



Town of Johnstown

TOWN COUNCIL AGENDA COMMUNICATIONS

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| AGENDA DATE: | May 17, 2021 |
| SUBJECT: | CMAr (Construction Manager at Risk) Services Low Point Treatment Plant Expansion |
| ACTION PROPOSED: | Consider Approval of Moltz Construction for the CMAr Contractor Selection: |
| ATTACHMENTS: | 1. Services Contract 2. Moltz Construction Bid 3. Hydro Construction Bid 4. Fischer Construction Bid |
| PRESENTED BY: | Marco Carani, Public Works Director |

AGENDA ITEM DESCRIPTION:

Enclosed for Council's review and consideration is a request to:

1. Approve selection of Moltz Construction as the CMAr Contractor to assist the Town and Aqua Engineering on value engineering for the Low Point Wastewater Treatment Plant (WWTP) Expansion Project design.
2. Authorize the Town Manager to sign a CMAr Services Contract for Pre-Construction Phase CMAr Services with Moltz Construction.

As Council may recall, Aqua Engineering was hired by the Town in April 2020, to start design of the Low Point WWTP Expansion project due to the rapid growth in the area and to ensure compliance with the State Discharge Permit. An estimated project cost of \$15,000,000 was budgeted for this project. On April 5, 2021 a request for the purchase of equipment for the Low Point project in the amount of \$3,085,251, with this request \$11,865,189 remains for construction. Design is at the point where engaging with a CMAr Contractor to help with value engineer the design can provide benefit for the project and establish a proposed final GMP (Guaranteed Maximum Price). We developed a list of three (3) potential firms that have appropriate experience in wastewater treatment plant construction. The bid was by invitation only based on their qualifications

Bid are as follows:

| | |
|----------------------|-------------|
| Moltz Construction | \$49,560.00 |
| Fischer Construction | \$16,158.00 |

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Hydro Construction

\$20,900.00

All three of the pre-qualified bidders submitted bids for the CMAr. After review of bids, staff narrowed it down to two bidders. Town staff along with Aqua Engineering and Ramey Environmental Compliance interviewed the two most qualified bidders based on the proposals and are recommending an award to Moltz Construction. While Moltz Construction has come in slightly higher than the other two bidders, there are reasons supporting this recommendation. First, the main reason for the higher cost was due to the amount of hours quoted for the project. Their hourly cost was lower, but in their bid, they committed more hours to the value engineering component. Staff feels the number of hours is higher than what is necessary for the value engineering and we should be able to control this cost effectively.

Hours and hourly rate are as follows:

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|----------------------|-------------------------------|
| Moltz Construction | 644 hours – \$76.96 per hour |
| Fischer Construction | 140 hours – \$115.42 per hour |
| Hydro Construction | 250 hours – \$83.60 per hour |

Another factor in the decision to recommend Moltz is their experience on these types of projects – specifically based on the size of the project. Finally, their preliminary cost estimate to perform the construction, the availability of workforce to perform the work in house was extremely attractive, and their profit and overhead margin was the lowest at 6.5%.

Based on the proposals, the information provide in this TAC, supportive reference checks, and the interviews, the selection team felt that Moltz Construction was the most appropriate choice and will provide the Town the best opportunity for a successful project.

LEGAL ADVICE:

The Services Contract was drafted by the Town Attorney.

FINANCIAL ADVICE:

In FY 2021, \$15,000,000 was budgeted and approved for this project.

RECOMMENDED ACTION: Staff recommends awarding the CMAr contract to Moltz Construction as presented.

SUGGESTED MOTIONS:

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For Approval: I move to award a Contract for the CMaR to Moltz Engineering as presented in the amount not to exceed \$49,560.00 and authorize the Town Manager to sign the contract between the Town and Moltz Construction.

For Denial: I move that we deny awarding a contract and solicit more bids for this project.

Reviewed and Approved for Presentation:



Town Manager

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