

# **City Council Report**

Date: July 8, 2024

To: City Council

Through: Marc Heirshberg, Deputy City Manager

From: Beth Huning, City Engineer Marc Ahlstrom, Assistant City Engineer

Subject: Westwood Street Improvements City Project Nos. CP0832WR04, CP1162GAS, and CP1164CROS/SIGL Council District(s) 3

# Purpose and Recommendation

The purpose of this report is to present the Guaranteed Maximum Price (GMP) for the Westwood Street Improvements, a Construction Manager at Risk (CMAR) project. (See Exhibit "A" for project location).

Staff recommends that Council award contract for this project to FPS Civil, LLC in the amount of \$7,960,775.03 (not to exceed) and authorize a change order allowance in the amount of \$796,077.50 (10%).

## Background

The existing water and gas pipes serving the area around Carson Jr. High School were originally installed in the 1950's and 1960's. One pipe located on the Carson Jr. High School property has experienced a previous leak. This project will abandon the old water and gas pipes and install new water and gas pipes in Westwood between University Drive and Rio Salado Parkway and on 6<sup>th</sup> Street between Extension and Country Club Drive.

Enhancements for pedestrian safety are also part of the project, including the installation of raised crosswalks at three locations on Westwood and the replacement of traffic signals and equipment at the intersections of University Drive and Westwood, and Rio Salado Parkway and Westwood.

## Discussion

In July 2023, Staff received one "Statement of Qualifications" (SOQ) from a contractor proposing to act as the CMAR for this project. Based on an evaluation of the SOQ, FPS Civil, LLC. was recommended as the qualified CMAR and was awarded a Pre-Construction Services contract. FPS Civil, LLC 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.

## Community Impact -

The community will be impacted by traffic restrictions as the contractor completes work. There will be continuous communication between the City, the schools, and FPS Civil, LLC. to limit the impact on the community. Extensive coordination and phasing of the work will take place to minimize impacts to the public with special consideration while the schools are in session.

Once underway, 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 would postpone the replacement of these utilities that have reached the end of their service life and impact the project's success since there have been multiple discussions planning the project phasing with the City, the schools, and FPS Civil. This is not recommended due to the size, complexity, and timeline of the project. The majority of all work in this project was competitively bid by FPS Civil, LLC. to multiple subcontractors, and staff has ensured that Mesa based businesses, including affiliated businesses, were given an opportunity to bid on the work.

Another alternative is not to perform the work. This is not recommended because the water and gas pipes will continue to age resulting in increased maintenance of the facilities. Also, the area would not benefit from the increased safety from the street and signal improvements.

## Fiscal Impact

The total authorized amount recommended for this project is \$8,756,852.53, based upon a GMP of \$7,960,775.03, plus an additional \$796,077.50 (10%) as a change order allowance. This allowance will only be utilized for approved change orders.

This project is funded by Utility Systems Revenue Obligations, Local Streets Fund, and Special Programs Fund.

## **Coordinated With**

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