

**CITY OF BUCKEYE
Regular Council Meeting
COUNCIL ACTION REPORT**

MEETING DATE: 09/01/26	AGENDA ITEM: 5.B. PMO - CIP No.101150 Intersection Improvements – Verrado Way, Yuma Road to Van Buren Street – Project expenditure adjustment and City Manager authority to execute contract amendments
DATE PREPARED: 08/27/26	DISTRICT NO.: 5
STAFF LIAISON: Riley Quinlan, Contract Deputy Director of CIP, rquinlan@buckeyeaz.gov, (623) 695-4555	
DEPARTMENT: Program Management Office	AGENDA ITEM TYPE: Public Meeting / Non Consent - New Business

ACTION/MOTION: (This language identifies the formal motion to be made by the Council)
Council to take action to approve an increase of \$7,920,000 in expenditure authority for Capital Improvement Program (CIP) Project No. 101150, Intersection Improvements – Verrado Way, Yuma Road to Van Buren Street, modifying the total Project expenditure from \$16,000,000 to an amount not to exceed \$23,920,000; to authorize the use of General Obligation (GO) Bond proceeds using the budget authority included in the FY2027 budget to cover additional costs; and authorize the City Manager on behalf of the City to execute the associated contract amendments, change orders, acquisition of necessary property interests, and other reasonable and necessary Project expenditures, in an amount not to exceed \$23,920,000.

GOALS AND OBJECTIVES FOR THE STRATEGIC PLAN FOCUS AREAS:

Infrastructure

SUMMARY

PROJECT DESCRIPTION:

The Project includes improvements at the intersection of Yuma Road and Verrado Way and along Verrado Way between Yuma Road and Van Buren Street, including traffic signal installation, roadway expansion, landscape, and drainage improvements. The expanded scope also includes two additional travel lanes on Yuma Road west of Verrado Way to Dean Road, including pavement install and restriping.

Additional Project requirements include Arizona State Land acquisition, other property interests needed to support the work, developer-requested utility improvements that are expected to be reimbursed, and plan updates needed to incorporate the added roadway, land, and utility scope.

The City initiated CMAR work using 60% plans, updating the Guaranteed Maximum Price (GMP) as design advanced; shaving approximately ten months off the traditional timeline. One lane in each direction is targeted to open by October 26, 2026 and the ultimate configuration in December 2026, with a coordination caveat on the eastbound Yuma lanes. A portion of the scope increase is reimbursable, mostly consisting of developer-requested utilities and related drainage. By initiating construction at 60% design and updating the GMP in phases, the City intentionally chose a fast track delivery model that reduces congestion impacts on drivers, coordinates with summer school schedule, accelerates safety improvements, and responds to development momentum in the area. This approach brings forward the mobility benefits nearly ten months ahead of a traditional delivery method while maintaining cost discipline through tracked reimbursable components and ongoing CMAR value engineering.

To realize earlier mobility benefits, the City used a phased GMP approach beginning at 60% design. As plans finalized, the GMP was updated to incorporate refined drainage, landscape/median elements, and the addition of two eastbound Yuma lanes. This phased GMP approach also enabled earlier procurement of long lead materials, reduced exposure to inflationary escalation, and allowed the CMAR to stage crews efficiently; further contributing to schedule gains. As design progressed, updates to drainage, signal timing, median configuration, and corridor elevation were incorporated without delaying construction progress.

Civil engineering services are under contract. Achen-Gardner Construction was selected as the Construction Manager at Risk (CMAR) and is under contract for preconstruction services under Contract No. 32500038. This action would increase the City's total authorization for the Project from \$16,000,000 to an amount not to exceed (NTE) \$23,920,000 which includes a 10% contingency of \$720,000 above the current \$7,200,000 additional-scope estimate for a total budget adjustment of \$7,920,000.

The currently planned construction sequencing remains on schedule, with one lane in each direction targeted to open by October 26, 2026, and the ultimate Verrado Way/Yuma Road intersection configuration targeted for December 2026. These milestones are not affected by the additional scope included in this authorization. The addition of two travel lanes on Yuma Road west of Verrado Way to Dean Road will follow the primary intersection improvements and is anticipated to extend into early 2027.

BENEFITS:

Approval will provide sufficient authority to complete the additional roadway expansion and related land, utility, and plan-update scope without requiring a subsequent Council action for each individual cost component, subject to the NTE expenditure limit of \$23,920,000. The City will expend only the amount necessary, and eligible developer-requested utility costs will be reimbursed. The authorization includes approximately \$720,000 in contingency to address remaining construction risks and unforeseen conditions as the work is completed; contingency will be utilized only as necessary and does not represent anticipated Project expenditures. This authorization streamlines Project delivery by eliminating the need for multiple future Council actions while still limiting expenditures to only what is necessary within the approved NTE expenditure limit. The accelerated lane openings also reduce construction related delays for school traffic, commuter patterns, and emerging commercial development in the SWC/SEC areas, aligning delivery with the City's broader transportation and economic development objectives. This approach also allows the City to deliver the primary intersection improvements on the current schedule while completing the additional Yuma Road improvements as a subsequent phase of construction.

FUTURE ACTION:

Following approval, the City Manager may execute the necessary contract amendments, change orders, land transactions, and other Project expenditures within the approved NTE limit. Staff may also administratively challenge the Arizona State Land Department (ASLD) Commissioner's appraised valuation, including filing an administrative appeal to the ASLD and participating in alternative dispute resolution with the ASLD. Staff will continue to refine costs and pursue applicable developer reimbursements as the work advances.

FINANCIAL IMPACT STATEMENT:

This action increases total expenditure authority for CIP Project No. 101150 by \$7,920,000, from \$16,000,000 to an amount NTE \$23,920,000. The increase will be funded through GO Bond proceeds using the budget authority included in the FY2027 budget and does not require additional funding or the acceleration or reprogramming of future-year funds. The increase primarily supports the addition of two travel lanes on Yuma Road west of Verrado Way to Dean Road, including pavement overlay and restriping. It also includes Arizona State Land acquisition; other land costs not anticipated in the original authorization due to the timing of adjacent development; developer-requested utility improvements that are expected to be reimbursed; and related plan updates.

The requested authorization establishes a total Project NTE of \$23,920,000. The current additional-scope estimate is approximately \$7,200,000. The requested authorization also includes \$720,000, or 10%, in project contingency to address remaining construction risks and unforeseen conditions as the work is completed for a total budget adjustment of \$7,920,000. The contingency will be utilized only as necessary and does not represent anticipated Project expenditures. This figure reflects an estimate while the CMAR continues refining the Guaranteed Maximum Price (GMP). Approval authorizes expenditures only as necessary, up to the revised Project total NTE \$23,920,000.

CURRENT FISCAL YEAR TOTAL COST:

This action increases total expenditure authority for CIP Project No. 101150 by \$7,200,000, from \$16,000,000 to an amount not to exceed \$23,920,000. The increase will be funded through GO Bond proceeds using the budget authority included in the FY2027 budget and does not require additional funding or the acceleration or reprogramming of future-year funds. The increase primarily supports the addition of two travel lanes on Yuma Road west of Verrado Way to Dean Road, including pavement overlay and restriping. It also includes Arizona State Land acquisition and associated authorization; other land costs not anticipated in the original authorization due to the timing of adjacent development; developer-requested utility improvements that are expected to be reimbursed; and related plan updates.

This figure reflects approximately \$720,000 in contingency while the CMAR continues refining the GMP, and actual expenditures are expected to be lower. Approval authorizes expenditures only as necessary, up to the revised Project total NTE \$23,920,000.

BUDGETED:

No

FISCAL YEAR:

FY2027

FUND/DEPARTMENT:

50221104 - 543112

Items related to a project or facility location must include an attached vicinity map for Council Review.

ATTACHMENTS:

[CIP_101150 Vicinity Map.pdf](#)

[2026 0901 Verrado Yuma Expenditure Adjustment Presentation.pdf](#)