



BOARD OF SUPERVISORS AGENDA ITEM REPORT
CONTRACTS / AWARDS / GRANTS

☐ Award ☒ Contract ☐ Grant

Requested Board Meeting Date: 12/17/19

* = Mandatory, information must be provided

or Procurement Director Award ☐

***Contractor/Vendor Name/Grantor (DBA):**

PCL Construction, Inc.

***Project Title/Description:**

Construction Manager at Risk Services for Continental Ranch Regional Pump Station Upgrade Project (3CRS05)

***Purpose:**

Amendment: Contract No. CT-WWW-17-380, Amendment No. Four (4). This amendment modifies Guaranteed Maximum Price No. One (GMP-1) to correct an error in the method Contractor used to calculate taxes for GMP-1, increases the contract amount by \$67,330.41 for a total contract amount of \$10,223,441.07, and extends the contract term to 06/30/20.

Administering Department: Regional Wastewater Reclamation.

***Procurement Method:**

Pursuant to Solicitation for Qualifications No. 247817, on 06/20/17, the Board of Supervisors awarded a contract for pre-construction services for this project in the amount of \$128,048.00 for a contract term of 06/20/17 to 06/19/19. Previous Amendment No. One (1) was approved by the Board of Supervisors to incorporate GMP-1 into the contract. Previous Amendment No. Two (2) was approved by the Board of Supervisors to incorporate GMP-2 into the contract. Previous Amendment No. Three (3) was approved by the Board of Supervisors to extend the term to 12/31/19 and increase the contract by \$1,113,697.66 for a cumulative not-to-exceed amount of \$10,156,110.66.

Attachment: Contract Amendment No. Four (4).

***Program Goals/Predicted Outcomes:**

Completion of the rehabilitation process, facilitated by the participation of the Construction Manager at Risk, in accordance/compliance with approved project plans and specifications, regulatory and industry codes, and department standards.

***Public Benefit:**

Upgraded Pump Station standards that will allow handling of additional flows at future build out conditions without additional funding requirements for pump station operations.

***Metrics Available to Measure Performance:**

Performance will be measured with monthly or bi-weekly activity reports during construction, monthly updates to the Cost to Complete Forecast, and by using the contractor evaluation process as outlined in BOS Policy D29.1(F)(III) (F).

***Retroactive:**

No.

DEC 10 10 56 AM '19
PCL

To: COB- 12-10-19
ver. 13
pgs - 6 (1)
millennium

Contract / Award Information

Document Type: _____ Department Code: _____ Contract Number (i.e., 15-123): _____
Effective Date: _____ Termination Date: _____ Prior Contract Number (Synergen/CMS): _____
☐ Expense Amount: \$ _____ ☐ Revenue Amount: \$ _____

***Funding Source(s) required:**

Funding from General Fund? ☐ Yes ☐ No If Yes \$ _____ % _____
Contract is fully or partially funded with Federal Funds? ☐ Yes ☐ No
If Yes, is the Contract to a vendor or subrecipient? _____
Were insurance or indemnity clauses modified? ☐ Yes ☐ No
If Yes, attach Risk's approval.
Vendor is using a Social Security Number? ☐ Yes ☐ No
If Yes, attach the required form per Administrative Procedure 22-10.

Amendment / Revised Award Information

Document Type: CT Department Code: WW Contract Number (i.e., 15-123): 17-380
Amendment No.: Four (4) AMS Version No.: Thirteen (13)
Effective Date: 12/17/19 New Termination Date: 06/30/20
Prior Contract No. (Synergen/CMS): _____
☒ Expense or ☐ Revenue ☒ Increase ☐ Decrease Amount This Amendment: \$ 67,330.41
Is there revenue included? ☐ Yes ☐ No If Yes \$ _____
***Funding Source(s) required:** Regional Wastewater Reclamation Department Obligations

Funding from General Fund? ☐ Yes ☒ No If Yes \$ _____ % _____

Grant/Amendment Information (for grants acceptance and awards) ☐ Award ☐ Amendment

Document Type: _____ Department Code: _____ Grant Number (i.e., 15-123): _____
Effective Date: _____ Termination Date: _____ Amendment Number: _____
☐ Match Amount: \$ _____ ☐ Revenue Amount: \$ _____

***All Funding Source(s) required:**

***Match funding from General Fund?** ☐ Yes ☐ No If Yes \$ _____ % _____
***Match funding from other sources?** ☐ Yes ☐ No If Yes \$ _____ % _____
***Funding Source:** _____

***If Federal funds are received, is funding coming directly from the Federal government or passed through other organization(s)?**

Contact: Keith E. Rogers Keith E. Rogers 12/04/19 Debra 12/4/19
Department: Procurement May 9 12/4/19 Telephone: 520-724-3542
Department Director Signature/Date: _____ 12/5/19
Deputy County Administrator Signature/Date: _____ 12/6/19
County Administrator Signature/Date: _____ 12/6/19
(Required for Board Agenda/Addendum Items)

-*PIMA COUNTY REGIONAL WASTEWATER RECLAMATION DEPARTMENT

PROJECT: Construction Manager At Risk Services for Continental Ranch Regional Pump Station Upgrade Project (3CRS05)

CONTRACTOR: PCL Construction, Inc.
1711 W Greentree Dr, Suite 201
Tempe, Arizona 85284

CONTRACT NO.: CT-WW-17-380

AMENDMENT NO.: Four (4)

FUNDING: Regional Wastewater Reclamation Department Obligations

CONTRACT TERM: 06/20/2017 - 06/19/2019	ORIGINAL CONTRACT AMOUNT:	\$	128,048.00
TERMINATION PRIOR AMENDMENT: 12/31/2019	PRIOR AMENDMENT(S):	\$	10,028,062.66
TERMINATION THIS AMENDMENT: 06/30/2020	AMOUNT THIS AMENDMENT:	\$	67,330.41
	REVISED CONTRACT AMOUNT:	\$	10,223,441.07

CONSTRUCTION CONTRACT AMENDMENT

WHEREAS, COUNTY and CONTRACTOR have entered into the Contract for the project referenced above; and

WHEREAS, construction of the project was anticipated to be conducted in multiple phases; and

WHEREAS, Guaranteed Maximum Price No. One (GMP-1), for emergency bypass pumping, and acquisition, installation and commissioning of permanent bypass pumping equipment for the pump station (Project Phase 1), was previously incorporated into the contract via Amendment No. One (1); and

WHEREAS, Guaranteed Maximum Price No. Two (GMP-2) for acquisition of the remaining equipment and for construction activities to complete construction of the pump station facility (Project Phase 2) was previously incorporated into the contract via Amendment No. Two (2); and

WHEREAS, Amendment No. Three (3) modified Guaranteed Maximum Price No. Two (GMP-2) to incorporate additional work to remedy unforeseen site conditions regarding the structure of the pump station, to increase the contract amount to compensate the contractor for the additional work, to adjust GMP-2 by \$53,697.00 to correct an error in the method CONTRACTOR used to calculate taxes, and to extend the contract term to December 31, 2019 to allow for construction and contract close out activities; and

WHEREAS, the same error exists in the method CONTRACTOR used to calculate taxes for GMP-1; and

WHEREAS, this Amendment adjusts the amount of GMP-1 by \$67,330.41 to correct the tax calculation error discovered in GMP-1; and

WHEREAS, the term of the contract shall be extended to June 30, 2020 to allow for completion of construction and for contract close-out activities; and

WHEREAS, COUNTY and CONTRACTOR, pursuant to Article 2, have agreed to incorporate Amendment No. Four (4) into the contract; and

WHEREAS, COUNTY and CONTRACTOR pursuant to Article 3 have agreed to increase the Contract amount as identified in Amendment No. Four (4).

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NOW, THEREFORE, it is agreed as follows:

CHANGE: ARTICLE 1 – TERM, as amended in Contract Amendment No Three (3):

Change the first sentence

From: "This contract, as approved by the Board of Supervisors, commences on June 20, 2017 and terminates on December 31, 2019, unless sooner terminated or further extended for project completion."

To: "This contract, as approved by the Board of Supervisors, commences on June 20, 2017 and terminates on June 30, 2020, unless sooner terminated or further extended for project completion."

CHANGE: ARTICLE 3 – PRE-CONSTRUCTION SERVICES FEE AND GUARANTEED MAXIMUM PRICE, as amended in Contract Amendment No. Three (3):

Insert after fourth paragraph of Item B:

Guaranteed Maximum Price-1 (GMP-1) for acquisition of equipment and all construction activities as identified in APPENDIX "F" is increased from Four Million, Two Hundred Two Thousand, Two Hundred Twenty-Eight Dollars and No Cents (\$4,202,228.00) to Four Million, Two Hundred Sixty-Nine Thousand, Five Hundred Fifty Eight Dollars and Forty-One Cents (\$4,269,558.41). The adjustment in GMP-1 is the amount necessary to correct CONTRACTOR'S tax calculation error. COUNTY reserves the right to negotiate the construction fee, overhead rate, and all other elements of future Amendments and GMPs, if any.

ADD: TO APPENDIX "F," as amended in Contract Amendment No. Three (3):

Add after Attachment Two (2) to Appendix "F"

Attachment Three (3) to APPENDIX "F": Construction Manager at Risk (CMAR) Services for Continental Ranch Regional Pump Station Rehabilitation (3CRS05) Contract Amendment No. Four (4), dated October 21, 2019 (3 pages, attached).

This Amendment shall be effective on December 17, 2019.

All other provisions of the Contract, not specifically changed by this amendment, shall remain in effect and be binding upon the parties.

IN WITNESS WHEREOF, the Parties have affixed their signatures to this Change Order on the dates written below.

APPROVED:

Chairman, Board of Supervisors

Date

CONTRACTOR:

Signature

Mike McKinney - VP & District Manager
Name and Title (Please Print)

12/6/19
Date

ATTEST:

Clerk of the Board

APPROVED AS TO FORM:

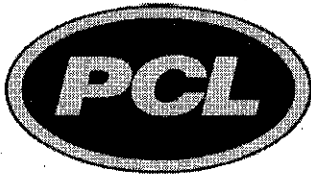
Deputy County Attorney

CHARLES WESSELHOFT

Printed Name

DEC 05 2019

Date



CONSTRUCTION

October 21, 2019

5471167

Noel Ortiz
Pima County Regional Wastewater Reclamation Department
3355 N. Dodge Blvd.
Tucson, AZ 85716

RE: Continental Ranch Regional Pump Station Upgrade Design
Project Number 3CRS05

SUBJECT: Increase in Taxes for GMP1

Dear Noel,

The purpose of this letter is to request an increase in the taxes for GMP 1 on the above referenced project. PCL provided for MRRA Taxes as part of the estimate for GMP 1. It has been brought to PCL's attention that this was a mistake. The increase in the taxes for GMP 1 is as follows:

- | | |
|---------------------------------------|---------------------|
| • GMP 1 MRRA Tax Estimate: | \$184,497.00 |
| • GMP 1 Revised Gross Receipts Taxes: | \$251,827.41 |
| • Difference: | \$ 67,330.41 |

PCL is requesting that GMP 1 be increased by \$67,330.41 for the taxes owed to the Town of Marana.

Please let me know if the above proposal is acceptable. If you have any questions or concerns, please feel free to contact me at 520.269.2009.

Best Regards,

PCL CONSTRUCTION, INC.

A handwritten signature in black ink, appearing to read "Mark A. Butler", written over a horizontal line.

Mark A. Butler
Project Manager

Budget: 5471167

PCL Construction, Inc.

Project Mgr: Adam J. Gordon

Revenue: \$4,202,228

Project: Continental Ranch Regional Pump Station Upgrade Project 3CR51

Water Infra.

Location: Tucson, AZ

Cost-Coded Estimate Report

Description	Quantity	UoM	Labor		Material		Subtrade		Equipment		Total Cost
			Cost Code	Cost	Man Hours	Cost Code	Cost	Cost Code	Cost	Hours	
* US CONTRACT BOND Class B	1	LS				012506	24,013			0	24,013
C											
& US CONTRACT BOND Class B	TOTAL						24,013				24,013
C											
C											
# Payment and Performance Bonds	TOTAL						24,013				24,013
C											
# TAX	100 %		994999								
C											
C											
& TAXES	100 %										
C											
C											
* MRRA Tax	2,145,310	EA				016730	184,497			0	184,497
* Pipe Materials	551,591	EA				016730	-47,437			0	-47,437
* Purchase Pumps	335,925	EA				016730	-28,890			0	-28,890
C											
& TAXES	TOTAL						108,170				108,170
C											
C											
# TAX	TOTAL						108,170				108,170
C											
# County Contingency	1	LS	994999								
C											
* County Contingency	1	LS				920020	200,000			0	200,000
C											
# County Contingency	TOTAL						200,000				200,000
C											

**STATE AND LOCAL TAX CALCULATION
CONTINENTAL RANCH
(PIMA COUNTY)**

JUNE 2019 - ESTIMATED GROSS RECEIPTS TAXES FOR GMP 1

STEP 1	STATE TAX	0.0610			
	CITY TAX	0.0400			
	TOTAL TAX	0.1010			
STEP 2	35 % DEDUCTION	0.1010	x 0.65 =	0.06565000	
STEP 3		0.06565000	+ 1.0 =	1.06565000	
STEP 4	STEP 2 / STEP 3	0.06565	=	0.06160559	
		1.06565			
STEP 5	TOTAL TAXES DUE	4,087,736.11	x	0.06160559 =	251,827.41 SCHEDULE A - LINE 1
STEP 6	NET RECEIPT	4,087,736.11	-	251,827.41 =	3,835,908.70
STEP 7	35 % DEDUCTION	3,835,908.70	x 0.35 =	1,342,568.05	SCHEDULE A - LINE 15
STEP 8	TOTAL DEDUCTION	251,827.41	+	1,342,568.05 =	1,594,395.45 SCHEDULE A - LINE 21
STEP 9	TAXABLE RECEIPTS	4,087,736.11	-	1,594,395.45 =	2,493,340.66
STEP 10	ARIZONA TAX	2,493,340.66	x	0.0610 =	152,093.78
STEP 11		2,493,340.66	x	0.0400 =	99,733.63

DR 5471167.4440.016730	251,827.41	
CR #13198 A/P		99,733.63
CR #13192 A/P		152,093.78