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**CITY OF TEMPE**  
**REQUEST FOR COUNCIL ACTION**

**Council Meeting Date: 03/17/2016**  
**Agenda Item: 6A3**

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**ACTION:** Award a construction manager at risk construction services contract to Felix Construction Company and a professional services consultant contract to Wilson Engineers, LLC for new production well no. 16 located at 8690 South McClintock Drive.

**FISCAL IMPACT:** The construction services contract amount is \$3,561,852.73, the professional services contract amount is \$259,070, and the project contingency amount is \$100,000. \$3.5 million is appropriated for fiscal year 2015/16 and the balance is being requested in fiscal year 2016/17 in Capital Improvement Project No.3200019, New Production Wells.

**RECOMMENDATION:** Award construction manager at risk construction services and professional services contracts.

**BACKGROUND INFORMATION:**

***Project History:***

The City's 2012 Water Resources Master Plan includes a goal of increasing total groundwater well capacity to approximately 51.9 MGD (million gallons a day), equal to the City's average daily water demand at build-out. This goal is based on a long-range plan to ensure operational and water supply redundancy during times of emergency or drought. Building community resiliency specifically in our most critical life safety infrastructure systems is a "best practice" program for reliability. The City's current firm well capacity is 33.8 MGD, creating a shortfall of around 18.1 MGD. The strategy is designed as a long-term capital program adding one additional well every two years to steadily increase groundwater well capacity to meet average daily demands by build-out in 2040. This well is the next step towards achieving this goal.

Well no. 16 is located at 8690 South McClintock Drive, which is near the northwest corner of McClintock Drive and Warner Road. Construction of this well is part of an ongoing effort by the Water Utilities Division to add new groundwater production and recovery well capacity to the Tempe municipal water distribution system for back-up water production, supplemental drought supply, water quality blending, and emergency preparedness. The first phase of construction was completed in 2015 and included boring, geophysical logging, well drilling, well development, underground pipe casing of the well column, and pump-to-waste piping.

***Contract Type: Construction Manager at Risk Construction Services Contract.***

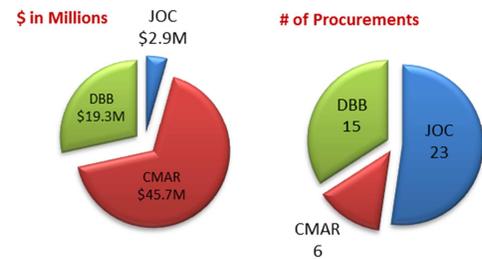
***Procurement Method:***

Construction Manager at Risk (CMAR) was selected as the construction delivery method for this project based on several factors including a high degree of complexity requiring expertise in drinking water wells of this depth; health, safety, and security concerns because the well will be connected to the City's drinking water supply; and the critical and sensitive location near a residential neighborhood and neighboring businesses.

Felix Construction Company 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); holding selection panel interviews with at least three firms based on selection criteria and relative weight of 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 the guaranteed maximum price (GMP). Staff has negotiated the GMP construction manager at risk construction services fee with Felix Construction Company 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



**Contract Type: Professional Services Consultant Contract**

**Procurement Method:**

Staff has negotiated the post-design services fee with Wilson Engineers, LLC (Wilson) and considers it reasonable for the scope of services. Wilson was selected from the Engineering Division's professional services consultant on-call list based on a qualifications based selection process, pursuant to Arizona Revised Statutes § 34-103, which includes evaluation of the firm in each selected discipline based on the following selection criteria and relative weights:

- 30% Overall capability and qualifications of the firm;
- 30% Relevant municipal project experience of the firm;
- 25% Qualifications and experience of the firm's key local staff, and;
- 15% Overall evaluation of the firm and its familiarity of local regulations.

Once the annual professional services on-call lists are established, consultants are utilized throughout the year based on how their expertise relates to the City's project needs. Staff worked with Wilson in developing a detailed scope of work for this project. The proposal for the professional services submitted by Wilson was reviewed by staff and deemed to be consistent with normal engineering practice on similar projects. The proposed labor rates were reviewed by staff and are consistent with industry standards.

**Scope of Work – Construction Manager at Risk:**

The scope of work for Felix Construction Company is for the final phase of construction of the new municipal production well no. 16. The final phase of this project is to equip the well for potable water production pumping and will include: a well site enclosure consisting of a security wall constructed of concrete masonry block along with an access gate and lighting; construction of a block building to house the electrical, communication, and chlorination rooms; security features; a power backup generator; grading of the site to provide for onsite storm water retention; frontage landscaping; and equipping the well with piping, pump, valves, and all appurtenances in order to connect to the municipal water distribution system. This well will be the City's first fully automated production well with the capability of being operated remotely from the SCADA Control Center.

The project contingency has been established at \$100,000, approximately three (3%) of the contract amount, to cover possible unforeseen conditions during construction.

**Scope of Work – Professional Services:**

The scope of work for Wilson includes: post-design services for project meetings; site visits with reports; review of shop drawings, test results, requests for information, change orders, and operation and maintenance manuals; specialty inspections; final acceptance inspection; record drawings; staff training; well start-up assistance; programming assistance; and warranty inspection.

**ATTACHMENTS:** Construction Services Contract (Exhibit A and Technical Specifications on file in Engineering office) and Professional Services Contract.

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