



Enterprise and Utility Oversight Committee-of-the-Whole Meeting

June 18, 2020



AGENDA

Benefits of CM@R
(Construction Management-At Risk)

Work Package #1:
Early Site Package

Anchorage Regional Landfill Design Update

Feasibility of Waste-to-Energy on the new CTS site

Davis Constructors
Hired

Dec 2019



Groundbreaking:
construction begins

Summer 2020



Final season of
construction and project
completion

Winter 2022-23

Winter/Spring 2020

Conditional Use Permit &
Platting Approved



Summers 2021-22

Two seasons of
construction



CM@R

(Construction Management-At Risk)

Davis Constructors has been awarded
as part of RFP# 2019P041

What is it:

- Project Management Services in Construction
- T&M services with a hard cap on construction costs
- Limited self performance of schedule critical scopes
- Efficient allocation of project resources

CM@R

(Construction Management-At Risk)

Contractor plays an active role during the design (reduces costs) and can begin construction prior to all design packages complete (reduces time)

Accomplished by evaluating the design in progress for cost and constructability. Allows the contractor to start work with a maximum budget inline with available funding. Added benefit of accruing project savings to be reinvested in differed items or present as savings to the user.

Benefits:

- Contractor is competitively selected
- Consulting services from Contractor during design
- Davis secured PEMB vendor – saved approx. \$3 million. (655 Ton Saved)
- Ability to start early in 2020 reduces project duration by approximately 6 months
- Less ambiguity during construction resulting in fewer change orders.

Note: All cost estimates and GMP (Guaranteed Maximum Price) packages are independently verified by a third party estimator

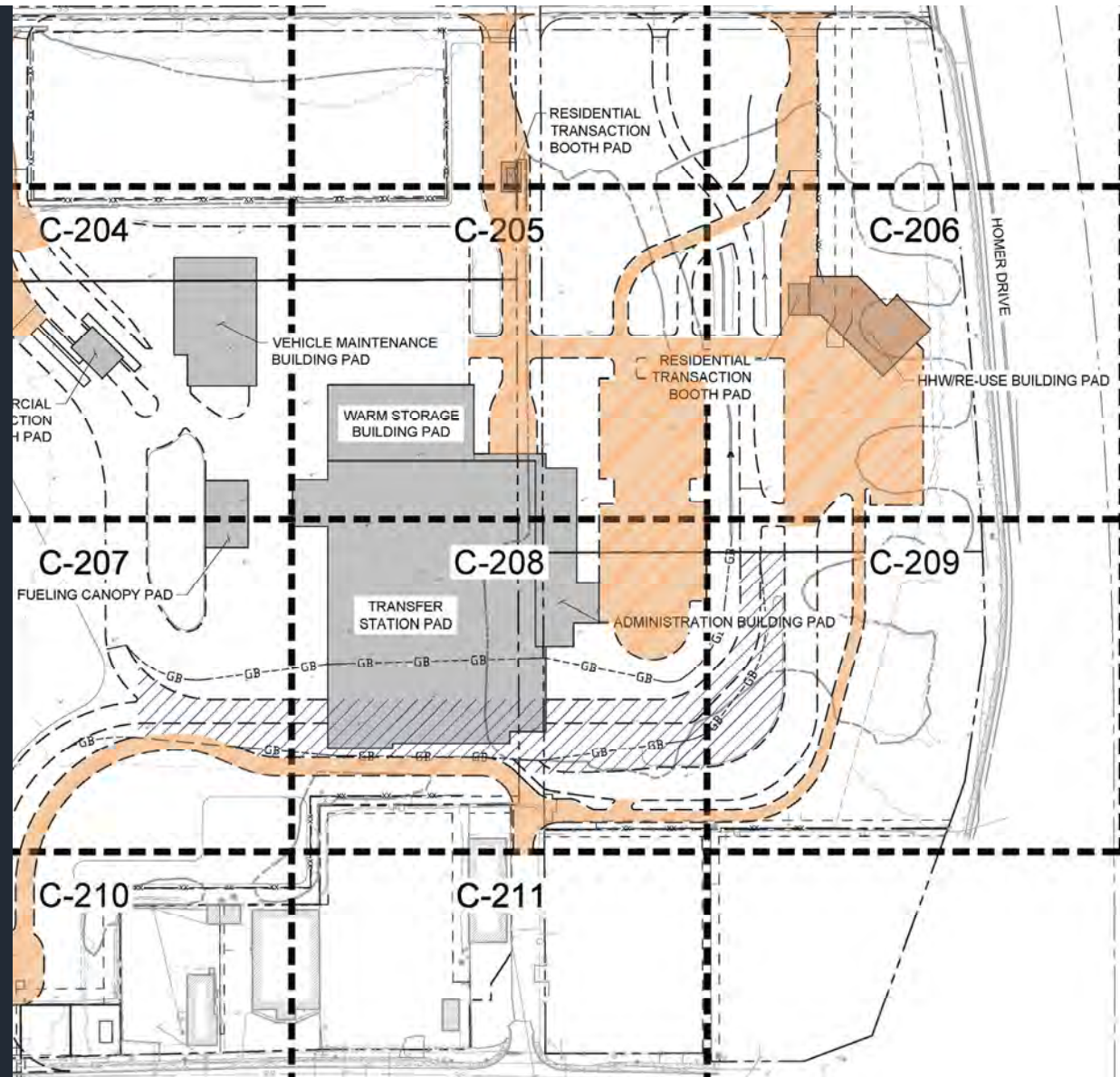


Work Package #1: Early Site Package

Adjusted Early Site Package to match \$5.6 million available SWS funds.

This first GMP will include:

- Clearing/grubbing
- Initial site grading
- Earthwork – removing peat
- Initial site utilities



Future GMP Appropriation

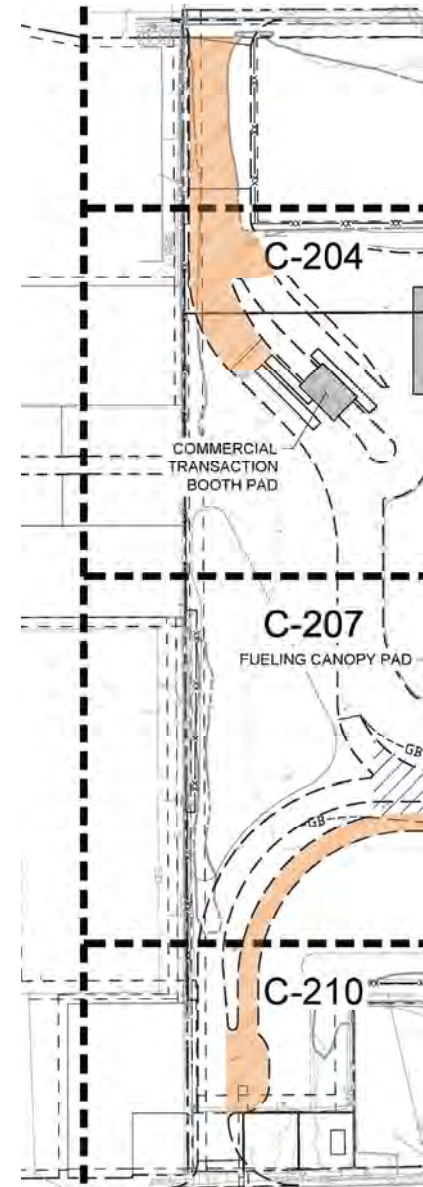
AO2018-76 approved SWS to borrow up to \$114.585 million for the new CTS project and land purchase.

\$34.862 million has been appropriated since October 2018.

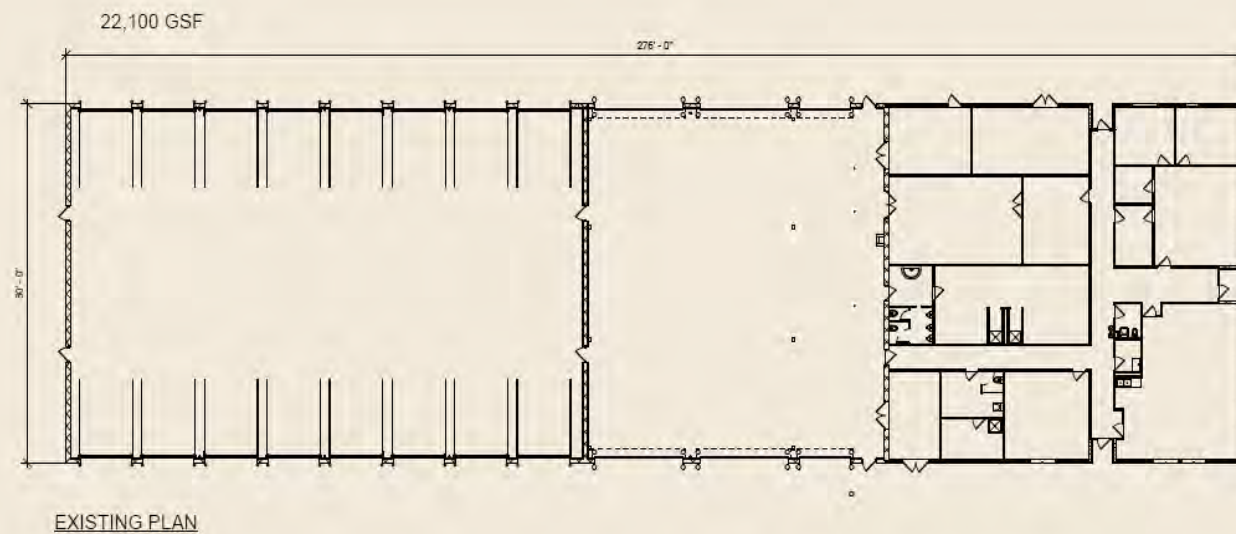
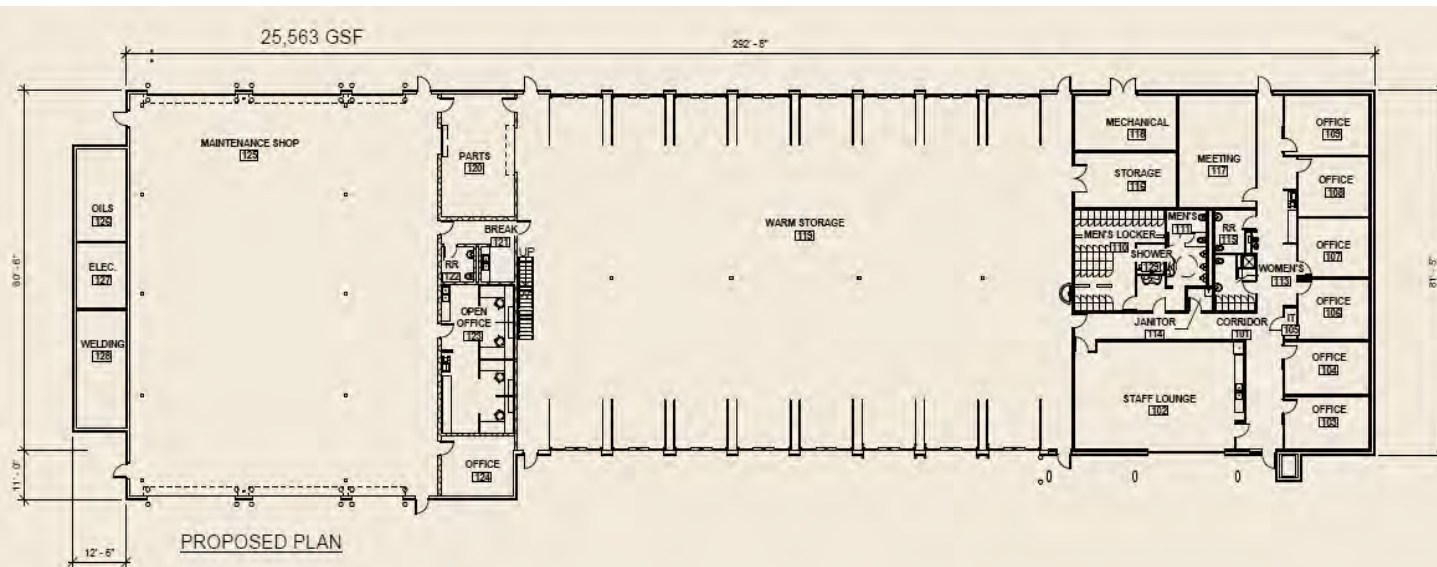
SWS plans to break ground in July 2020 and commence construction activities.

To facilitate the needs of the short Alaskan construction season and enable SWS to make design and construction decisions at intervals allowing for discounts, where they can be obtained, SWS is requesting the Assembly to appropriate the remaining balance of the approved financing (\$79.723 million) to the project.

35% cost estimates is \$90.3M, which align with the mid-range preliminary cost estimates prior to design. SWS will be requesting additional spending authority for this project ranging between \$5-\$10M.



Anchorage Landfill Design Update



Schedule:

- Design complete Oct '20
- RFP for contractor Nov '20
- Contractor selection Dec '20
- Construction Jan '21-Oct '21

Improvements:

- Life safety is improved
- Mechanical Systems up-to-date
- Generator for ARL building and the Municipality communications tower
- Accommodate larger trucks

Waste-to-Energy Site Consideration

Three conditions were considered for collocating WtE at the new CTS site:

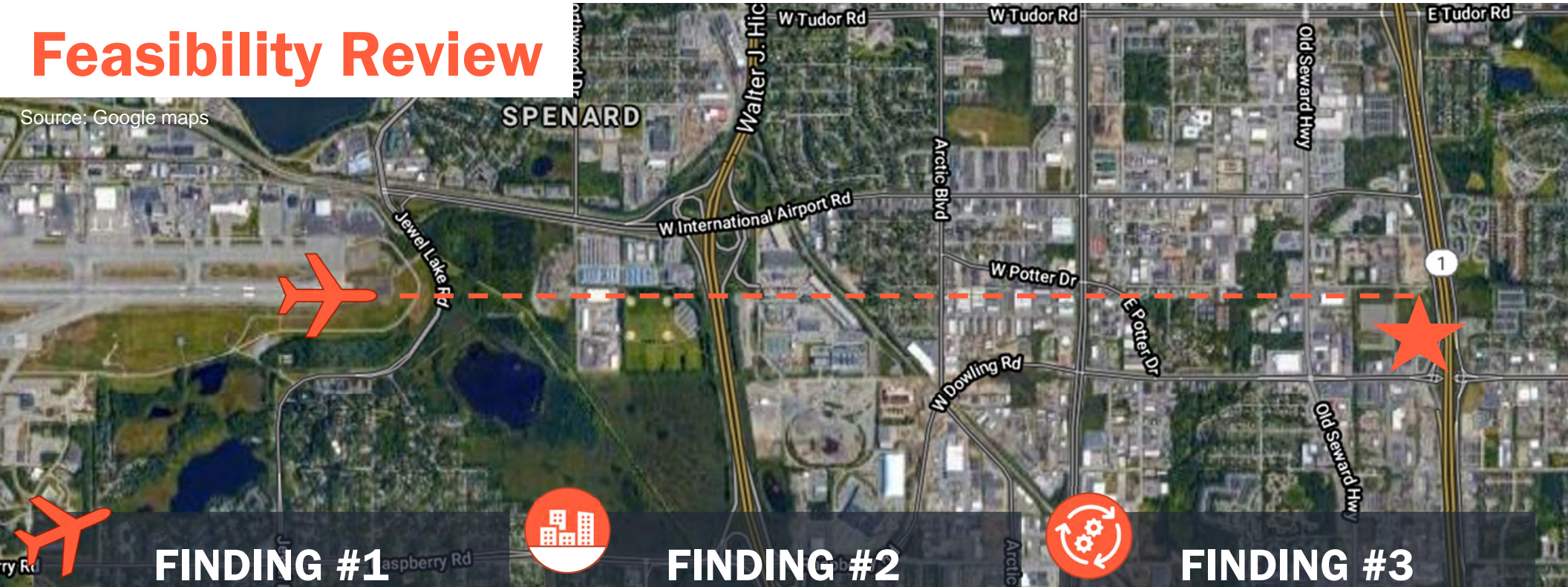
1. Permitting Feasibility
2. Geotechnical Feasibility
3. Geometrical Layout Feasibility

Overall Conclusion:

The cost to build a WtE facility at the new CTS site will cost approximately \$20M more compared to other sites

Feasibility Review

Source: Google maps



FINDING #1

Complicated permitting due to proximity to Ted Stevens airport

FINDING #2

Existing subsurface conditions at CTS site will add approximately \$20 million to cost of WTE development as compared to locating near the existing landfill

FINDING #3

WTE facility will prevent Anchorage from taking advantage of consolidated City operations at the CTS site

Feasibility Review

Source: Google maps



CONCLUSION

No cost or administrative benefit to co-locating the Waste-to-Energy facility at the CTS



Questions?