



City Council Report

Date: January 27, 2020
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)
Second (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. 2 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. 2 includes roadway improvement work on 1st Avenue from Hibbert Street to LeSueur. This is the 2nd of two GMP's for this Phase of this project. GMP No. 1 was previously approved by Council in the amount of \$1,164,237 to address sewer line improvements in 1st Avenue.

Staff recommends that Council award the construction contract for this portion of the CMAR project to Haydon Building Corp in the amount of \$4,610,542 and authorize a change order allowance in the amount of \$230,527 (5%), for an authorized total of \$4,841,069.

Background

In November of 2012, the City of Mesa voters approved the 2013 Street Bonds. This funding provided for streetscape enhancements along 1st Avenue from Country Club Drive to LeSueur. 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 the construction for 1st Avenue. The limits for this Phase 1 extend from Hibbert Street to LeSueur.

The total improvements for Phase 1 include a new sewer line from Hibbert Street to

LeSueur, completed under GMP No. 1.

GMP No. 2 will complete the roadway improvements on 1st Avenue which include:

- A) Mesa Drive to LeSueur: New asphalt pavement, sidewalk improvements, a raised median, 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.
- B) Hibbert to Mesa Drive: New asphalt pavement, American's with Disabilities Act (ADA) sidewalk improvements, a new curb return at the northwest corner of Pomeroy/1st Avenue, landscaping, water, gas, sewer line installations and rehabilitation, electrical undergrounding of mains and services in various areas, improved storm drains, and relocation 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 been responsible for pre-construction services including reviewing the design for constructability, preparing cost estimates, and developing the project schedule and phasing.

This approval is for the second of two (2) GMP's for Phase 1 of this project and will complete the roadway improvements from Hibbert Street to LeSueur.

Once underway, the overall construction of this phase of the project is anticipated to last no more than 10 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, coordination with surrounding projects, 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 of the need to support on-going development in the downtown area and provide pedestrian and transit friendly

infrastructure within this highly used corridor.

Fiscal Impact

The total authorized amount recommended for this project is \$4,841,069, based upon a GMP of \$4,610,542, plus an additional \$230,527 (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 Street Bonds and 2014 authorized Gas, Electric and Water Bonds.

Coordinated With

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