



24th Street Water Treatment Plant Rehabilitation 2017 - Construction Manager at Risk Construction Phase Services Amendment - WS85290029 (Ordinance S-44671)

Request to authorize the City Manager, or his designee, to execute amendments to Contract 145606 with Kiewit Infrastructure West Company to provide additional Construction Manager at Risk (CMAR) construction phase services for the 24th Street Water Treatment Plant (WTP) Rehabilitation 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. Funding for all construction phase services will not exceed \$21 million.

Summary

The 24th Street WTP is a conventional water treatment facility with the capacity to treat 140 million gallons per day. Water from the Salt and Verde Rivers is treated at the 24th Street WTP using various operations and processes. The plant was constructed during the 1950s and 1960s and upgraded during the 1990s and 2000s. A condition assessment indicated certain treatment systems are deteriorating due to age and use, and require rehabilitation and/or replacement. The treatment systems to be rehabilitated and/or replaced include flocculation basins, sedimentation basins, junction boxes, other concrete structures, filter valves, raw water inlet pipelines, sludge blowdown pipelines, main switchgears, and other electrical equipment.

Kiewit Infrastructure West Company will assume the risk of delivering the project through a Guaranteed Maximum Price (GMP) contract. Kiewit Infrastructure West Company will be responsible for construction means and methods related to the project, participating with the City in a process to set a Small Business Enterprise (SBE) goal for the project, and implementing the SBE process. Kiewit Infrastructure West Company will also be required to solicit bids from prequalified subcontractors and to perform the work using the City's subcontractor selection process. Kiewit Infrastructure West Company may also compete to self-perform some of the work.

Procurement Information

Kiewit Infrastructure West Company 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 contract.

Contract Term

The term of the additional CMAR construction phase services is expected to be 14 months from issuance of Notice to Proceed. Contract work scope identified and incorporated into the contract prior to the end of the contract may be agreed to by the parties, and work may extend past the termination of the contract. No additional contract work scope changes may be executed after the end of the contract term.

Financial Impact

Contract 145606 was initially executed at a not-to-exceed amount of \$50,000. Kiewit Infrastructure West Company's fee for additional CMAR Construction Phase Services under Contract 145606 will not exceed an additional \$21 million, including all subcontractor, supplier, and reimbursable costs, which would bring the total contract value to \$21,050,000. Funding is available in the Water Services Department Capital Improvement Program budget. Contract amendments for GMP services may be executed for construction phase services or other contract services totaling an amount not to exceed \$21 million. Each GMP amendment will be reviewed and approved separately by the Budget and Research Department. Contract payments may be made up to the contract limits for all rendered contract services, which may extend past the contract termination.

Previous Council Action

On July 6, 2017 City Council approved CMAR Design Phase Services Contract 145605 and CMAR Construction Phase Services Contract 145606 for GMP Preparation Services.

Location

6202 N. 24th St.
Council District: 6

Responsible Department

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