

TOWN *Of* PARADISE VALLEY



STAFF REPORT

TO: Mayor Stanton and Town Council Members

FROM: Andrew Ching, Town Manager
Chad Weaver, Community Development Director
Shar Johnson, Town Engineer
Juan Gonzalez Jr., Associate Engineer

DATE: May 14, 2026

DEPARTMENT: Community Development - Engineering
Juan Gonzalez Jr., 480-348-3528

AGENDA TITLE: 40th Street Washout Repairs; Construction Contract

SUMMARY STATEMENT

Town staff is seeking Council approval to move forward with emergency repairs to the roadway and embankment at the southeast corner of 40th Street and Clearwater Parkway. Caliente Construction, Inc. has been selected to redesign and reconstruct roadway shoulders and embankment.

PROJECT INFORMATION AND BACKGROUND:

The 40th Street Washout Repair project is located north of Lincoln Avenue and west of Tatum Boulevard at Clearwater Boulevard and the improvements focus on measures to mitigate future erosion due to rain events at this site. The work will include but not limited to:

- Tree removal and/or trimming.
- Embankment construction,
- Slope reinforcement, and erosion control.
- Removal of broken grouted and mounded river rock.
- Installation of new rip-rap reinforced shoulder.
- Traffic Control Plan.

In late **October of 2025**, the Town experienced major storm events, leading to flooding and erosion issues. Due to these storm events, a sizable portion of the grouted shoulder along 40th Street washed out and led to undermining of the bike lane and existing spillway. At the beginning of **November 2025**, engineering staff began site investigations with the assistance of an on-call consultant performing geotechnical services to determine the severity of the situation, as well as collectively producing a solution for the impending issues. Once our investigation concluded, staff requested a Job-Order Contractor (JOC) to assist with design development and to perform construction

services. Caliente Construction Inc. was selected in **December 2025** to move forward with design-build services. Over the course of four months, project activities included site visits, design changes, resident coordination meetings, and construction bid proposal negotiations. Engineering staff and Caliente Construction Inc. identified a feasible solution to repair the embankment, erosion, and undermining issues on 40th Street.

RECOMMENDATION

Authorize Town manager to execute contract No. CON-26-059-ENG with Caliente Construction Inc. for amount not to exceed \$404,995.47 for emergency embankment and erosion repair.

PROJECT TIMELINE

- **Late October 2025:** Engineering staff became aware of the undermining and embankment washout along the east side of 40th Street and Clearwater Parkway.
 - Initial site investigation performed by Public Works and Engineering Staff; further engineering studies recommended.
- **November 2025:** CMT Technical Services selected from the consultant on-call list to conduct a geotechnical engineering study for the site.
 - The study included site investigations, soil testing and a geotechnical report summarizing findings, specifications, and recommendations.
- **December 2025:** Final Geotechnical Engineering Study completed with recommendation for further civil engineering design development.
- **December 2025:** Caliente Construction, Inc. selected through 1GPA cooperative linking agreement/Job-Order Contracting (JOC) to perform design/build services.
- **January 2026:** The Town executes a Job-Order Contract (JOC) with Caliente Construction Inc. to begin design services and construction bid proposals; Notice to Proceed issued on **February 5, 2026**.
- **March 5, 2026:** 90% design plans submitted for staff review.
- **April 1, 2026:** 100%/pre-final design plans submitted for staff review.
- **April 17, 2026:** 100%/Final Construction Plans and initial bid proposals submitted to engineering staff for review/approval.
- **April 30, 2026:** Final Guaranteed Maximum Price (GMP) received and accepted.

BUDGETARY IMPACT

The anticipated project cost is \$404,995.47, covering construction services. The Town's FY26 CIP budget currently designates \$250,000 for emergency projects under the miscellaneous drainage category. The budget shortfall would be addressed using the CIP contingency fund.

ATTACHMENT(S):

- A. Staff Report
- B. Presentation
- C. Geotechnical Report
- D. 100%/Final Construction Plan
- E. Contract/GMP