



MEMORANDUM

To: Mayor and City Council

From: Ken Griffin, P.E., Director of Public Works

Date: January 9, 2018

Reference: **Freeport Parkway Reconstruction Contract Award**

2030: Sustainable City Government, Goal 3
Excellent and Well-maintained City Infrastructure and Facilities

General Information:

- Freeport Parkway between Bethel Road and IH-635 was originally constructed in two phases in 1981 & 1986
- Scope includes full pavement replacement, bridge reconstruction, utility replacement/rehabilitation, landscaping enhancement, geometry improvements, trail construction, lighting, and a new traffic signal.
- Original estimated construction cost (November 2015) was \$8,900,000.00
- First bids rejected due to cost and concerns over time and risk
- Second bids opened on December 7, 2017, with four bids submitted, utilizing A (Cost) + B (Time) bidding
- Lowest responsible bidder was Texas Sterling Construction Co. with a Base Bid of \$15,819,808.64 and Total Time of 550 Days, for an A+B Comparison of \$16,644,808.64 (bid tabulation attached)
- Milestone incentives for phases of construction are capped at \$700,000.00
- Planned start of construction Spring 2018
- Estimated completion late 2019

Introduction:

This agenda item is being presented to consider approval to enter into a contract with Texas Sterling Construction Company, in an amount of \$15,819,808.64 plus \$700,000.00 for milestone incentives, for a total contract amount of \$16,519,808.64 for the reconstruction of Freeport Parkway from Bethel Road to Dividend.

Analysis:

The Freeport Parkway Reconstruction Project limits begin at Dividend/IH-635 and end at Bethel Road (see attached). This segment of Freeport Parkway was originally constructed in two phases in 1981 (Bethel to Airline) and 1986 (Airline to IH-635). The roadway has been maintained over the years to extend the life beyond the design life of 20 years. A design contract was awarded to J. Volk Consulting in December 2015. The contract was originally bid in Summer 2017 with a bid opening on August 3, 2017. That bid was rejected due to concerns over cost and the potential impact of project risk on the administration of the project. Design changes were made to the project to eliminate alternate bid items, clarify project phasing and traffic control, and reduce the scope of some of the utility replacement work. The project was re-advertised in November 2017 and bids opened on December 7, 2017. It is the judgment of staff that the second bids received reflect the current value of the project, and that the time submitted by the lowest responsible bidder is reasonable.

The basic scope of the Freeport Project includes the following elements:

- Replacement of all existing pavement with an updated pavement section targeted at prolonging the life of the infrastructure
- Replacement of the existing bridge over Grapevine Creek (between Airline and Fritz) to lengthen and straighten the existing horizontal curve
- Geometric enhancements to improve mobility and safety
- Trail, sidewalk, street lights and landscaping
- Replacement and/or rehabilitation of the water and sewer infrastructure along the alignment
- Rehabilitation of the existing storm sewer system beneath the pavement based upon recent TV inspection and additional investigation to occur during construction
- New traffic signal at Freeport Pkwy. and Southwestern Blvd.

It is worth noting that subsequent to rejecting the first bids, staff worked with a contractor to TV inspect the sanitary sewer line under Freeport Parkway. Based upon that inspection, the scope of work in the redesigned project was changed to reflect a thorough cleaning of the line and rehabilitation of all sanitary sewer manholes. The segment of sanitary sewer spanning the new bridge limits will still be replaced. Further, the scope of water line replacement was reduced to only the segments where line size changes are needed. The remaining water lines are located outside of paving and can be replaced, as needed, in the future without significant disruption to motorists or the street pavement.

Throughout the project, at least one lane of traffic in each direction will be maintained at all times. To help inform motorists, staff is working to implement a system of real-time traveler information to warn motorists of expected delays on Freeport, and allow alternate route decisions if appropriate (via SH 121 or other). Four portable changeable message signs were included in the bid to facilitate this system and an interlocal with the Texas A&M Transportation Institute is being developed for the system implementation. There are also plans to reduce the speed limit over the bridge and install all-way stops at Airline and Southwestern to allow for safe movements into and out of these side streets. Radar speed trailers are planned to support this strategy.

Even with our best efforts to construct the project in a timely manner and minimize impacts, this project will still create some hardship. To prepare those affected, staff plans to hold a business

stakeholder meeting in early Spring to warn the businesses and residents of the upcoming construction. Staff is also working to develop a robust communication plan to explain the project and inform stakeholders of expected impacts as the project progresses. The project includes requirements for the contractor to support these communication efforts.

Staff is working to implement best practices on the Freeport Parkway project to control cost, manage the schedule, and complete the project with enhanced safety. We plan to communicate through multiple channels and at regular intervals and explore all reasonable options to minimize impacts to stakeholders. Various items were included in the bid documents to facilitate a partnership with the contractor in achieving these goals.

In addition to this contract award, staff is also proposing separate awards for materials testing (\$236,705), operation of traveler information system (estimated \$80,000), and remaining property acquisition (estimated \$130,000). Contracts are already in place for design, plan review/project management assistance, and railroad crossing work.

Based upon the foregoing analysis, staff recommends approval of a contract with Texas Sterling Construction Company, with a base bid amount of \$15,819,808.64 plus \$700,000.00 for milestone incentives, for a total contract amount of \$16,519,808.64.

Legal Review:

Standard City bidding documents were utilized for this project and have been reviewed by the City Attorney.

Fiscal Impact:

The fiscal impact of this agenda item is \$16,519,808.64 as provided for in CIP and IMF.

Recommendation:

The Engineering Department recommends approval of this contract with Texas Sterling Construction Company.