

**City Council
Agenda Memo**



**City Council
Meeting Date: January 23, 2014**

TO: Larry D. Gilley, City Manager

FROM: Tommy O'Brien, Director of Water Utilities

SUBJECT: Oral Resolution Approving Payment to Pepper Lawson Waterworks, LLC for Construction Services Proposal No. 2 for the Hamby Wastewater Treatment Plant Improvements (Phase II)

GENERAL INFORMATION

On September 12, 2013 the City Council approved an oral resolution authorizing the City Manager to negotiate an Agreement, and subsequent associated Agreements, with Pepper Lawson Waterworks, LLC (Pepper Lawson) to serve as the Construction Manager at Risk (CMAR) for the Hamby Wastewater Treatment Plant Improvements (Phase II) (Project). Pursuant to such negotiations, an Agreement has been executed between the City of Abilene and Pepper Lawson to serve as the CMAR.

Under the Agreement, the Contract Price for the Hamby Wastewater Treatment Plant Improvements (Phase II) is established based on the CMAR's Fee and Guaranteed Maximum Price (GMP) Proposals accepted by the City. The Agreement establishes the CMAR's Fee as: \$550,000 for Preconstruction Phase Services; 2.6% for Major Equipment Packages; and 4.6% for Construction Phase Services. On September 26, 2013 the City Council approved an oral resolution authorizing the funds in the amount of up to \$550,000 to Pepper Lawson for preconstruction phase services, and on November 21, 2013 the City Council approved an oral resolution authorizing the funds in the amount not to exceed \$41.4 million for Guaranteed Maximum Price (GMP) Proposal No. 1.

This Oral Resolution authorizes funds in the amount not to exceed \$17.25 million for GMP Proposal No. 2 which provides funding for:

- CMAR Fee \$737,190
- Mechanical Piping Packages \$7,351,159
- Minor Equipment Packages \$1,885,281
- Site Civil – Minor Excavations \$285,524
- Final Structural Concrete Packages \$2,903,023
- Buildings and Finishes Packages \$3,600,885
- Contingency \$486,938

Primary work associated with this GMP Proposal No. 2 includes: **mechanical piping packages** (piping between/within structures, and the new outfall pipeline to Lake Fort Phantom Hill); **minor site work and equipment packages** (gates, chemical storage and feed systems, small pumps, etc.); **final concrete work** (process/reverse osmosis structure); and **buildings and finishes packages** (precast concrete wall panels and standing seam metal roof systems).

FUNDING/FISCAL IMPACT

The proposed construction services will be funded from the proceeds of the 2013 Series Certificates of Obligations that were sold on October 24, 2013.

STAFF RECOMMENDATION

Staff recommends approval.

Prepared by: Name <u>Tommy O'Brien</u> Title <u>Director of Water Utilities</u>	Item No. <u>7.1</u>	Disposition by City Council <input type="checkbox"/> Approved Ord/Res# _____ <input type="checkbox"/> Denied _____ <input type="checkbox"/> Other _____ _____ City Secretary
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