

**MEETING DATE/TYPE:** VOTING MEETING 6-12-18

**DEPARTMENT:** Public Works

**AGENDA ITEM:** Award of City Contract No. 2018-201 to Fann Environmental LLC, for drilling, testing and preliminary design services for the Airport Production Well No. 5 Design-Build Project, in the amount of \$875,410.39. Funding is available in the Water Fund.

**FUNDING SOURCE:** Water Fund

**Approved By:** Michael Lamar, City Manager

### Item Summary

This item is to award City Contract No. 2018-201 to Fann Environmental LLC for drilling, testing and preliminary design services for the Airport Production Well No. 5 Design-Build Project, in the amount of \$875,410.39. Funding is available in the Water Fund.

The well site will be located on City property near the APS Solar Power Station North of the Airport (see attached location map).

### Background

The City currently utilizes a well field located in Chino Valley for the City's primary water supply. The City also supplements the Chino Valley water supply with wells in the vicinity of the Airport.

In 2005, the Arizona Department of Water Resources (ADWR) granted the City an increase in its Designation of Assured Water Supply. In conjunction with the increase, ADWR requested that production capacity be augmented in proximity to the City's existing recharge facility in the Airport area. The proposed location of Well No. 5AP is in accordance with ADWR's request for additional well capacity in the Airport area. Development of production supply in this location will be in lieu of relying on supplemental production from the Chino Valley well field. Additionally, the installation of this well will increase the overall reliability of the City's water production infrastructure.

The Design-Build Project will progress with two phases:

**Phase 1 (Current Item):** As part of the design phase services, the Design Build Team will design, drill the production/recovery well and permit with ADWR. The new well will be

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tested for the hydrogeology, geophysical and water quality metrics. The Design Build Team will provide a design report for equipping the well, a 15% preliminary design and a Guaranteed Maximum Price (GMP) for Phase 2.

Phase 2 (Future Item): The Design Build Team will deliver the project through a negotiated GMP for equipping the well, and associated infrastructure to tie into the City system. Plans will concurrently be developed up to 100% for final details, as-builts and record drawings. Phase 2 will also include the design and construction of additional treatment processes should arsenic or other items needing special treatment be identified in Phase 1.

**Procurement**

A Request for Statements of Qualifications (RSOQ) was publicly noticed for at least two consecutive weeks in October, 2017. A mandatory pre-submittal meeting was held on October 16, 2017, with eight (8) firms represented. Three (3) design-build teams submitted qualifications, which were opened on November 2, 2017.

A review of each firm’s qualifications, project approach and previous project experience was completed thereafter. Fann Environmental LLC was selected as the highest rated firm for the project proposal. The scope of work was developed, and the fee was negotiated.

Award of contract in the amount of \$875,410.39 is recommended.

**Project Schedule**

Phase 1 design, and drilling and development of the well is scheduled to be completed within six (6) months of the Notice to Proceed. Phase 2 GMP and well equipping will follow by separate Council action.

Award of Contract	June 12, 2018
Notice to Proceed (NTP)	Week of June 25, 2018
Design Completion (Phase 1)	December, 2018

**Financial Impact**

Funding for this contract in the amount of \$875,410.39 is budgeted in FY18/FY19 and available from the Water Fund.

**Attachments**

1. Airport Well No. 5 Location Map
2. Fann Environmental, LLC - Design-Build Proposal Airport Well No. 5

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**Recommended Action:** **MOVE** to award City Contract No. 2018-201.