City Council Report

Date: July 10, 2023

To: City Council

Through: Marc Heirshberg, Deputy City Manager

From: Beth Huning, City Engineer
Lance Webb, Assistant City Engineer

Subject: Fiber Network Expansion Phase 2 – Package No. 1 Downtown and West Inner Loops GMP No. 2
City Project No. CP0696
Council District(s) 1, 3 & 4

Purpose and Recommendation

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

This is the second of three (3) GMPs that will be presented to Council for approval. With GMP No. 2, the CMAR (CS Construction Inc.) will construct the fiber conduit system for the Downtown and West Inner Loops by installing a portion of the materials procured by the CMAR under GMP No. 1.

Staff recommends that Council award a construction contract for the project to CS Construction, Inc. in the amount of $2,728,645 (GMP No. 2) and authorize a change order allowance in the amount of $136,433 (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 along the alignment of the West Inner Loop of the City as shown on Exhibit A. These improvements will provide added reliability to City facilities and the network. The improvements will include the installation of approximately 123,130 feet of new fiber optic cable installed in existing and new conduit duct banks, and existing and new junction

structures as required. These completed loops fit into the City's overall fiber system as shown in Exhibit B.

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. 2 will impact the community with various traffic control setups during the construction activities. Once underway, construction of this project is anticipated to last no more than 8 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 since this CMAR is a highly qualified fiber installation contractor. Our CMAR has served the City of Mesa well during the Pre-construction Services Contract and is familiar with the existing conditions and the scope of work on the project. The majority of all work in this project will be competitively bid by our CMAR 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 Facilities.

Fiscal Impact

The total authorized amount recommended for this project is $2,865,078, based upon a GMP of $2,728,645, plus an additional $136,433 (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.