



City Council Report

Date: September 9, 2024
To: City Council
Through: Marc Heirshberg, Deputy City Manager
From: Beth Huning, City Engineer
Lance Webb, Assistant City Engineer
Subject: Hibbert Parking Garage Renovation
City Project No. CP1189
Council District 4

Purpose and Recommendation

The purpose of this report is to present a Guaranteed Maximum Price (GMP No. 1) for the Hibbert Parking Garage Renovations, a Construction Manager at Risk (CMAR) project. (See Exhibit "A" for project location).

Staff recommends that Council award a contract for this project to Kitchell Contractors Inc. of Arizona in the amount of \$7,230,031 (GMP) and authorize a change order allowance in the amount of \$361,502 (5%).

Background

The Hibbert Garage, located at the northwest corner of Main Street and Hibbert, was constructed in 1997 to store vehicles for the Brown and Brown Auto Dealership. In December 2023, the City of Mesa purchased this structure from Sunbelt Holdings to redevelop as a commercial parking garage to allow City of Mesa employees and the public more spaces to park in the Downtown area.

Site plan modifications include improvements to the existing structure, the installation of public art, decorative metal panels, new landscaping on Hibbert Street along with cutting new openings into exterior walls for new entry doors on the south and east sides for public access.

The proposed facility has a footprint of approximately 340,000 square feet with an entrance and exit on Hibbert Street side. Conversion of the storage facility will include roughly 871 parking stalls, of which 600 spaces will be available as secured parking for City employees. The relocation of approximately 550 City employees from the Centennial, Pepper, and Sirrine garages will free up much needed public parking in Downtown.

Discussion

In June 2024, Staff received three “Statements of Qualifications” (SOQ) from contractors proposing to act as the CMAR for this project. Based on an evaluation of these SOQ’s, Kitchell Contractors Inc. of Arizona was recommended as the most qualified CMAR. Staff has prepared a contract and negotiated the fee for the Pre-Construction Services contract. During the Pre-Construction Phase, the CMAR has worked closely with the project team to develop the finalized project design, review the design for constructability, prepare cost estimates, and develop the project schedule, and project phasing plan.

The last item developed during the Pre-Construction Phase is the “Guaranteed Maximum Price” (GMP) for the project.

Once underway, construction of this project is anticipated to last no more than 16 months; however, after 7 months of construction, beneficial use of the parking garage for City of Mesa would occur.

Alternatives

An alternative to the approval of this GMP contract is to construct the project using the traditional Design/Bid/Build method. This method is not recommended due to the project’s expedited schedule, long lead electrical items, and installation of detailed public art.

Another alternative is to not perform the work. This is not recommended, as the improvements are necessary for the Hibbert Garage to function as a City employee parking facility, and without the addition of this parking, the availability of public parking to meet current and future demand for public parking in the Downtown area will be reduced.

Fiscal Impact

The total authorized amount recommended for this contract is \$7,591,533 and is based upon a GMP of \$7,230,031 plus an additional \$361,502 (5%) as a change order allowance.

This project is funded by Capital General Fund.

Coordinated With

The City Manager’s office concurs with this recommendation.