

**CITY OF GOODYEAR
COUNCIL ACTION REPORT**

SUBJECT: Approve expenditure of \$3,861,728.19 for the Site 12 Improvements and Increased Capacity project and approve a budget transfer.	STAFF PRESENTER: Tim Burkeen, Sr. Project Manager and Barb Chappell, Utility Operations Manager CASE NUMBER: None OTHER PRESENTER: None
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PROPOSED ACTION:

Approve expenditure of funds in the amount of \$3,861,728.19 for the Site 12 Improvements and Increased Capacity Project. Additionally, approve a \$9,720,900 budget transfer to combine six separate Site 12 related project budgets in Water Bond and North Central Water Impact Fee funds into a single project to be named Site 12 Improvements and Increased Capacity.

BACKGROUND AND PREVIOUS ACTIONS:

The city currently relies entirely on groundwater pumping to meet its physical water demands. A recent evaluation of the water distribution system determined that the system lacks sufficient redundancy in production, pumping, and storage capacity to meet current and future demands. The city has identified the need to increase the water supply in its portfolio to not only accommodate future growth, but to fill an immediate need to increase the firm supply (or supply with the highest producing well offline) in order to at least meet the peak day demands.

The Site 12 Water Facility has been identified for expansion. It is located on city-owned land generally west of Cotton Lane and south of Lower Buckeye. The current facilities include 2.0 MG water reservoir, reverse osmosis (RO) treatment, and booster pumps. This site will be expanded to the south and additional storage, treatment and pumping capacity will be added to the site, and two new wells will be constructed nearby.

Raw water mains which will transport ground water from the two new wells to Site 12 are being constructed separately.

STAFF ANALYSIS:

This project is part of the proposed facilities incorporated in the Integrated Water Master Plan. The city is utilizing the Design-Build approach to bring the best available construction experience and expertise together to meet the budget and schedule challenges presented by this project.

This contract will employ a Phased Delivery Approach. Phase 1 services include all engineering, design and cost-model development services to complete the design for all the improvements and includes construction services to drill and develop the two new wells. The Design-Builder will develop a Guaranteed Maximum Price for Phase 2. Phase 2, if exercised by the city, will

encompass permitting and regulatory assistance, and all construction services for the improvements.

Staff will return to Council to request expenditures related to Phase 2 GMP construction services at the appropriate time.

FISCAL ANALYSIS:

Individual elements composing the Site 12 projects include wells (WA1710 and WA1711), pumps (WA1712), brine line (WA1703), booster (WA1502) and capacity expansion (WA1802) and were budgeted based on the Integrated Water Master Plan. The individual project budgets are being combined into a single project to facilitate a smooth project delivery, better integration of the project elements, eliminate potential overlap and redundant tasks, and to take advantage of economies of scale which leads to overall cost savings.

The combined budget from these projects is \$9,720,900 in Water Bond and North and Central Impact Fee funds with \$3,861,728.19 to be expended and available for this design-build contract.

RECOMMENDATION:

Staff recommends the approval of an expenditure of the amount of \$3,861,728.19 for the Site 12 Improvements and Increased Capacity. This expenditure would allow the city to enter into a contract with Hunter Contracting Company for these services. Additionally, staff recommends approval of a \$9,720,900 budget transfer of water bond funds and development fees into a single project (WA1802) for the Site 12 Improvements and Increased Capacity project.

ATTACHMENTS:

1. Services Agreement
 - Exhibit A – Scope of Services
 - Exhibit B – RFQ Response
 - Exhibit C – RFQ Solicitation
2. Area Site Map