



# City Council Report

**Date:** July 5, 2022  
**To:** City Council  
**Through:** Marc Heirshberg, Deputy City Manager  
**From:** Beth Huning, City Engineer  
Marc Ahlstrom, Assistant City Engineer  
**Subject:** Fiber Network Expansion Phase 2 – Materials Procurement GMP No. 1  
City Project No. CP0696  
Council District(s) Citywide

## Purpose and Recommendation

The purpose of this report is to present the first Guaranteed Maximum Price (GMP) for the Fiber Network Expansion Phase 2 – Procurement of Materials, a Construction Manager at Risk (CMAR) project. (See Exhibit “A” for project location).

This is the first of multiple GMPs that will be presented to Council for approval. With GMP No. 1, the CMAR (CS Construction Inc.) will order the following items: fiber-optic cable, conduit, pull boxes, vaults, tracer wire and will provide short-term storage of these materials.

Staff recommends that Council award a construction contract for the project to CS Construction, Inc. in the amount of \$1,377,277.24, (GMP No. 1) and authorize a change order allowance in the amount of \$68,863.86 (5%).

## Background

In November 2018, the City of Mesa voters approved the passage of Public Safety Bonds. Which included funding for the expansion of the City’s fiber optic cable network. The network provides high speed data, telephone, video conferencing and other services to the City of Mesa’s Public Safety facilities (Police headquarters and substations; Fire Stations; Communications dispatch centers). Additionally, other City facilities also utilize this network.

This project will allow the City to complete a fiber optic network ring around downtown Mesa and at other locations throughout the City. These improvements will provide added reliability to City facilities and the network. The improvements will include the installation of approximately 203,000 feet of new fiber optic cable installed in 158,000 feet of existing conduit and 45,000 feet of new 2” conduit duct banks, and new junction structures as required.

## **Discussion**

In June 2020, Staff received five (5) “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, CS Construction, Inc. was recommended as the most qualified CMAR and was awarded a Pre-Construction Services contract. CS 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 – GMP No. 1 will not impact the community with construction activities. Once underway, construction of this project is anticipated to last no more than 27 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 need of procuring these materials that have an estimated 35-week lead time from order to delivery of the materials. The majority of all work in this project will be competitively bid by CS Construction, Inc. to multiple subcontractors, and Mesa based businesses, including affiliated business, will be given an opportunity to bid on the work.

Another alternative is not to perform the work. This is not recommended because this proposed fiber network expansion will provide needed connectivity to key Public Safety Facilities and other City Infrastructure Facilities.

## **Fiscal Impact**

The total authorized amount recommended for this project is \$1,446,141.10, based upon a GMP of \$1,377,277.24, plus an additional \$68,863.86 (5%) as a change order allowance. This allowance will only be utilized for approved change orders.

This project is funded by the 2018 Public Safety bonds.

## **Coordinated With**

The Department of Innovation and Technology concurs with this recommendation.