



MEMORANDUM

To: Mayor and City Council

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

Date: March 24, 2015

Reference: North Freeport Parkway Construction Contract

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

Introduction:

This agenda item is being presented to consider approval to enter into a contract with Tiseo Paving Company, in an amount of \$4,826,657.36 plus a \$350,000.00 incentive for early completion for a total contract amount of \$5,176,657.36, for the construction of North Freeport Parkway from West Sandy Lake Rd to SH 121.

Analysis:

The construction of this portion of Freeport Parkway has been in the works for several years. A contract with Teague, Nall and Perkins was signed in 2012 for the design of this roadway. In May of 2010, City Council approved a resolution for an advanced funding agreement with State to use funds held in a State Highway 121 subaccount. This agreement provided for the use of toll way revenue funds for the design, right of way acquisition and the construction of Freeport Parkway from Ruby Rd. to State Highway 121. This phase of the project will be from West Sandy Lake Road to SH 121. In the agreement, the state will pay 80% from the subaccount and the City will pay the remaining 20% for the project.

On May 27th, 2014, City Council approved a purchase and sell agreement with Prologis, L.P. for the right of way of Freeport Parkway.

On March 6th, 2015, the City opened eight sealed bids for the construction of Freeport Parkway. The bids ranged from a low of \$4,826,657.36 to a high of \$5,993,214.98. The method used was the "A+B" method, where the number of days bid were weighted and used in the evaluation of the bids. The low bidder bid 205 calendar days. The low bidder was Tiseo Paving Company. This firm has done many projects in the area and several in Coppell. Both the design engineer and the city staff recommend award of this project to Tiseo Paving Company.

In an effort to expedite the construction of this project, we placed a daily value of \$5,000.00 on the length of the project. With the time bid of 205 days, the daily value offers an incentive of up to \$250,000.00 for early completion, (50 days X \$5000.00/day). We also include a \$2,000.00/day possible bonus if they can have the road open as "Traffic Ready". As an example, if Tiseo has the road traffic ready on day 155 then they would receive the maximum \$100,000.00, (50 days, \$2000.00/day).

Legal Review:

The contract was reviewed by David Dodd.

Fiscal Impact:

The fiscal impact of this agenda item is \$5,176,657.36 as provided for by RTR funds and CIP.

Recommendation:

The Engineering Department recommends approval of this contract with Tiseo Paving Company.