



**PURCHASING ITEM
FOR
COUNCIL AGENDA
Memo No. CP16-204**

1. Agenda Item Number:

24

2. Council Meeting Date:
May 12, 2016

TO: MAYOR AND COUNCIL

3. Date Prepared: April 27, 2016

THROUGH: CITY MANAGER

4. Requesting Department: Municipal Utilities

5. SUBJECT: Project Agreement with Carollo Engineers, Inc., for the Pecos Surface Water Treatment Plant Rehabilitation Project

6. RECOMMENDATION: Staff recommends City Council award a Project Agreement to Carollo Engineers, Inc., for construction management services, for the Pecos Surface Water Treatment Plant Rehabilitation Project, pursuant to Annual Water and Wastewater Services Contract No. EN1518.101, Project No. WA1503.451, in an amount not to exceed \$292,786.

7. BACKGROUND/DISCUSSION: The 2013 Capital Improvement Program established an ongoing program to rehabilitate aging infrastructure at the Pecos Surface Water Treatment Plant (SWTP), located at 1475 E. Pecos Road. An assessment of the facility was completed that recommended various improvements including: demolition of an existing plate settler, construction of a new gravity thickener, installation of two new polymer feed units, and replacement of existing chemical feed piping and four existing raw water pumps.

The project scope of work consists of: project administration, review of submittals, inspection services, shutdown coordination, certification of record drawings, and project close-out.

A Construction Contract, Project No. WA1503.401, with M.A. Mortenson Company, for the Pecos SWTP Rehabilitation Project, is also scheduled for this City Council meeting.

8. EVALUATION: This project is being performed under the Annual Water and Wastewater Services Contract No. EN1518.101, to Carollo Engineers, Inc. The costs proposed for this project have been evaluated by staff and are determined to be reasonable. The contract completion time is 360 calendar days following Notice to Proceed.

9. FINANCIAL IMPLICATIONS:

Cost: \$292,786
Savings: N/A
Long Term Costs: N/A

Fund Source:

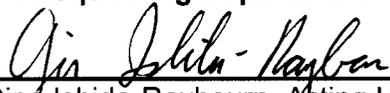
<u>Account No.:</u>	<u>Fund Name:</u>	<u>Program Name:</u>	<u>CIP Funded:</u>	<u>Amount:</u>
601.3820.6718.6WA210	Water Bond	Water Treatment Plant Improvements	Yes	\$292,786

10. PROPOSED MOTION: Move City Council award a Project Agreement to Carollo Engineers, Inc., for construction management services, for the Pecos Surface Water Treatment Plant Rehabilitation Project, pursuant to Annual Water and Wastewater Services Contract No. EN1518.101, Project No. WA1503.451, in an amount not to exceed \$292,786.

ATTACHMENTS: Location Map, Agreement

APPROVALS

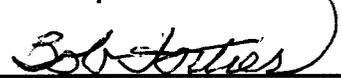
11. Requesting Department


Gina Ishida-Raybourn, Acting Utilities Engineering Manager

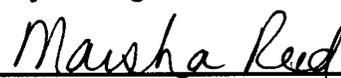
13. Department Head


John Knudson, Municipal Utilities Director

12. Transportation & Development


Bob Fortier, Capital Projects Manager

14. City Manager


Marsha Reed

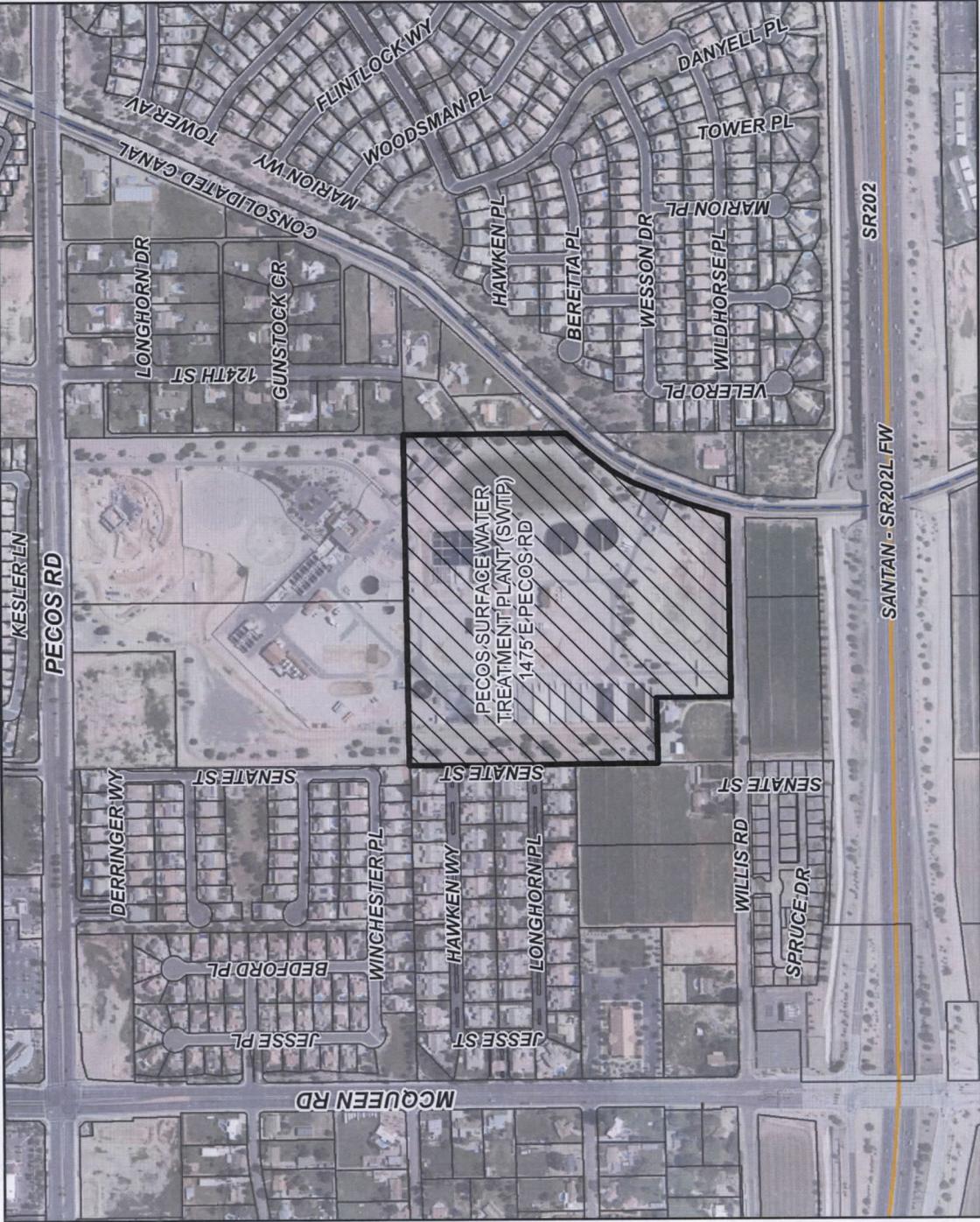


PECOS SWTP REHABILITATION PROJECT PROJECT NO. WA1503.451



MEMO NO. CP16-204

PROJECT LOCATION



**PROJECT AGREEMENT
PURSUANT TO ANNUAL CONTRACT NO. EN1518.101**

PROJECT AGREEMENT NO: WA1503.451

This PROJECT AGREEMENT is made this ____ day of _____, 2016, by and between the City of Chandler, a municipal corporation (hereinafter referred to as "CITY") and Carollo Engineers, Inc. a Delaware corporation, licensed to do business in the State of Arizona (hereinafter referred to as "Annual Consultant") and is a project agreement entered into pursuant to Annual Contract No. EN1518.101.

CITY and Carollo Engineers, Inc., in consideration of the mutual covenants herein set forth, agree as follows:

ARTICLE 1 - DESCRIPTION OF WORK:

This project is Pecos SWTP Rehabilitation Project Construction Management Services, Project Number WA1503.451. The scope of work consists of providing construction management (CM) services for upgrades and improvements at the Pecos Surface Water Treatment Plant (SWTP), all as more particularly set forth in Exhibit A attached hereto and incorporated herein by reference.

The Annual Consultant shall not accept any change of scope, or change in contract provisions, unless issued in writing, as a contract amendment and signed by the Contract Administrator.

ARTICLE 2 - CONTRACT PRICE:

CITY shall pay Annual Consultant for completion of the Work in accordance with the Contract Documents a fee not to exceed Two Hundred Ninety Two Thousand Seven Hundred Eighty Six Dollars (\$292,786) determined and payable as set forth in Annual Contract EN1518.101 and Exhibit B attached hereto and made a part hereof by reference.

ARTICLE 3 - CONTRACT TIME:

The contract time is Three Hundred Sixty calendar days and Annual Consultant agrees to complete all work within Three Hundred Sixty (360) calendar days of the date CITY issues a Notice to Proceed.

ARTICLE 4 - GENERAL:

This Project Agreement is entered into pursuant to Annual Contract No. EN1518.101 and the terms and conditions contained therein are incorporated herein by reference as if set forth in full.

IN WITNESS WHEREOF, the parties hereto have executed this Project Agreement on the day and year first written above.

This Project Agreement will be effective on this _____ day of _____, 2016.

CITY OF CHANDLER

FOR THE ANNUAL:

MAYOR DATE:

By: David Sobek Russell A. Wheeler
Title: SE Vice President Executive V.P.

ADDRESS FOR NOTICE
City of Chandler
P.O. Box 4008, Mail Stop 407
Chandler, AZ 85244-4008
480-782-3307

ADDRESS FOR NOTICE
Mr. David Sobek
Carollo Engineers, Inc.
4600 E. Washington St., Ste. 500
Phoenix, AZ 85034

APPROVED AS TO FORM:

Phone: 602-263-9500

City Attorney By: [Signature]

ATTEST:

City Clerk

EXHIBIT A SCOPE OF WORK

BACKGROUND AND PROJECT DESCRIPTION

Provide construction management (CM) services for upgrades and improvements at the Pecos Surface Water Treatment Plant (SWTP).

Work elements for this project include:

- Demolition of existing plate settler unit
- Construction of new concrete gravity thickener and associated piping and electrical work
- Installation of new sludge thickener pump and associated piping and electrical work
- Installation of two (2) new polymer feed units
- Replacement of existing chemical feed piping from the Chemical Building to the Finished Water Pump Station
- Replacement of four (4) existing Raw Water Pumps at PS No 1, and associated electrical work

PROJECT TASKS

TASK 1 - PROJECT MANAGEMENT AND PROGRESS MEETINGS

The ANNUAL CONSULTANT shall monitor progress of the construction activities monthly and compare the progress to the project schedule mutually agreed to by the CITY, ANNUAL CONSULTANT, and Contractor. The ANNUAL CONSULTANT shall also coordinate with CITY operations and maintenance staff to assist the Contractor in coordinating plant tie-ins, and other construction activities.

The ANNUAL CONSULTANT shall conduct the pre-construction meeting and prepare and distribute the associated minutes. In addition, the ANNUAL CONSULTANT shall conduct bi-weekly construction progress meetings with the CITY and Contractor to report and discuss the overall progress of the project and develop plans for project delivery consistent with the CITY's specific needs and funding requirements. ANNUAL CONSULTANT's responsibilities shall include preparation and distribution of the meeting minutes.

The ANNUAL CONSULTANT shall also review the Contractor's monthly applications for payment, confirm that the work has progressed to the extent indicated in the application, and provide comments to the Contractor prior to submittal of the application for payment to the CITY. In addition, the ANNUAL CONSULTANT shall review the Contractor's project schedule, and the monthly overall project schedule updates, and provide comments to the CITY and the Contractor to promote project delivery consistent with the proposed schedule.

TASK 2 - REVIEW OF SUBMITTALS AND O&M MANUALS

The ANNUAL CONSULTANT shall maintain a project documents file in the ANNUAL CONSULTANT'S office, and turn over appropriate hard copy and electronic construction document files to the CITY upon project completion.

Submittal Review

The ANNUAL CONSULTANT shall review shop drawings and other submittals for conformance to the design intent and for compliance with the Contract Documents. Such reviews shall not extend to means, methods, or sequences of construction or to safety precautions and programs. The ANNUAL CONSULTANT shall also review O&M Manual submittals for equipment and processes installed for the project.

In order to assist the Contractor with maintaining the construction schedule, the ANNUAL CONSULTANT shall provide expedited reviews of submittals designated as critical by the Contractor, in particular long-lead time equipment (i.e. vertical turbine pumps). In addition, the ANNUAL CONSULTANT shall work with the CITY and the Contractor to identify mechanisms to expedite the procurement and delivery of long lead items to support the project schedule and proposed plant shutdown schedule. The ANNUAL CONSULTANT shall conduct pre-submittal meetings as needed with the Contractor and long lead time equipment vendors in an effort to reduce the submittal preparation and review time, and minimize the number of resubmittals.

The ANNUAL CONSULTANT shall maintain a log of submittals received, reviewed, and responded to, and shall distribute to the project stakeholders as part of the bi-weekly construction progress meeting minutes.

Note that the effort for this task assumes review of 120 submittals, with no more than twenty-five (25) requiring resubmittal and additional review.

TASK 3 - RESPOND TO RFI'S, ALLOWANCE USAGE REQUEST AND ISSUE WCDs

Respond to RFIs

The ANNUAL CONSULTANT shall receive, review and respond to requests for information (RFI) initiated by the Contractor. This review shall include the assessment by the Contractor as to whether or not the RFI shall result in a schedule or cost impact. ANNUAL CONSULTANT shall maintain a log of RFIs received and responded to, and shall distribute to project stakeholders as part of the bi-weekly construction progress meeting minutes. Note that the effort for this task assumes review of up to 50 RFIs.

Respond to Allowance Usage Requests and Issue Work Change Directives

The ANNUAL CONSULTANT shall receive, review, and respond to allowance usage requests initiated by the Contractor. This review shall include analyzing the submitted costs, impact to schedule, and merits for the request.

ANNUAL CONSULTANT shall also issue Work Change Directives to the Contractor, as coordinated with and approved by the CITY.

TASK 4 – ROUTINE INSPECTIONS AND REPORTS

Routine Inspection Reports and Record Keeping

ANNUAL CONSULTANT shall, through his Project Representative, maintain inspection reports and photographs of the work, materials, and testing reports, special inspection reports, defect and correction reports, and other documentation developed during the progress of the work related to field construction activities. These reports shall be generated when the Project Representative or discipline engineer makes a site visit. Routine inspection activities are assumed to be part-time based on the needs of the project. Approximately 500 total hours have been allocated for this task. Hours shall be utilized as required based on the progress of the work and the associated field activities and inspection needs.

TASK 5 - SPECIAL INSPECTIONS AND REPORTS

Special Inspection Reports and Record Keeping

ANNUAL CONSULTANT shall, through his Project Representative, maintain special inspection reports and photographs of the work, materials, and testing reports, special inspection reports, defect and correction reports, and other documentation developed during the progress of the work related

Electrical Inspection

The ANNUAL CONSULTANT shall support electrical inspection activities and provide inspection services at various stages of the project.

Instrumentation and Control (I&C) Inspection

The ANNUAL CONSULTANT shall support I&C activities and provide inspection services for interface with instrumentation, controls, and software checkout. I&C inspection services shall be performed at various stages of the project. The CITY shall provide software programming and integration of the new software into the existing plant control system.

Structural Inspection

The ANNUAL CONSULTANT shall support structural activities and provide inspection services at various stages of the project.

Materials Testing

The ANNUAL CONSULTANT shall coordinate confirmation materials testing associated with concrete placement and soils compaction construction. This testing shall be provided to ascertain conformance of the work to the specifications, and shall be coordinated with the Contractor's material testing efforts required by the contract documents. It is assumed that the CITY shall pay for the associated testing services directly.

The ANNUAL CONSULTANT shall maintain a project documents file in the CONSULTANT'S office, and turn over reports and testing records in electronic format to the CITY upon project completion.

TASK 5 – RECORD DRAWINGS AND CLOSEOUT ACTIVITIES

Record Drawings

Utilizing the drawings redlined by the Contractor to represent field conditions, the ANNUAL CONSULTANT shall prepare a set of record drawings showing those changes made during the construction progress. Record drawing information shall be based on marked-up prints, drawings, and other data furnished by the Contractor and shall be compiled and presented to the CITY. This submittal shall be in both hard copy (Mylar) and electronic format (PDF).

Closeout of Project with MCESD

ANNUAL CONSULTANT shall develop the Approval of Construction (AOC) application for submittal to MCESD along with required Record Drawings and other data that might be required by MCESD staff to issue the AOC. In addition, the ANNUAL CONSULTANT shall prepare an update to the plant's Operations and Maintenance Manual describing the process operations of the new constructed equipment, to satisfy the MCESD requirements for the AOC permit package. The O&M update tasks assumes that the City shall provide electronic files of the existing O&M Manual for update.

CLARIFICATIONS, ASSUMPTIONS, AND EXCLUSIONS

- The fee assumes that construction activities will last approximately 7 months.
- Expenses for items such as printing, delivery, and mileage, shall be compensated at cost utilizing the Direct Expense Allowance.
- Owner's Allowance shall only be utilized for additional services with prior written approval from the City.

**EXHIBIT B
FEE SCHEDULE**

TASKS		Total
1	Project Management and Progress Meetings	\$ 23,136
2	Review Submittals & O&Ms (assume 120 total, 25% second review)	\$ 53,790
3	Respond to RFIs, Change Order Requests, WCDs (Assume 50 total)	\$ 32,468
4	Routine Inspections and Reports	\$ 82,840
5	Special Inspections and Reports	\$ 30,280
6	Record Drawings and Closeout Activities	\$ 40,472
Labor Cost		\$ 262,986
OTHER DIRECT COSTS		
1)	Direct Expense Allowance	\$ 2,500
2)	MCESD ATC Fee	\$ 1,000
Total Other Direct Costs		\$ 3,500
OWNER'S ALLOWANCE		\$ 26,300
TOTAL COST		\$ 292,786