

**CITY OF GOODYEAR
COUNCIL ACTION REPORT**

SUBJECT: Approve Expenditure of \$15,997,088 for the Site 12 Improvements and Increased Capacity Phase 2 Construction GMP	STAFF PRESENTER: Tim Burkeen, Sr. Project Manager and Barbara Chappell, Utilities Operations Manager CASE NUMBER: None OTHER PRESENTER: None
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PROPOSED ACTION:

Approve expenditure of funds in the amount of \$15,997,088 for the Site 12 Improvements and Increased Capacity Phase 2 Construction GMP (Guaranteed Maximum Price).

BACKGROUND AND PREVIOUS ACTIONS:

The city currently relies entirely on groundwater pumping to meet its physical water demands. The Integrated Water Master Plan determined that the system lacks sufficient redundancy in production, pumping, and storage capacity to meet current demands. Additional wells were recommended to be added to the system.

The Site 12 Water Facility is located on city-owned land generally west of Cotton Lane and south of Lower Buckeye. The current facilities include 2.0 million gallons (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.

On November 20, 2017, Council authorized the expenditure of \$3,861,728.19 for Phase 1 (design phase) services for this project. At that time, Council also authorized budget transfers which transferred budgeted funds from six projects identified in the Integrated Water Master Plan into a single project to facilitate a smooth project delivery and better integration of the project elements.

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 is employing 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 has developed a Guaranteed Maximum Price for Phase 2 which encompasses permitting, regulatory assistance, and all construction services for the improvements. The expenditure of \$15,997,088 is equal to all funds available in the Capital Improvement Program for this project

(C60WA001/WA1802) and serves as an additional level of contingency. This expenditure would allow the city to amend the Design-Build contract with Hunter Contracting Company to include these services.

FISCAL ANALYSIS:

The FY2019 budget includes up to \$19.7 million in development impact fee and water revenue bond funding for completion of the design and construction of the Site 12 Improvements and Increased Capacity project (C60WA001/WA1802). This contract award is within the budgeted amount.

RECOMMENDATION:

Approve expenditure of funds in the amount of \$15,997,088 for the Site 12 Improvements and Increased Capacity Phase 2 Construction GMP.

ATTACHMENTS:

1. Contract Amendment
 - Plans
 - Specifications
 - Schedule
 - Bonds
2. Area Site Map