



# City Council Report

**Date:** March 20, 2023  
**To:** City Council  
**Through:** Marc Heirshberg, Deputy City Manager  
**From:** Beth Huning, City Engineer  
Lance Webb, Assistant City Engineer  
**Subject:** Mesa City Hall  
City Project No. CP1137  
Council District 4

## Purpose and Recommendation

The purpose of this report is to present the second, and final Guaranteed Maximum Price (GMP No. 2) for Mesa City Hall, a Construction Manager at Risk (CMAR) project. (See Exhibit "A" for project location).

Staff recommends that Council award a contract for this project to Okland Construction in the amount of \$27,402,000 (GMP) and authorize a change order allowance in the amount of \$2,740,200 (10%).

## Background

The project is centrally located in downtown Mesa at the northeast corner of Main and Center Streets. It will replace the existing two-story portion of the Mesa City Plaza (MCP) building with a new two-story addition that includes a relocated public entry, as well as new meeting rooms, gathering spaces, and Council Chambers.

The proposed facility has a footprint of approximately 10,000 square feet with an entrance oriented towards Main Street. The new space is designed to be inviting and transparent with a relationship to the heart of Mesa. The interior will be light filled during the day and have an unparalleled presence along Main Street at night.

The key architectural concept is the idea of a building within a building. Placement of the Council Chambers on the second floor, and within the atrium space, provides an important connection to the existing MCP. This connection is non-public and provides a layered level of protection for Council functions. The chamber space has clearstory natural lighting that projects above the sloped roof, further enhancing the "jewel" in the desert concept.

The ground floor will serve as the public entrance to the facility. It is organized with meeting, study, and executive session spaces, as well as related support functions and a secured connection to City Hall.

## **Discussion**

In December 2022, GMP 1, totaling \$1,498,000, was presented to Council. Its purpose was to minimize the risk of cost escalation and procurement delays associated with inflation and supply chain issues. Its scope included but was not limited to: (1) mock-ups of concrete treatments & curtain wall sections; (2) shop drawings for steel, elevator, curtain wall & terracotta materials; (3) procurement of steel, elevator & terracotta materials, as well as physical security appurtenances.

The purpose of GMP 2 is to advance the project from procurement to construction, and ultimately occupancy. It includes but is not limited to: (1) construction of the new City Hall building; (2) re-envisioning of select areas on the 1<sup>st</sup> and 2<sup>nd</sup> floors of the existing MCP tower; (3) construction of the community gathering spaces between the existing MCP tower and Main St; (4) ancillary site, landscape, and utility improvements.

Once underway, construction of this project is anticipated to last no more than 17 months.

## **Alternatives**

An alternative to the approval of this GMP contract is to construct the project using the traditional Design/Bid/Build method. This method is not recommended due to the project's expedited schedule and complexity. Many of its materials are specialized and require extended time for production, delivery, and installation.

## **Fiscal Impact**

The total authorized amount recommended for this contract is \$30,142,200 and is based upon a GMP of \$27,402,000 plus an additional \$2,740,200 (10%) as a change order allowance.

This project is funded by Capital General Fund.

## **Coordinated With**

The City Manager's office concurs with this recommendation.