



CITY OF TEMPE
REQUEST FOR COUNCIL ACTION

Council Meeting Date: 04/14/2016
Agenda Item: 6A2

ACTION: Award a construction manager at risk construction services contract to Hunter Contracting Co. and a professional services consultant contract to C. Williams Construction Engineering, Inc. for water and sewer line replacement along Farmer Avenue from Broadway Road to First Street and along First Street to Mill Avenue.

FISCAL IMPACT: The construction services contract amount is \$3,339,941.32, the professional services consultant contract amount is \$59,760, and the project contingency amount is \$335,000. A portion of the funds to cover these contracts and related costs are approved and appropriated in fiscal year 2015/16 Capital Improvement Project Nos. 3204969, Water System Rehabilitation or Replacement of Aging Infrastructure (\$800,000), and 3299969, Collection System and Pump Station Replacement and Repair (\$400,000). The balance is proposed to be funded in fiscal year 2016/17.

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

BACKGROUND INFORMATION:

Project History:

This construction project includes replacement of water and sewer lines in the area of the Farmer Avenue and First Street/Rio Salado Parkway alignment in Tempe. The limits extend from Broadway Road heading north to First Street then east along First Street and Rio Salado Parkway to nearly Mill Avenue. Through a systematic assessment of existing water and sewer infrastructure, these projects were identified as high priority and requiring immediate attention. This will be a challenging project and will impact single-family and multi-family homes, high density housing, businesses, and commercial properties as well as arterial, collector, and local streets and the travelling public. Combining the neighborhoods various water and sewer replacement jobs into one construction services contract will create economies of scale and result in a reduction of overall neighborhood and transportation impacts. This will allow the neighborhood to more quickly recover from the disruption and enhance community resiliency.

These are well-established neighborhoods with many aged underground utilities, narrow streets, and unknown factors to contend with during construction, which will result in neighborhood disruptions. The existing cast iron water lines and clay sewer pipes are near the end of their usable lifespan and have been subject to frequent breaks in recent years. Maintaining operation of the existing fragile water and sewer systems while constructing and connecting the new systems requires a high degree of complexity and coordination by a well-qualified, skilled contractor. Project phasing and sequencing will be crucial in order to effectively create connections between the existing systems and new systems and successfully bypass sewer flows as needed. This work will require extensive experience and expert knowledge of sewer bypassing and connection sequencing in order to avoid overlong sewer disruptions and potential environmental hazards while providing odor mitigation during construction.

City staff met with neighborhood chairs in late 2015 in order to introduce the project, and a public meeting was held on February 10, 2016, at which City staff, Consultants, and Contractor provided a presentation to inform the public of the project background and details, the goal and benefit of the project, what to expect throughout construction, project contact information, and to give an opportunity to ask questions and express concerns. Project information boards will be placed in strategic areas within the project limits prior to and during construction. Tempe Neighborhood Services and the Contractor's public outreach firm will work closely to keep the public informed and to provide a conduit for questions and concerns throughout the construction process.

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 due to time constraints and complexity of the work.

Hunter Contracting Co. 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 Hunter Contracting Co. and considers it reasonable for the scope of services.

Contract Type: Professional Services Consultant Contract

Procurement Method:

C. Williams Construction Engineering, Inc. was selected from the Engineering Division's On-call Consultant Short List based on the scope of work for this project, their familiarity with the project, and the specific expertise required for successful completion of this work. The Short List is established using a qualifications based selection process, pursuant to Arizona Revised Statutes (ARS) § 34-103. This selection process includes evaluation of the firms who apply for each discipline based on the following selection criteria and relative weights (ARS prohibits the use of pricing as a criterion for this qualifications based process):

- 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 C. Williams Construction Engineering, Inc. was selected from the Short List, staff worked with them to finalize the scope of work and negotiate the design fee. The proposed labor rates submitted by C. Williams Construction Engineering, Inc. were reviewed by staff and are consistent with industry standards.

Scope of Work – Construction Manager at Risk (Hunter Contracting Co.):

The scope of work is as follows:

- Approximately 9,000 linear feet of new ductile iron pipe (waterline).
- 150 water service taps to homes and businesses.
- 21 fire hydrants.
- All other associated water system appurtenances.
- Approximately 1,000 linear feet of vitrified clay pipe (sanitary sewer).
- Pavement restoration to be accomplished with a slurry seal (29,000 square yards) and will also include restriping of the roadways.
- Coordination with residents/property owners regarding service disruptions.
- Temporary sewer bypassing may be required.

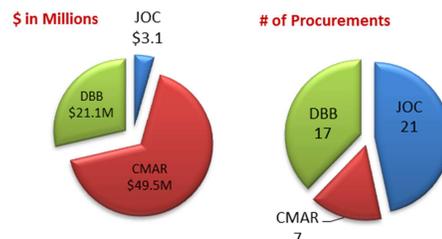
The project contingency has been established at \$335,000, approximately ten (10%) of the construction contract amount, to cover possible unforeseen conditions during construction.

Scope of Work – Professional Services Consultant Contract (C. Williams Construction Engineering, Inc.):

Construction administration and inspection services including attendance at pre-construction meeting, review of contractor's schedule and work plan, coordination of project permitting, construction site visits and inspections, review of shop drawings and test results, response to contractor's requests for information, review of monthly construction pay requests, and facilitating the development of as-built record drawings.

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



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

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