



City Council Report

Date: September 9, 2019
To: City Council
Through: Kari Kent, Assistant City Manager
From: Beth Huning, City Engineer
Rob Kidder, Assistant City Engineer
Subject: 1st Avenue Right-of-Way Improvements - Phase 1 (Hibbert to LeSueur)
Construction Manager at Risk (CMAR)
First (of two) Guaranteed Maximum Price (GMP) Contracts
City Project No. CP02791STS
Council District 4

Purpose and Recommendation

The purpose of this report is to present the Guaranteed Maximum Price (GMP) No. 1 for the proposed 1st Avenue Right-of-Way Improvements (Phase 1), a Construction Manager at Risk (CMAR) project. (See Exhibit "A" for project location).

GMP No. 1 includes scope of work to furnish, install, and construct sewer line on 1st Avenue from Hibbert Street to LeSueur Street. This is the first of two GMPs for Phase 1 of this project.

Staff recommends that Council award the construction contract for this portion of the CMAR project to Haydon Building Corp in the amount of \$1,108,797 and authorize a change order allowance in the amount of \$55,440 (5%), for a total authorized award of \$1,164,237.

Background

In November of 2012, the City of Mesa voters approved the 2013 Street Bonds and Transportation Fund. This funding provided for landscaping enhancements along 1st Avenue from Country Club Drive to LeSueur Street. During the concept design phase, a review of the aging asphalt pavement identified a need for pavement replacement; however, due to escalated construction costs and planned budget reductions, the limits of the project were reduced to phase construction for 1st Avenue. The limits for this Phase 1 portion of the project extend from Hibbert Street to LeSueur Street.

The improvements for Phase 1 will ultimately include narrowing 1st Avenue from Mesa Drive to LeSueur, including new asphalt pavement, sidewalk improvements, a raised

median, sewer line installation, a new storm drain, electrical undergrounding, and rehabilitated street lighting. Landscape and tree enhancements, as well as gas and water relocations, will be completed by an adjacent developer.

Ultimate improvements will also include new asphalt pavement, American's with Disabilities Act (ADA) sidewalk improvements, a new curb return at the northwest corner of Pomeroy, landscaping, water, gas, sewer line installations, electrical undergrounding of mains and services in various areas, improved storm drains, and relocations of the City's flood irrigation facilities from Hibbert Street to Mesa Drive.

Discussion

In March of 2019, Staff received three (3) "Statements of Qualifications" (SOQ) from contractors proposing to act as the CMAR for this project. Based on an evaluation of these SOQ's, Haydon Building Corp. was recommended as the most qualified CMAR and was awarded a Pre-Construction Services contract. Haydon Building Corp has performed expedited pre-construction services including reviewing the design for constructability, preparing cost estimates, and developing the project schedule and phasing.

This approval is for the first of two (2) GMP's for Phase 1 of this project. The scope of work for GMP No.1 of Phase 1 includes sewer line work from Hibbert Street to LeSueur Street. GMP No. 1 work is needed to accommodate timing for a sewer line connection for an adjacent development. GMP No. 2 will follow for the remainder of Phase 1 in the Fall 2019 and will be presented to the Council for review and approval.

Once underway, the overall construction of this project is anticipated to last no more than 14 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 complexity, extensive phasing, construction sequencing and expedited timeline of the project. The majority of the work on this GMP was 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 the need to support on-going development in the downtown area and provide pedestrian and transit infrastructure for this highly used corridor.

Fiscal Impact

The total authorized amount recommended for this project is \$1,164,237, based upon a GMP of \$1,108,797, plus an additional \$55,440 (5%) as a change order allowance. This change order allowance will only be utilized for approved change orders.

This project is funded by 2014 Water Bonds.

Coordinated With

The Water Resources Department concurs with this recommendation.