



City Council Report

Date: July 20, 2026
To: City Council
Through: Marc Heirshberg, Assistant City Manager
From: Lance Webb, City Engineer
Marc Ahlstrom, Assistant City Engineer
Subject: East Mesa Interconnect Pipeline - GMP 7
City Project No. CP1050EM01
Council Districts 1 and 2

Purpose and Recommendation

The purpose of this report is to present the last Guaranteed Maximum Price (GMP) for the proposed Central Mesa Reuse Pipeline Project, a Construction Manager at Risk (CMAR) project. (Refer to Exhibit “A” for the project location).

GMP 7 includes the procurement of 36-inch diameter concrete cylinder pipe and installation of the new pipeline.

Staff recommend that Council award a contract for this project to Garney Companies, in the amount of \$13,458,525 (GMP) and authorize a change order allowance in the amount of \$1,345,852.

Background

Per the 2018 Water Master Plan, it was recommended to further study the feasibility of interconnecting several locations between plants to build redundancy and backup supply in the case of canal and plant outages. As part of that feasibility, this project was identified to expand the interconnected capacity between the Val Vista Water Treatment Plant and the Brown Road Water Treatment Plant. Construction of one mile of 36-inch waterline will allow for critical interconnected capacity during either outages at the Brown Road Water Treatment Plant, during reductions of Colorado River Water, or CAP Canal system dry ups. This project will provide the City of Mesa greater flexibility in water usage from plant to plant.

Discussion

In July 2021, 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,

Garney Companies, Inc. 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 project design, review the design for constructability, prepare cost estimates, and develop the project schedule, and project phasing plan. Given the proximity and timing of the Central Mesa Reuse Pipeline program, this initial phase of work for the East Mesa Interconnect Pipeline program was anticipated to be constructed as part of the overall Central Mesa Reuse Pipeline program.

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 7 months.

This GMP is the last of a series of GMP’s relating to the Central Mesa Reuse Pipeline and East Mesa Interconnect Pipeline program. The table below illustrates the anticipated timeline of future GMP’s for Council review.

Project	Scope of Work	Status
Central Mesa Reuse Pipeline – GMP 1	Purchase of pipe and associated materials	Completed
Central Mesa Reuse Pipeline – GMP 2	16-inch waterline relocation within the south half of the project	Completed
Central Mesa Reuse Pipeline – GMP 3	36-inch pipeline construction within the south half of the project	Completed
Central Mesa Reuse Pipeline – GMP 4	16-inch waterline relocation within the north half of the project	Completed
Central Mesa Reuse Pipeline – GMP 5	Pipe Inspections – Val Vista Drive	Completed
Central Mesa Reuse Pipeline – GMP 6	36-inch pipeline construction within the north half of the project	Completed
East Mesa Interconnect Pipeline – GMP 7	One mile of 36-inch pipeline construction between Brown Road and McKellips	Start on July 27, 2026

Community Impact –

Temporary impacts during construction will include traffic control restrictions along the project route. Construction will be phased to limit traffic impacts and maintain public access to businesses and local streets where feasibly possible. Additional street impacts include potential left turn restrictions, lane closures, and other temporary restrictions necessary to facilitate the construction of the pipelines.

Alternatives

An alternative to the approval of this GMP contract for this CMAR would be to construct this project using the traditional Design/Bid/Build method. This is not recommended due to the need for the additional services provided by a CMAR contractor during the design phase. The proposed East Mesa Intercept Pipeline project will require extensive on-site investigation, construction sequencing, and constructability analysis by the contractor throughout the design phase.

Another alternative is to not perform the work. This is not recommended because without this project, the flexibility of moving water from one plant to another will not be available for the City during plant outages.

Fiscal Impact

The total authorized amount recommended for this contract is \$14,804,377, based upon a GMP of \$13,458,525, plus an additional \$1,345,852 (10%) as a change order allowance. This allowance will only be utilized for approved change orders.

This project is funded by the Water Capacity Fee Fund.

Coordinated With

The Water Resources Department concurs with this recommendation.