



# City Council Report

**Date:** August 18, 2025  
**To:** City Council  
**Through:** Marc Heirshberg, Deputy City Manager  
**From:** Lance Webb, City Engineer  
Marc Ahlstrom, Assistant City Engineer  
**Subject:** Broadway Road Improvements, Phase 1 – Mesa Drive to Stapley Drive  
City Project No. CP0666  
Council District 4

## Purpose and Recommendation

The purpose of this report is to present the Guaranteed Maximum Price (GMP) for the proposed Broadway Road Improvements, Phase 1 – Mesa Drive to Stapley Drive, a Construction Manager at Risk (CMAR) project (Refer to Exhibit “A” for the project location).

Staff recommends that Council award a construction contract for this project to Sundt Construction Inc. in the amount of \$57,904,820.81, (GMP) and authorize a change order allowance in the amount of \$2,895,241.04 (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. Mesa entered into an agreement with MAG to utilize RTP funds to complete design and construction of improvements (Project) to Broadway Road from Mesa Drive to Stapley Drive.

The project includes the reconstruction of approximately 1.5 miles of existing roadway along Broadway Road from Mesa Drive on the west to Stapley Drive on the east. Other improvements include new sidewalk, ADA ramps, traffic signals, pedestrian hybrid beacons, signage, pavement markings, storm drain, street lighting, transit facilities, bike lanes, landscape, and other incidental improvements.

Additionally, the Project includes City utility improvements consisting of new waterlines, new gas lines, and underground conversion of existing overhead 12kV electric facilities along Broadway Road from Lesueur to Horne.

The City has entered into an Intergovernmental Agreement with the Flood Control District of Maricopa County to cost share in the construction of the drainage improvements for the project. The improvements include installing new storm drain in Stapley Drive from Broadway Road to 8<sup>th</sup> Avenue, and along Broadway Road from Lesueur to Spur.

## **Discussion**

In April 2024, Staff received four (4) “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, Sundt Construction, Inc. was recommended as the most qualified CMAR and was awarded a Pre-Construction Services contract. Sundt Construction Inc. 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 – Temporary impacts during construction will include traffic restrictions along Broadway Road (from Mesa Drive to Stapley Drive) and Stapley Drive (from 8<sup>th</sup> Avenue to Broadway Road). Public access will be maintained to businesses and local streets. Additional street impacts may include left turn restrictions, lane closures, and other temporary restrictions as construction activities are in progress.

Once underway, construction of this project is anticipated to last no more than 24 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 Sundt Construction Inc. to multiple subcontractors, and Mesa based businesses, including affiliated business, were given an opportunity to bid on the work.

Another alternative is to not perform the work. This is not recommended due to the poor condition of the existing asphalt pavement and the need for upgrades of the surrounding facilities for pedestrian safety purposes. In addition, these improvements support ongoing 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 \$60,800,061.85, based upon a GMP of \$57,904,820.81, plus an additional \$2,895,241.04 (5%) as a change order allowance. This change order allowance will only be utilized for approved change orders.

This project is funded by 2020 Street Bonds, Utility Systems Revenue Obligations, Transportation Fund, and Flood Control District of Maricopa County Funds.

**Coordinated With**

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