

**Metropolitan Domestic Water Improvement District
Board of Directors Meeting**

June 10, 2019

**Authorizing Clearing and Grubbing of Two Exploratory
Test Well Sites, Associated Access and Fencing
Northwest Recharge, Recovery and Delivery System
(Continued from the May 13, 2019 meeting)**

Synopsis

The Board of Directors is requested to authorize the General Manager to execute an agreement for construction of the Northwest Recharge, Recovery, and Delivery System (NWRRDS) Package 1A – Exploratory Test Well Site Improvements (M-19-001) with Granite Construction Company (Granite), in the amount of \$119,064.00. Work includes the clearing and grubbing of the two exploratory well sites located on State Trust Lands. Work also includes the clearing and grubbing, as well as the relocation of airport fencing and gate, adjacent to and on District property.

Background

Metro Water District (District), the Town of Marana (Marana), and the Town of Oro Valley (Oro Valley) store water underground or utilize groundwater savings facilities in the north Marana area. To use this water, the three entities (Partners) have entered into an intergovernmental agreement (IGA) to construct the NWRRDS, to transport water from north Marana to meet current and future water demands in the north area of the Tucson Basin.

To recover and construct recovery wells for its recharged water resources, the District acquired easements for three well sites located on Arizona State Land Department (ASLD) property. The District also acquired property from Marana to enable placement of the associated waterline and to provide access between the District's easement on State Trust Land and Avra Valley Road. As part the negotiation with Marana, the District agreed to relocate a portion of the airport security fence and gate.

In April 2019, the Partners executed Memorandum of Agreement (MOA) 19003-00 to authorize the District, as Operating Agent, to proceed with clearing and grubbing of two exploratory test well sites, associated access, and fencing. This work is necessary to advance the exploratory wells and the recovery wells.

HDR Engineering, Inc., as Program Manager, provided an engineer's estimate of probable costs of \$105,610.31, which included a 10% contingency of \$9,143.75. Per the IGA and MOA 19003-00, Oro Valley will reimburse the District for 50% of the cost. This project will be completed in Fiscal Years 2019 and 2020. Both the approved budgets for Fiscal Years 2019 and 2020 include funding for NWRRDS.

Issues

MOA 19003-00 authorized the District to solicit a Job Order Contractor through its cooperative purchasing agreement with the City of Tucson to provide the necessary clearing and grubbing of the exploratory well sites in preparation for drilling, as well as site access improvements that include clearing, grubbing, fence and gate demolition, new fence and gate construction, and construction of a segment of access road.

The District solicited requests for schedule and cost proposals to six contractors on the cooperative purchasing agreement under the City of Tucson Job Order Contract for Roadway Construction (Contract Number 171729) with a due date of June 5, 2019. A pre-proposal meeting was not held. Addendum No. 1 was issued on May 30, 2019. The addendum summarized and responded to a single question that was received prior to the deadline stated in the solicitation.

Staff received one proposal and schedule from Granite. Staff completed a review of the contractor's license and status with the Registrar of Contractors, and a review of any violations listed by the Occupational Safety and Health Administration (OSHA) for the previous five (5) year period. No issues were found.

The price quote of \$130,158.00 is 22.2% over the engineers estimate. Prior to soliciting bids, final stabilization by hydroseeding was removed. The engineer's estimate for the remaining items was \$99,310.31. A comparison of the bid to the reduced scope results in the bid being 23.2% higher than estimated.

A review of bid items was completed in order to reduce the cost as much as possible. Following consultation with HDR Engineering as Program Support Consultant, the following deductions to the scope of work are recommended:

- Bid Item 8 (390' of barbed wire fence) was previously removed from the plans, but was inadvertently left in the bid request. Removal of Bid Item 8 reduces the contractor's bid by \$1,950.00.
- Bid Item 15 included two 30x30 pads at the well sites and the entrance pad near the airport road. Removal of Bid Item 15 reduces the contractor's bid by \$9,144.00.

The resulting value of the remaining work is \$119,064.00, which includes \$10,000.00 in Force Account, is 12.7% over the \$105,610.31 previously authorized by MOA 19003-00.

Other bid items are being considered for elimination, but will need Marana concurrence prior to moving forward. The potential additional reduction includes:

- Bid Items 10, 11, 12, and 14 included asphalt paving, vertical curb, and concrete header at the entrance to the access road. While this arrangement is ideal, it is not necessary. A more cost effective option would be simply to have a curb cut with compacted Aggregate Base Course (ABC). The volume of ABC would remain the same. Removing Bid Items 10, 11, 12, and 14 reduces the contractor's bid by approximately \$11,000.00.

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The Partners have agreed to the revised cost in MOA 19003-02. Because coordination with Marana is pending, it is recommended the Board of Directors authorize \$119,064.00 at this time. The costs are included in the overall anticipated program costs as identified in the Package Delineation Report. The costs will be divided equally between the District and the Town of Oro Valley as it pertains only to the well improvements.

Recommendation

It is recommended that the Board of Directors authorize the General Manager to execute an agreement for construction of the Northwest Recharge, Recovery and Delivery System Package 1A – Site Access and Exploratory Test Well Site Improvements (M-19-001) with Granite Construction Company in the amount of \$119,064.00, and to authorize the General Manager to increase the original construction contract term in a cumulative amount not to exceed twenty (20) calendar days.

Suggested Motion

I move to authorize the General Manager to execute an agreement for construction of the Northwest Recharge, Recovery and Delivery System Package 1A – Site Access and Exploratory Test Well Site Improvements to Granite Construction Company in the amount of \$119,064.00, and to authorize the General Manager to increase the original construction contract term in a cumulative amount not to exceed twenty (20) calendar days.

Respectfully submitted,

Sheila M. Bowen, P.E.
District Engineer

I concur with the above-noted recommendation.

Respectfully submitted,

Joseph Olsen, P.E.
General Manager