



City Council Report

Date: June 3, 2019
To: City Council
Through: Kari Kent, Assistant City Manager
From: Beth Huning, City Engineer
Marc Ahlstrom, Assistant City Engineer
Subject: Mesa Drive Phase 2-8th Avenue to Main Street Improvements
Construction Manager at Risk (CMAR) - Construction Services Contract
City Project No. C01400 (District 4)

Purpose and Recommendation

The purpose of this report is to present the Guaranteed Maximum Price (GMP) for the Mesa Drive Phase 2-8th Avenue to Main Street Improvements, a Construction Manager at Risk (CMAR) project. (See Exhibit "A" for project location).

Staff recommends that Council award a construction contract for this project to Haydon Building Corp in the amount of \$23,425,018.63, (GMP) and authorize a change order allowance in the amount of \$1,171,251 (5%).

Background

In November 2003, the Maricopa Association of Governments (MAG) adopted the Regional Transportation Plan (RTP) that provides for improvements to the region's transportation systems. With the passage of Proposition 400 in November 2004, regional and federal funding, in conjunction with local funding, is provided for the implementation of this program. In August 2014, Mesa entered into an agreement with MAG to utilize RTP funds to complete design and construction of improvements to Mesa Drive from 8th Avenue to Main Street.

Improvements to Mesa Drive include reconstructed pavement, widened sidewalks, ADA-compliant ramps and driveways, bike lanes, enhanced landscaping, new bus stop amenities, LED streetlights, and other associated improvements. This project will also include safety and capacity improvements to the Mesa Drive and Broadway Road intersection such as raised medians and an additional right turn lane. Water, sewer, and gas lines will be added or upgraded within the project limits. Power lines south of Broadway Road and those crossing Mesa Drive north of Broadway Road will be undergrounded.

The improvements of Mesa Drive from 8th Avenue to Main Street will complete a multi-modal corridor from US60 to Main Street, providing enhanced facilities for pedestrians, bicyclists, transit riders, and drivers, providing an enhanced gateway to Downtown Mesa.

Discussion

In October 2014, Staff received five “Statements of Qualifications” (SOQ) from contractors proposing to act as the CMAR for this project. Based on an evaluation of the SOQ’s and subsequent interviews, Haydon Building Corp. was recommended as the most qualified CMAR and was awarded a Pre-Construction Services contract. Haydon Building Corp has performed pre-construction services during the design development including reviewing the design for constructability, preparing cost estimates, and developing the project schedule and phasing.

Once underway, construction of this project is anticipated to last no more than 18 months.

Alternatives

An alternative to the approval of a Construction Services contract for this CMAR would be to construct this project using the traditional Design/Bid/Build method. This is not recommended due to the size and complexity of the project. The majority of all work in this project has been competitively bid by Haydon Building Corp to multiple subcontractors, and Mesa based businesses, including affiliated business, were given an opportunity to bid on the work.

Alternatives include not performing the work or eliminating portions of the proposed project. These alternatives are not recommended because of the deteriorating pavement, traffic congestion at the Mesa Drive and Broadway intersection, and the additional cost and traffic impacts of not performing all the proposed improvements in this location at one time. In addition, these improvements support on-going development in the downtown area and provide needed bicycle, pedestrian, and transit infrastructure for this highly used corridor.

Fiscal Impact

The total authorized amount recommended for this project is \$24,596,269.63, based upon a GMP of \$23,425,018.63, plus an additional \$1,171,251 (5%) as a change order allowance. This change order allowance will only be utilized for approved change orders.

This project is funded by 2013 authorized Streets bonds, 2010 authorized Gas bonds, 2014 authorized Electric, Water, and Wastewater bonds and Wastewater Reserve Extension and Replacement funds.

Coordinated With

The Transportation, Water Resources, and Energy Resources Departments concur with this recommendation.