



# City of Denton

City Hall  
215 E. McKinney Street  
Denton, Texas  
[www.cityofdenton.com](http://www.cityofdenton.com)

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## AGENDA INFORMATION SHEET

**DEPARTMENT:** Procurement  
**ACM:** Christine Taylor  
**DATE:** March 3, 2026

### **SUBJECT**

Consider adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute a Construction Manager at Risk contract with Sundt Construction, Inc., for construction phase services for the Pecan Creek Water Reclamation Plant Expansion Project for the Water Utilities Department; providing for the expenditure of funds therefor; and providing an effective date (RFP 8289 – awarded to Sundt Construction, Inc., including the first Guaranteed Maximum Price in the partial not-to-exceed amount of \$92,321,565.00). [The Public Utilities Board recommends approval \(6 - 0\).](#)

### **STRATEGIC ALIGNMENT**

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

### **INFORMATION/BACKGROUND**

The Pecan Creek Water Reclamation Plant (PCWRP) is currently in design for an expansion that will increase the facility's treatment capacity to 30 million gallons per day. The project includes construction of a new headworks structure, membrane bioreactor filtration, solids handling, ultraviolet disinfection, and a control/operations building. To deliver the work efficiently, the City is using a Construction Manager at Risk (CMAR) approach, with construction divided into multiple bid packages. Guaranteed Maximum Price No. 1 (GMP #1) is the first of these packages.

GMP #1 encompasses foundational and early-phase construction activities, including testing and inspections, site surveying, earthwork, site utilities, package allowances, and the CMAR's general conditions for the duration of the project. These components establish the groundwork necessary for subsequent bid packages and overall project sequencing.

Sundt Construction serves as the CMAR and will manage subcontractors, maintain the project schedule, and deliver all bid packages throughout construction. During the preconstruction phase, Sundt developed a cost model and competitively bid the work based on the 90 percent design documents to prepare the GMP #1 proposal. Within the GMP deliverable, Sundt also provided a construction management plan, a quality control plan, and a proposed sequencing schedule for the project. These items are a product of the collaboration of the City, CMAR, and the design engineer.

The City selected Sundt Construction through a one-step CMAR procurement process and awarded a preconstruction services agreement in the amount of \$2,452,441. The agreement was later amended to add

design-phase services and extend the project timeline for an additional not-to-exceed amount of \$296,273, bringing the total preconstruction contract to \$2,748,714.

The Pecan Creek Water Reclamation Plant Expansion Construction Project has a total estimated cost of \$92,321,565. This estimate includes a \$89,261,424 total base bid amount and a contingency of \$3,060,141. A contingency allowance, if any, is for the sole use of the City and will be subject to written authorization by the City's Project Manager and Program Manager.

The Utility Extendable Commercial Paper program is being used as an appropriation authority for this contract.

### **PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)**

On February 6, 2024, City Council approved a Construction Manager at Risk (CMAR) pre-construction phase contract with Sundt Construction, Inc., in the not-to-exceed amount of \$2,452,441 (Ordinance 24-156).

On August 5, 2025, City Council approved Amendment No. 1 to a Construction Manager at Risk (CMAR) pre-construction phase contract with Sundt Construction, Inc., in the not-to-exceed amount of \$296,273 (Ordinance 25-1344).

On February 23, 2026, the Public Utilities Board (PUB) recommended this item to the City Council for consideration.

### **RECOMMENDATION**

Award a Construction Manager at Risk contract with Sundt Construction, Inc., for construction phase services for Pecan Creek Water Reclamation Plant Expansion for the Water Utilities Department, in a not-to-exceed amount of \$92,321,565.

### **PRINCIPAL PLACE OF BUSINESS**

Sundt Construction, Inc.  
Irving, TX

### **SUSTAINABILITY MEASURES**

The contract will help the City of Denton with the construction services necessary to permit the Pecan Creek Water Reclamation Plant construction. The new infrastructure will increase the city's wastewater cleaning capacity. The facilities are essential to safely treating and discharging effluent to the sensitive, accepting streams.

### **ESTIMATED SCHEDULE OF PROJECT**

Construction for the Pecan Creek Water Reclamation Plant Expansion will begin in April 2026, with a projected completion date of Q4 2031.

### **FISCAL INFORMATION**

The Utility Extendable Commercial Paper program is being used as an appropriation authority for this contract. This project will be funded from Wastewater Utilities account 640496545.1360.40100.

Requisition # 174368 has been entered into the Purchasing software system for \$56,113,229. The remaining \$36,208,336 of the total GMP 1 amount of \$92,321,565 will be budgeted in the next fiscal year to align with the construction spend through the Wastewater Capital Improvement Program.

**EXHIBITS**

Exhibit 1: Agenda Information Sheet

Exhibit 2: Original Ordinance, Pre-Construction Contract, and Amendment 1

Exhibit 3: Presentation

Exhibit 4: Ordinance and Construction Services Contract

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

For information concerning this acquisition, contact: David Brown, 940-349-8030.

Legal point of contact: Leah Bush at 940-349-8333.