

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

December 11, 2023

**Award of Construction Contract Northwest Recharge, Recovery, and Delivery System
Independent Transmission Main, Phases 2 & 3 and the Ironwood Pipeline
from the Ironwood Well Site to Herb Johnson Reservoir
M-19-021 and M-23-010**

Synopsis

The Board of Directors (Board) is requested to award a construction contract to Granite Construction Company in the amount of \$8,218,176.23 for construction of Bid Alternate B for the Northwest Recharge, Recovery, and Delivery System (NWRRDS) Transmission Main, Phases 2 & 3 and the Ironwood Pipeline from the Ironwood Well Site to Herb Johnson Reservoir and to authorize the General Manager to allocate additional funding in a cumulative amount not to exceed \$250,000 and increase the original construction contract term in a cumulative amount not to exceed sixty (60) calendar days.

Background

NWRRDS will recover Central Arizona Project (CAP) water that has been stored at recharge facilities in Avra Valley and transport the recovered water through the NWRRDS system to a shared forebay reservoir. Water will be moved from the forebay reservoir to the District through an independent booster station and transmission main.

In December 2019, the Board authorized a blend study to evaluate opportunities to maximize the annual quantity of recovered CAP water through NWRRDS while maintaining water hardness targets. The study concluded a well located in the vicinity of the Ironwood school would enable the District to achieve those objectives.

On November 14, 2022, the Board awarded the construction contract for drilling the Ironwood well, which is currently underway.

On December 12, 2022, the Board adopted Resolution 2022-12, authorizing the General Manager and Chief Financial Officer to incur debt through the execution of a Water Infrastructure Finance Authority of Arizona (WIFA) loan agreement for construction of the NWRRDS Booster Station and Pipeline, Phases 1, 2, & 3.

Funding for this project is included in the adopted budget.

Issues

The District published a Notice of Intention to receive sealed bids in the Daily Territorial on October 25, 26, and 31, 2023. Details for accessing the web-based pre-bid conference and the web-based bid opening were included in the public bid notice. Ten contractors and four plan rooms obtained the bid documents.

A pre-bid conference was held on November 1, 2023. Four separate addenda were issued, which summarized and responded to questions that were received before, during, and after the pre-bid meeting and clarified certain portions of the contract documents.

The project was advertised with two alternatives. Alternate A includes a standard open cut for Thornydale Road. Alternate B includes a jack-and-bore for Thornydale Road.

The public bid opening was held on November 28, 2023. The bid opening was virtual, with an option for interested parties to attend in person. All bidders attended virtually. Six contractors submitted sealed bids, which were received electronically and remained unopened until the time of the bid opening. All bidders included evidence of a surety bond for ten percent of the amount of the base bid and acknowledgement of all Addenda 1 through 4.

Granite provided the lowest bids for the base bid, as well as for both Alternate A and Alternate B. Staff considers Alternate B as the preferred alternate due to the presence of multiple utilities along Thornydale Road. A jack-and-bore crossing also minimizes impacts to traffic. Granite's bid for Alternate B is \$8,218,176.23, which is approximately 6% lower than the engineer's estimate of \$8,739,330.00.

Granite is an Arizona-licensed contractor (license no. 031412). Their license is current and has no open cases. There are no OSHA violations listed for the past five years. Granite's bid bond issuer, Travelers Casualty and Surety Company of America, is A+ rated.

Based upon review of the bid and related documents, contractor's license information, and other factors, staff concludes that Granite meets the requirements of a responsive and responsible bidder and is qualified to complete construction of these projects. Staff confirmed with WIFA that the contractor also meets WIFA requirements, with no debarments listed for Arizona or California (the location of Granite's home office).

Recommendation

It is recommended that the Board of Directors award the construction contract to Granite, in the amount of \$8,218,176.23 for Bid Alternate B.

It is also recommended that the General Manager be authorized to allocate additional funding in a cumulative amount not to exceed \$250,000 and to increase the original construction contract term

in a cumulative amount not to exceed sixty (60) calendar days. Approval of this authorization will allow work to proceed promptly should any unforeseen conditions be encountered during construction. Any changes in excess of the above limits will be submitted to the Board of Directors for approval.

Suggested Motion

I move to award a construction contract to Granite Construction Company in the amount of \$8,218,176.23 for construction of Bid Alternate B for the Northwest Recharge, Recovery, and Delivery System Independent Transmission Main, Phases 2 & 3 and the Ironwood Pipeline from the Ironwood Well Site to Herb Johnson Reservoir and to authorize the General Manager to allocate additional funding in a cumulative amount not to exceed \$250,000 and increase the original construction contract term in a cumulative amount not to exceed sixty (60) 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