



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Christine Taylor
DATE: March 24, 2025

SUBJECT

Consider recommending adoption of an ordinance of the City of Denton, a Texas home-rule municipal corporation, authorizing the City Manager to execute Change Order No. 1 to the Construction Manager at Risk contract with McCarthy Building Companies, Inc., for construction phase services for Southeast Denton Package B (SED-B) Improvements for the Capital Projects Department; providing for the expenditure of funds therefor; and providing an effective date (RFQ 7714 – Change Order No. 1 in the not-to-exceed amount of \$544,645.00, for a total contract award aggregated to \$22,127,023.00).

STRATEGIC ALIGNMENT

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

INFORMATION/BACKGROUND

The Southeast Denton Neighborhood contains 71 roadway segments that will be reconstructed as part of the voter-approved 2019 Street Reconstruction Bond. Along with the full reconstruction of the identified street segments, the project also includes the replacement of aging utility infrastructure, enhanced sidewalk connectivity, and various street lighting upgrades. Southeast Denton Package B (SED-B) contains the remaining 49 roadway segments. The scope of work for segments in Package B includes full-depth street reconstruction and various utility replacements as needed.

The original GMP total of \$21,582,378 included \$567,969 for the Owner's Contingency which is designated for the sole use of the City in the event of encountering unforeseeable conditions and at the City's discretion.

Throughout the project, Contingency Use Authorization (CUA) No. 1 – 5 were approved by the City Project Manager and Purchasing to cover unplanned services and additional scope. CUA No. 1 included additional scope from ninety percent plans approved at GMP to one hundred percent plans that were used for construction. CUA No. 2 – 5 included added services and connections to the water and wastewater scope on multiple streets. Unplanned drainage repairs on Prairie St. caused additional curb, gutter, and sidewalk replacements on several street segments. Locating existing utilities, including water, gas, and communication lines, required additional locating efforts. There were also unknown subgrade conditions that required the removal of unsuitable materials including flowable fill, abandoned utilities, and concrete.

The purpose of this Change Order No. 1 is to add additional Owner's Contingency for additional required work including, added scope and unforeseen conflicts in the subgrade which included unknown utilities and concrete. The additional scope included water services, sewer services, additional curb and gutter

replacements, and sidewalks on multiple streets. An extension of a sewer main was also included on Bradshaw St. per request of the utilities department to improve existing infrastructure. These additional items were not captured during the design or survey.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On October 19, 2021, City Council approved a contract with Kimley-Horn and Associates, Inc., in the not-to-exceed amount of \$1,660,100 (Ordinance 21-2168).

On December 14, 2021, City Council approved a contract with McCarthy Building Companies, Inc., in the not-to-exceed amount of \$174,955 (Ordinance 21-2686).

On November 15, 2022, City Council approved a contract with McCarthy Building Companies, Inc., in the not-to-exceed amount of \$21,582,378 (Ordinance 22-2282).

RECOMMENDATION

Award Change Order No. 1 with McCarthy Building Companies, Inc., for construction phase services for Southeast Denton Package B (SED-B) Improvements for the Capital Projects Department, in the amount of \$544,645, for a total contract award aggregated to \$22,127,023.

PRINCIPAL PLACE OF BUSINESS

McCarthy Building Companies, Inc.
Dallas, TX

ESTIMATED SCHEDULE OF PROJECT

Construction for SED-B started on January 17, 2023, with a substantial completion date of July 31, 2024, and an estimated final completion Q1 of 2025.

FISCAL INFORMATION

These services will be funded from a combination of the accounts listed below.

| | | |
|---|----------------------|--------------|
| Water Utilities account | 630477523.1360.40100 | \$180,858.20 |
| Wastewater Collection account | 640458545.1360.40100 | 179,351.20 |
| 2019 Street Reconstruction Bond account | 350517473.1360.40100 | 184,435.60 |
| Total: | | \$544,645.00 |

The total amended amount of this contract is \$22,127,023.

EXHIBITS

Exhibit 1: Agenda Information Sheet

Exhibit 2: Ordinance, Preconstruction Services Contract, Ordinance, Construction Services Contract, Contingency Use Authorizations 1-5

Exhibit 3: Ordinance and Change Order No. 1

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

For information concerning this acquisition, contact: Scott Fetting 940-349-890, and Seth Garcia, 940-349-8938.

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