

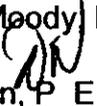
**CITY OF PEORIA, ARIZONA  
COUNCIL COMMUNICATION**

CC 14C  
Amend No \_\_\_\_\_

Date Prepared May 5, 2008

Council Meeting Date June 17, 2008

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**TO** Terry Ellis, City Manager  
**FROM**  David A. Moody, P.E., Engineering Director  
**THROUGH**  Dan Nissen, P.E., Assistant City Engineer  
**PREPARED BY** Karl Zook, Associate Engineer   
**SUBJECT** Award the Pre-construction portion of a Construction Manager at Risk Contract to Achen-Gardner Engineering, LLC for Construction Manager at Risk Services for the Deer Valley Road, 83<sup>rd</sup> Avenue to 91<sup>st</sup> Avenue Roadway Widening and Drainage Improvement project and the 83<sup>rd</sup> Avenue and Deer Valley Road Intersection Improvement project (Engineering Project Nos SS-0801 and P-0803, Solicitation No P08-0072)

**RECOMMENDATION**

That Mayor and Council award the Pre-construction portion of a Construction Manager at Risk Contract to Achen-Gardner Engineering, LLC for pre-construction services associated with the construction of the Deer Valley Road, 83<sup>rd</sup> Avenue to 91<sup>st</sup> Avenue Roadway Widening and Drainage Improvement project and the 83<sup>rd</sup> Avenue and Deer Valley Road Intersection Improvement project for an amount not to exceed \$116,660 60

In addition, that Mayor and Council approve a budget transfer within the project in the amount of \$76,857 30 from the land account, 4220-4220-540000-CIPDR-EN00128LA, to the construction account, 4210-4210-543004-CIPDR-EN00128CO

Payment will be from the GO Bonds Fund Storm Drain System Account No 4210-4210-543004-CIPDR-EN00128CO in the amount of \$76,857 30 and the Proposed GO Bonds Fund Street System Account No 4220-4220-543001-CIPST-EN00204DS in the amount of \$39,803 30

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**CITY CLERK USE ONLY**

Consent Agenda  
 Carry Over to Date \_\_\_\_\_  
 Approved  
 Unfinished Business (Date heard previous \_\_\_\_\_)  
 New Business

ORD # \_\_\_\_\_ RES # \_\_\_\_\_  
LCON# 14108 LIC # \_\_\_\_\_  
Action Date \_\_\_\_\_

Council Communication

CM@Risk Award Achen-Gardner Construction

Deer Valley Road, 83<sup>rd</sup> Ave to 91<sup>st</sup> Ave Widening and Drainage Improvement Project

83<sup>rd</sup> Avenue and Deer Valley Road Intersection Improvement Project

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## **SUMMARY**

In recent years, the population growth in Northern Peoria, complemented by recent street projects completed by capital improvement and developer driven projects in this area, have increased traffic volumes along Deer Valley Road between 91<sup>st</sup> Avenue and 83<sup>rd</sup> Avenue. Currently this road is a two lane, one lane each direction, with a center median between 91<sup>st</sup> Avenue and 85<sup>th</sup> Avenue. The projected growth of traffic volumes, combined with the current background volume, will cause the level of service on Deer Valley Road to degrade to an unacceptable level. The Peoria Transportation Needs Study (TNS) recommends widening Deer Valley Road to five lanes, two lanes each direction with a center two-way left turn lane (TWLTL). Also included in the traffic needs study is to improve the 83<sup>rd</sup> Avenue and Deer Valley Road Intersection to allow for better turning movements and increased vehicle storage at the intersection.

Staff recommends the construction of this project by the Construction Manager at Risk (CM@R) alternative delivery method, rather than the conventional design-bid-build method. The CM@R method has been used successfully in recent area projects. The CM@R method is desirable when timing and coordination of the work are critical issues. The completion of this project is critical for the City's transportation needs in rapidly developing Northern Peoria. The CM@R method will enable a more economical and efficient completion of this project.

The solicitation was advertised in the Peoria Times, as well as at Bidnet, McGraw-Hill Dodge, Reed Construction Data, Bidsource, IMS, Shirley's Plan Service and Contractors Plan Room, and posted on the Materials Management web site which resulted in over seventy firms receiving the solicitation. Statements of Qualifications were opened on March 12, 2008 and a total of five firms submitted proposals. The top three firms were short listed and interviewed. Achen-Gardner Engineering, LLC is recommended by the selection committee as the best qualified contractor.

The contract with Achen-Gardner as the CM@R contractor will be done in two phases. This first contract, Phase I, will establish the Pre-construction Services at a not to exceed price of \$116,660.60. The monies paid to Achen-Gardner during Phase I will be used to work with the design engineers to develop more complete drawings, eliminate any deficiencies, enhance the plans and provide an increase in value for the project by obtaining the desired quality at a reasonable cost. The CM@R contract will also allow for Achen-Gardner to develop cost estimates for every element of the proposed project, work with the City to stay within budget, and develop a schedule for preparing and submitting the Guaranteed Maximum Price (GMP), along with other significant milestones throughout the life of the project. Other noteworthy tasks during Phase I are the selection and approval of subcontractors, competitive bidding for subcontracts, and basic project coordination with the City, the designer and other stakeholders.

Council Communication

CM@Risk Award Achen-Gardner Construction

Deer Valley Road, 83<sup>rd</sup> Ave to 91<sup>st</sup> Ave Widening and Drainage Improvement Project  
83<sup>rd</sup> Avenue and Deer Valley Road Intersection Improvement Project

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Should it be warranted, a significant benefit for the Phase I contract is that Achen-Gardner will have the flexibility to order long lead time materials at their own risk to ensure construction is not delayed. Probably the most significant benefit to have Achen-Gardner contracted for the pre-construction phase will be related to utility relocation coordination. Utility coordination and relocation has been identified as a major risk to the project that could impact the scheduled start date, should all utilities not be relocated at the appropriate time. After Phase I is finalized, staff will begin negotiating Phase II, which will set the Office Overhead and the model for their General Conditions (daily operation expenses). The final General Conditions will be determined at the time that the phasing and schedule are finalized.

Once the detailed design drawings and specifications are completed, the CM@R will provide the City with the GMP.

A summary of events in the CM@R process is described below.

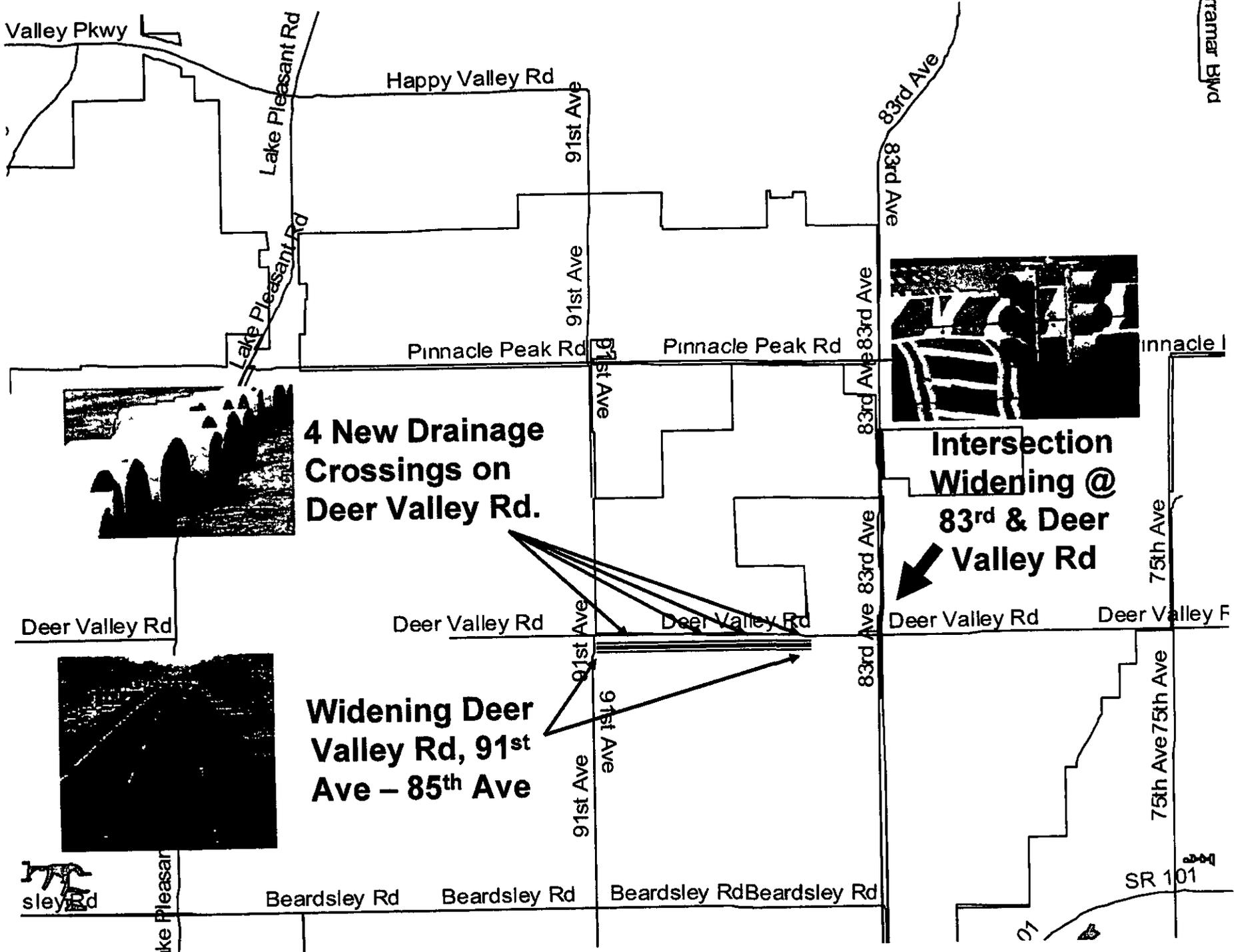
<u>EVENT</u>	<u>DATE*</u>
Award CM@Risk contract for Pre-Construction Services to Achen-Gardner	6/3/08
Negotiate Phase II of the project and award to Achen-Gardner	Sept08
Negotiate GMP for construction values of project and award to Achen-Gardner	Oct 08

\*Proposed date

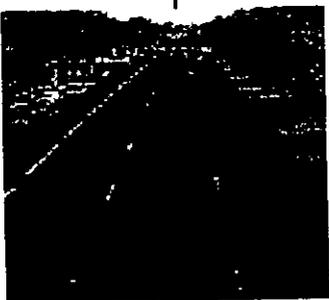
In reviewing the project budget versus the project right of way estimate, it was determined that transferring funds from the land account to fund preconstruction services will not result in the need for additional land funds in the future. Right of way costs are currently at a 90% completion level and with the remaining costs already anticipated, this gives staff a high level of confidence the remaining land funds are adequate to acquire remaining right of way.

**ATTACHMENT**

Exhibit



**4 New Drainage Crossings on Deer Valley Rd.**



**Widening Deer Valley Rd, 91st Ave – 85th Ave**



**Intersection Widening @ 83rd & Deer Valley Rd**



SR 101



# City of Peoria, Arizona

## Construction Manager at Risk



Statement of Qualifications No  
P08-0072

Project Number SS-0801, P-0803

Job Description CM at Risk  
Services

Project Name Deer Valley Rd Widening and Drainage  
Improvements and 83<sup>rd</sup> Ave Intersection Widening

Location City of Peoria, Materials Management

Contact

Mailing Address 8314 W Cinnabar St , Peoria, AZ 85345

Phone (623) 773-7115

### OFFER

Contractor's  
License Number

151541

PACHEN-GARDNER ENGINEERING, LLC  
Company Name

Authorized Signature for Offer

550 S 79<sup>th</sup> STREET  
Address

DENNIS TROGLO  
Printed Name

CHANDLER AZ 85226  
City State Zip Code

PRESIDENT  
Title

480-940-1300  
Telephone

480 940-4576  
Facsimile

### ACCEPTANCE OF OFFER AND CONTRACT AWARD (For City of Peoria Use Only)

Your offer is hereby accepted. The Contractor is now bound to sell the construction services listed by the attached award notice based upon the solicitation including all terms conditions specifications amendments etc and the Contractor's offer as accepted by the City. The Contractor is hereby cautioned not to commence any billable work or provide any material service or construction under this contract until Contractor receives an executed Notice to Proceed and Purchase Order.

Attested by

City of Peoria Arizona Eff Date \_\_\_\_\_

Mary Jo Kief City Clerk

Approved as to form

Stephen M Kemp City Attorney

14C 061708  
CC  
**L CON 14108**  
Contract Number

Awarded on \_\_\_\_\_

City Seal

Official File

Terrence L Ellis City Manager