impact – During construction the system tie overs from the old controls to the new will require a plant outage. This will be coordinated with other scheduled water system outages at the plant to maintain water supply.

Once underway, construction of this portion of the project is anticipated to last no more than 7 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 and expedited timeline of the project. The majority of all work in this project will be competitively bid by Sturgeon Electric Company, Inc. to multiple subcontractors, and staff will ensure 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 because it is important to keep facilities updated with systems and controls to maintain monitoring and control of plant operations.

Fiscal Impact

The total authorized amount recommended for this project is \$1,191,106.15, based upon a GMP of \$1,082,823.77, plus an additional \$108,282.38 (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.