



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Christine Taylor
DATE: April 15, 2025

SUBJECT

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute Change Order No. 3 to the contract between the City of Denton and Sundt Construction, Inc., for the Bonnie Brae Phase 3 Widening and Reconstruction Project for the Capital Projects Department; providing for the expenditure of funds therefor; and providing an effective date (CSP 8094-1 – Change Order No. 3 in the not-to-exceed amount of \$2,388,362.16, for a total contract award aggregated to \$42,707,207.63). The Public Utilities Board will consider this item on Monday, April 14, 2025. The Public Utilities Board recommends approval (6 - 1).

STRATEGIC ALIGNMENT

This action supports Key Focus Area: Enhance Infrastructure and Mobility.

INFORMATION/BACKGROUND

The Bonnie Brae Three project is being constructed on a new alignment between Parvin and Roselawn Drive. The new alignment conflicted with an existing gas easement that required the City to compensate the Enlink for relocation, including the purchase of new easements. City Council authorized an agreement between the City of Denton and Enlink for the relocation efforts in December 2023. Enlink relocated the four (4) inch gas line and abandoned the existing gas line in the path of the City's new drainage and paving improvements. Enlink completed the relocation on October 28, 2024, a full year after Sundt was issued a Notice to Proceed for construction.

Council authorized the construction contract with Sundt Construction Inc. on August 15, 2023. City of Denton and Sundt Construction agreed to delay the Notice to Proceed while the City finalized an agreement with Enlink for the gas line relocation. On October 16, 2023, it was decided the project could not be delayed any longer if we were to meet TxDOT's timeline to connect the new Bonnie Brae with the I35 Merge project. Therefore, City staff issued Sundt Construction a Notice to Proceed.

The Bonnie Brae Phase 3 project involved a new alignment between Parvin and Roselawn Drive. This new alignment conflicted with an existing gas easement, necessitating the relocation of gas lines by Enlink, a gas pipeline company. The City Council approved an agreement for this relocation in December 2023, with an estimated 90-day timeline. However, Enlink completed the relocation on October 28, 2024, approximately nine months behind schedule due to extended easement acquisition negotiations. This significant delay prompted Sundt Construction, the City's contractor for Phase 3, to submit a change order request for \$3,389,100.11. This request covers labor, equipment, material, and subcontractor escalation

costs, and also includes a 210-day extension to the project schedule. Funding for this change order will utilize \$1,000,737.95 from the existing contingency and an additional \$2,388,362.16 from certificates of obligation. The Enlink gas line conflict was specific to the City's portion of the project and is not eligible for TxDOT reimbursement.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On August 15, 2023, City Council approved a contract with Sundt Construction, Inc., in the not-to-exceed amount of \$40,318,845.47 (Ordinance 23-1524).

On December 12, 2023, City Council approved an agreement with Enlink for the relocation and abandonment of the existing 4-inch gas line (Ordinance 23-2336).

On June 17, 2024, Purchasing approved Change Order No. 1 with Sundt Construction, Inc., approving the use of contingency in the amount of \$44,157.

On December 9, 2024, Purchasing approved Change Order No. 2 with Sundt Construction, Inc., approving the use of contingency in the amount of \$365,742.

On April 14, 2025, this item will be presented to the Public Utilities Board (PUB) for consideration.

RECOMMENDATION

Award Change Order No. 3 with Sundt Construction, Inc., for the Bonnie Brae Phase 3 Widening and Reconstruction Project for the Capital Projects Department, in a not-to-exceed amount of \$2,388,362.16, for a total amended contract amount of \$42,707,207.63.

PRINCIPAL PLACE OF BUSINESS

Sundt Construction, Inc.
Irving, TX

ESTIMATED SCHEDULE OF PROJECT

This project is estimated to be completed in November of 2026.

FISCAL INFORMATION

These services will be funded from Streets/Traffic C.O. account 350288402.1360.40100. Purchase Order #205669 will be revised to include the third change order amount of \$2,388,362.16. The total amended amount of this contract is \$42,707,207.63.

EXHIBITS

Exhibit 1: Agenda Information Sheet

Exhibit 2: Original Ordinance, Contract, and Change Order Nos. 1-2

Exhibit 3: Ordinance and Change Order No. 3

Respectfully submitted:
Lori Hewell, 940-349-7100
Purchasing Manager

For information concerning this acquisition, contact: Robin Davis, 940-349-7713.

Legal point of contact: Marcella Lunn at 940-349-8333.