

\$12 Million Per Bay, \$6 Million Per Vehicle?

A Citizen's Estimate of PT-01 Transit Maintenance and Operations Facility



SOUTHEAST CORNER VIEW



NORTHWEST CORNER VIEW

Ed Kettler, 9 July 2026

Executive Summary

The PT-01 Transit Maintenance and Operations Engineers' Opinion of Probable Cost (EOPC) at Design 60% is \$35,736,622.40, up \$7.4 million from the prior fiscal year of \$28.3 million. This number is completely out of line with commercial spaces of similar size and function.

The main purpose of this facility is to maintain municipal vehicles. The current proposed solution has three bays with a maximum capacity of six vehicles. The three bays come to \$12 million per bay, or \$6 million per vehicle, simply by dividing the estimate by the bay or vehicle count. While this is a simple mathematical approach, it does highlight the need to dive into the Public Works/Kimley-Horn estimates to understand the huge cost differences.

Two common methods were employed to assess other ways to provide alternative estimates for the facility:

- Comparative Analysis of Vehicle Maintenance Facilities
- Steel Frame Building Construction

The two methods delivered estimates ranging from \$7.1 to \$16.0 million, with cost per bay ranging from \$2.4 to \$5.3 million and cost per vehicle between \$1.2 and \$2.7 million. The worst-case value of \$16 million is **\$20 million less** than Kimley-Horn's \$36 million EOPC. Kimley-Horn and Sedona Public Works need to provide a detailed breakdown of their estimates, describe their estimating process and provide justifications.

Sedona is grossly overspending on this project. \$36 million EOPC is irrational because it is 2 to 5 times higher than the alternative estimates, and should be deeply investigated and revised, or the whole project canceled.

The time to make changes is in the Design Phase, not Construction. The time is **now**.

Overview

Capital Improvement Project PT-01 Transit Maintenance and Operations Facility (TMOF) is currently at the 60% completion of the Design Phase, and has an Engineers' Opinion of Probable Cost (EOPC) at 60% is \$35,736,622.40. This amount is reflected in the FY 26-27 Budget, representing a \$7,418,622/26.2% increase from the FY 25-26 budget of \$28,318,000. The facility is composed of administration and maintenance facilities, with three maintenance bays with a maximum capacity of six vehicles. If you take the almost \$36 million and divide it into the capacity numbers, you get some irrational numbers:

- \$36 million / number of bays (3) = \$12 million per bay
- \$36 million / maximum number of vehicles (6) = \$6 million per vehicle

The bay and vehicle capacities represent the primary operational necessity and value this facility is purported to deliver, the same type of metrics that have been applied to the Uptown Parking Garage with a cost per space of \$92,500. While this is a simple mathematical approach, it does highlight the need to dive into the Public Works/Kimley-Horn estimates to understand the huge cost differences.

Neither of the bay or vehicle capacity costs represent anything close to reality in commercial environments in the local area.

The purpose of this document is to display two different estimating approaches to provide alternatives to Kimley-Horn's Engineer's Opinion of Probable Cost:

- Comparative Analysis of Vehicle Maintenance Facilities
- Steel Frame Building Construction

so that the City of Sedona's staff and City Council can open a discussion with Kimley-Horn and Public Works to understand how their estimates were created, and validate the estimates.

The fueling facility was deliberately omitted because there are plenty of gas stations in the area, and it would be politically ill advised to take money away from constituents. Also omitted was a separate \$5 million CIP for intersection improvements at 89A.

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The time to make changes is in the Design Phase, not Construction. The time is **now**.

Government Versus Commercial Building Practices

Before examining the two estimating methods and results, we need to defuse some of the likely criticisms of the approaches.

1. The cost per bay/cost per vehicle is simplistic.

Response: Agreed. It is meant to give a comparison and draw attention to the apparent high cost per delivery capability. It is analogous to the \$92,500 per parking space at the new Uptown Parking Garage.

2. You are not taking into account a fifty-year life span.

Response: Aircraft hangars are designed to last well past 50 years if properly maintained. Many commercial steel frame structures in the Phoenix area are over fifty years old.

3. You can't compare aircraft hangars and commercial vehicle facilities to a municipal vehicle repair facility.

Response: Aircraft hangars are storage and maintenance facilities. Commercial vehicle facilities currently maintain Sedona's and other Verde Valley fleets.

4. You did not consider the site prep and hidden infrastructure

Response: Site prep costs are included in the estimates for each approach, plus they are also embedded in the values used in the comparatives as combined land and building FCVs are used. The land is relatively flat and there should be limited grading needed to get to level for building. There is a separate line item for Maintenance Fit in the Buildout estimates to include equipment and any specialized construction. The comparative properties already have special drainage for hazmat, oil, etc. Allowance is also included in the "Max" values for items like reinforced floors in the service bays. For the Steel Frame estimates, the estimates also include up to three (3) times the commercial starting estimate of \$150 per square foot: \$450 per square foot. The solar panel array is literally across the fence from the new facility. The solar arrays and EV charging are not included in the \$36 million budget at this time.

5. Municipal construction is much more expensive than commercial because of X, Y, Z

Response: The two estimating approaches have a range of estimates to allow comparisons: the Min/Max/Average for the Comparative Approach and the variable price per square foot for the Steel Frame for up to 3 times the commercial rate. The City can choose the highest cost for their discussions.

6. Did you include city employees into your estimate?

Response: No. These employees should be rolled into the \$36 million Public Works/Kimley-Horn estimate as well.

Even considering the above items, Sedona is grossly overspending on this project.

Comparative Analysis of Vehicle Maintenance Facilities

Seven vehicle maintenance facilities in Sedona and Cottonwood were researched in the Yavapai County Assessor data bases to determine the square footage of the facilities and the 2026 Full Cash Value (FCV) of the entire property, which includes the land as well as any buildings. This will result in a very conservative estimate as the TMOF will be built on City-owned land with a \$0 cost.

Methodology

1. Each property's value was researched in the Yavapai County Assessor's data bases and the square footage and 2026 FCV logged
2. The square footage was used to compute an FCV per square foot
3. The building's square footage and valuation were normalized to 10,000 square feet to allow for comparison across a wide range of facilities
4. The Min/Max/Average of the facilities were computed
5. Estimates were made of the Buildout Costs (min/max) for office space, maintenance space, parking areas, an access road, and site prep
6. The Buildout costs were combined with Property min/max/average to compute multiple scenarios

Results

The normalized Property values ranged from \$1,111,815 to \$3,092,648 with an average of \$1,747,040. It is important to reiterate that these values include the land as well as the building(s).

The Buildout of the remainder of the property ranged from \$6.0 million to \$11.5 million.

The results of this method are a range from \$7.1 to \$14.6 million:

Comparative Values	Property	Buildout	Total
Min Prop/Min Buildout	1,111,814.83	6,000,000	7,111,815
Min Prop/Max Buildout	1,111,814.83	11,500,000	12,611,815
Max Prop/Min Buildout	3,092,648.51	6,000,000	9,092,649
Max Prop/Max Buildout	3,092,648.51	11,500,000	14,592,649
Average Prop/Average Buildout	1,747,039.97	8,750,000	10,497,040

Steel Frame Building Construction

Kimley-Horn is proposing a tilt up concrete solution that would perfectly fit into a West Sedona location, but is over-the-top for a maintenance facility next to a waste water treatment plant. Steel frame construction techniques are used for many industrial and maintenance facilities, including two new hangars completed at Cottonwood Airport this year. These buildings can be attractive with exterior treatments, and not just unsightly boxes. The hangar contractor provided a starting number of \$150 per square foot for a completed building with insulation. Higher cost per square foot were selected at \$200, \$300 and \$450 to provide up to 3x estimates.

Methodology

1. The assumed square footage was set to 10,000 square feet to match the above Comparative Analysis method
2. The Building cost was estimated at \$150, \$200, \$300 and \$450 per square foot
3. The same Buildout values from the Comparative Analysis provide min/max values
4. The Building cost was added to the Buildout min/max to calculate a Build min/max for each square footage rate

Results

The four scenarios provided a range of estimated between \$7.5 and \$16.0 million. These values do not include land as it is City-owned, and the fueling facility has been omitted.

Estimated Construction Costs					
Cost per SqFt	Building	Buildout Min	Buildout Max	Build Min	Build Max
\$150	1,500,000	6,000,000	11,500,000	7,500,000	13,000,000
\$200	2,000,000	6,000,000	11,500,000	8,000,000	13,500,000
\$300	3,000,000	6,000,000	11,500,000	9,000,000	14,500,000
\$450	4,500,000	6,000,000	11,500,000	10,500,000	16,000,000

Appendix 1 – Comparative Values Approach

[illegible]

Appendix 2 – Steel Frame Building Approach

Steel Frame Building Construction Estimates						
			Construction Cost per Square Foot			
Assumed Square Footage		10,000	\$150	\$200	\$300	\$450
Admin	15%	1,500	225,000	300,000	450,000	675,000
Operations	25%	2,500	375,000	500,000	750,000	1,125,000
Maintenance	50%	5,000	750,000	1,000,000	1,500,000	2,250,000
Facility	3%	300	45,000	60,000	90,000	135,000
Services	2%	200	30,000	40,000	60,000	90,000
Circulation	5%	500	75,000	100,000	150,000	225,000
Totals	100%	10,000	1,500,000	2,000,000	3,000,000	4,500,000
Buildout	Min	Max				
Office Space Fit	1,000,000	1,500,000				
Maintenance Fit	2,000,000	3,000,000				
Paved Parking Areas	1,000,000	2,000,000				
Access Road	1,000,000	3,000,000				
Site Prep	1,000,000	2,000,000				
Totals	6,000,000	11,500,000				
Estimated Construction Costs						
Cost per SqFt	Building	Buildout Min	Buildout Max	Build Min	Build Max	
\$150	1,500,000	6,000,000	11,500,000	7,500,000	13,000,000	
\$200	2,000,000	6,000,000	11,500,000	8,000,000	13,500,000	
\$300	3,000,000	6,000,000	11,500,000	9,000,000	14,500,000	
\$450	4,500,000	6,000,000	11,500,000	10,500,000	16,000,000	

Appendix 3 – Floor Plan



Appendix 4 – Site Plan

