ACTION: Award a construction manager at risk construction contract to Achen-Gardner Construction, LLC for the Sewer Capacity Improvements – 23rd Street from Priest to Hardy Drives and Hardy Drive from 23rd Street to Broadway Road project. (Related to Item 5C5)

FISCAL IMPACT: The construction contract amount is $4,126,746.92 and the contingency is $412,674.69. Funds to cover this contract and related costs are appropriated for fiscal year 2018/19 in the Capital Improvement Project No. 3233018B, on 23rd Street and on Hardy Drive. United Dairymen of Arizona will reimburse the City for actual costs up to $5,338,114 over a 10-year period for the costs associated with the design and construction of a new sewer line. This project was included in the adopted fiscal year 2018-19 Capital Improvement Program and funded by the Water Fund.

RECOMMENDATION: Award the construction manager at risk construction contract to Achen-Gardner Construction, LLC.

BACKGROUND INFORMATION:

Project History:
This construction project will address sanitary sewer capacity improvements to existing pipe segments located immediately downstream from the United Dairymen of Arizona (UDA) facility, including segments draining to the south along Hardy Drive, as well as segments draining to the west along 23rd Street. The goal of this project is to construct sewer pipelines of larger diameter along both the Hardy Drive and 23rd Street segments, and to utilize similar alignments, to allow for greater capacity. These future improvements will continue to route sewer flows into the existing 48-inch diameter interceptor sewer in Priest Drive.

Scope of Work:
More specifically, the limits of construction will be along 23rd Street, from Priest Drive to Hardy Drive, and also along Hardy Drive, from 23rd Street to about 300 feet south of Broadway Road. The scope of work includes:

- Approximately 3,694 linear feet (LF) of underground sanitary sewer lines ranging in diameter from 15- to 24-inches.
- Twelve manholes to be installed and by-pass of the existing flows where required.
- One junction structure to be installed.
- Replacement of the existing asphalt, concrete sidewalk, driveway, and curb as required.
- Management of traffic control.
- Approximately 1,071 LF of 2- to 4-inch conduits and two #7 pull boxes to be installed for future fiber optics.

Contract Type: Construction Manager at Risk (CMAR).

Procurement Method:
After review of the 15-point discovery checklist for the Alternative Project Delivery Method Justification, it was determined to utilize the CMAR procurement process specifically for this project for the following reasons:
The partnership between City of Tempe and a CMAR helps facilitate problem solving and prompt resolutions. Various unforeseen challenges can arise during the construction of a sewer project as this, which is to be constructed through busy streets and intersections. Additionally, other challenges anticipated include non-ideal soil conditions, and depths of trenching of around 20-feet underground. Being partnered with a CMAR team helps to mitigate the addition of time and costs that can potentially arise during such challenging conditions.

Utilizing a CMAR has enabled the City to work with a firm that is well qualified with a proven track record of managing and constructing high-visibility infrastructure projects such as this one, ensuring that schedule and quality are both closely monitored.

These constructed sewer improvements will be important infrastructure to the City of Tempe, and the proper construction of this facility through CMAR delivery will ensure that the system will reliably and safely operate for many years to come.

Involving a CMAR during the design has decreased the time of the project’s overall delivery, which is beneficial to businesses, motorists, and project stakeholders.

Since the sewer improvements will be constructed adjacent to businesses and through busy streets, it is important to bring an experienced CMAR that can safely and efficiently construct the project while, though proper phasing and traffic control strategies, lessen impacts to traffic flow.

For a project of this size and complexity, the City will need a CMAR with a “team-player” approach who is capable of adapting to the needs of the neighboring businesses.

Request for Qualifications:
Achen-Gardner Construction, LLC was selected by a review committee as the most qualified firm for these services using a process pursuant to Arizona Revised Statutes § 34-603. The qualifications based selection process includes evaluation of each firm's statement of qualifications in response to the City's request for qualifications (RFQ); evaluating each firm based on the relative weight of the selection criteria as outlined in the RFQ, including evaluation of the contractor's expertise, qualifications of key personnel and project experience; selecting the final list of contractors in order of preference; and negotiating a Guaranteed Maximum Price (GMP). Staff has negotiated the GMP CMAR construction services fee with Achen-Gardner Construction, LLC and considers it reasonable for the scope of services.

Staff is providing a snapshot of the City's current CIP construction activity by procurement method:

CMAR – Construction Manager at Risk
DBB – Design, Bid, Build (low-bid)
JOC – Job Order Contract

<table>
<thead>
<tr>
<th>Method</th>
<th>Cost ($ in Millions)</th>
<th>Procurements</th>
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ATTACHMENTS: CMAR Construction Contract

STAFF CONTACT(S): Marilyn DeRosa, PE, RG, Engineering and Transportation Director, (480) 350-8896
Holly Rosenthal, Deputy Municipal Utilities Director – Water Utilities, (480) 350-2660

Department Director: Marilyn DeRosa, PE, RG, Engineering and Transportation Director
Legal review by: Shelley Cuts, Assistant City Attorney
Prepared by: Jennifer Svetichan, Senior Management Assistant