



**Aquifer Storage and Recovery Well 303 - Construction Manager At Risk
Construction Phase Services Amendment - WS85010051 (Ordinance S-44667)**

Request to authorize the City Manager, or his designee, to execute Amendment 1 to Contract 144845 with MGC Contractors, Inc. to provide additional Construction Manager at Risk (CMAR) construction services for the Aquifer Storage and Recovery (ASR) Well 303 project. Further request authorization to execute amendments to the contract as necessary within the Council-approved expenditure authority as provided below, and for the City Controller to disburse all funds related to this item. The fee for services will not exceed \$6,342,000.

Summary

The above-ground equipment portion of ASR Well 303 is currently in design phase with construction scheduled to begin December 2018. The well's expected production capacity is about 1,200 to 1,500 gallons per minute (gpm). Water pumped from the well will be used to supplement supplies for potable water customers in northeast Phoenix. During periods of low water demand, the City plans to store surplus potable water in the aquifer by injecting potable water down this well. The anticipated injection rate is 1,200 gpm with an objective of recharging 1,000 to 1,200 acre-feet per year, which aims to stabilize water levels in the northeast Phoenix aquifer.

MGC Contractors, Inc. will assume the risk of delivering the project through a Guaranteed Maximum Price (GMP) and will be responsible for construction means and methods related to this project, participating with the City in a process to set a local and Small Business Enterprise (SBE) goal for the project, and implementing the SBE process. MGC Contractors, Inc. will be required to solicit bids from prequalified subcontractors to perform work under the City's subcontractor selection process. MGC Contractors, Inc. may also compete to self-perform limited amounts of work.

Procurement Information

MGC Contractors, Inc. was chosen for this project using a qualifications-based selection process according to section 34-603 of the Arizona Revised Statutes. Scoring and selection were made in conjunction with the CMAR Design Phase Services for this project.

Contract Term

The term for this contract is expected to be 18 months from issuance of the Notice to Proceed. Contract work scope identified and incorporated into the contract prior to the end of the contract term may be agreed to by the parties and work may extend past the termination of the contract. No additional contract work scope may be executed after the end of the contract term.

Financial Impact

MGC Contractors, Inc.'s fee for construction services will not exceed \$6,342,000, including all subcontractor and reimbursable costs. Funding for these services is available in the Water Services Department's Capital Improvement Program budget. Contract payments may be made up to the contract limits for all rendered contract services, which may extend past the contract termination.

Concurrence/Previous Council Action

The City Council approved:

- Design Services Contract 144850 (Ordinance S-43436) with Brown and Caldwell, Inc. on April 19, 2017;
- CMAR Design Phase Services Contract 144946 (Ordinance S-43507) with MGC Contractors, Inc. on May 10, 2017; and
- CMAR Construction Phase Services Contract 144845 (Ordinance S-43431) with MGC Contractors, Inc. on April 19, 2017.

Location

4902 E. Ashler Hills Drive
Council District: 2

Responsible Department

This item is submitted by Deputy City Managers Karen Peters and Mario Paniagua, the Water Services Department, and the City Engineer.