



City of Denton

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

AGENDA INFORMATION SHEET

DEPARTMENT: Procurement
ACM: Christine Taylor
DATE: May 6, 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. 2 to the contract between the City of Denton and Mario Sinacola & Sons Excavating, Inc., for the construction of Hickory Creek Road Phase 3 for the Capital Projects Department; providing for the expenditure of funds therefor; and providing an effective date (CSP 7909 – Change Order No. 2 in the not-to-exceed amount of \$7,931,684.69, for a total contract award aggregated to \$59,954,118.57).

STRATEGIC ALIGNMENT

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

INFORMATION/BACKGROUND

Project Need:

Hickory Creek Road is classified as a primary arterial on the City of Denton Mobility Plan. Phases 1 and 2 are complete, and Hickory Creek Road Phase 3 will extend the roadway approximately one mile from Riverpass Drive west to FM-1830, creating a continuous 4-lane divided east-west roadway (with option to be 6-lanes) between FM 2499 and FM 1830. The project includes a new roadway with a 10-foot trail on both sides of the road, street lighting, and a new bridge with 5-foot sidewalks on the bridge structure. The new bridge will span Hickory Creek. Hickory Creek Road is identified on the City of Denton Mobility as a Primary Arterial, and upon construction, Hickory Creek Road Phase 3 will increase safety by removing a 90-degree curve from the current Hickory Creek alignment, adding capacity, and improving quality of life for both local and regional commuters.

Project Delay History:

The project was expedited to address safety concerns. The feasibility/design started on February 12, 2019. The project was bid and awarded for construction on May 03, 2022. The original Notice to Proceed (NTP) for construction was planned for September 28, 2022. Due to franchise utility conflicts being discovered during the initial site exploration and survey summer of 2022, a revised NTP was issued for February 13, 2023. During this time, the City was concurrently coordinating with the railroad and a property owner, in an effort to continue construction. Design plans were continuously reviewed and modified to keep the project moving. Unfortunately, the project shut down again on September 12, 2023, due to right-of-way acquisition/eminant domain (complete July 23, 2024), railroad agreement coordination, which was halted due to Kansas City Southern (KCS) merging with Canadian Pacific (CP) and becoming Canadian Pacific Kansas City (CPKC). The railroad merger caused significant and unavoidable delays to both the Hickory

Creek Road Phase 3 project and Oncor Electric. All progress on the railroad agreements became obsolete, and all contracts and negotiations required starting over with the new CPKC. The current proposed NTP is May 12, 2025.

Stakeholders

- July 23, 2024 – ROW/Easement acquisition complete.
- December 5, 2024 - Developer coordination complete.
- December 6, 2024 - Oncor Electric utility conflicts cleared. Temporary power delivered to railroad.
- December 17, 2024 – Railroad agreement executed by City (Ordinance 24-2399).
- March 3, 2025 – Railroad Agreement executed by CPKC
- March 4, 2025 – TxDOT Access Permit Approval
- March 14, 2025 – Eagle Ridge gas foamline removed.
- Ongoing - City coordination with two (2) pipeline companies. There is no direct conflict with construction, but agreements will be needed with gas pipelines to relocate.

Change Order No. 2 Costs:

The multiple delays to the contractor resulted in cost escalations. The total amount for this change order is \$9,891,549.22. This includes utilizing \$1,959,864.53 of the existing contingency allowance and \$7,931,684.69 of additional requested funds. The contractor provided a highly detailed breakdown of the costs and escalations. The City of Denton reviewed all costs, coordinated with the contractor, and agreed to the final negotiated costs for Change Order No. 2 as detailed in the table below:

Description	Total
Labor Escalation (All)	\$1,279,877.91
Equipment Escalation (All)	380,743.52
Material Escalation (All)	1,495,852.50
Subcontractor Escalation	676,814.95
AFCO STEEL Freight and Storage	718,706.30
1% Bond	45,519.95
Extended Overhead and Delay Time for Project Manager	356,034.04
Extended Project Survey Time	66,507.25
Outside Equipment Rent	4,429,534.98
Structural Inefficiencies – Working on columns adjacent to power lines	218,243.10
Reestablish Construction Site & Creek Crossing	142,714.72
Traffic Control/Barricades for additional 18 months	81,000.00
Total	\$9,891,549.22
Project Contingency Allowance:	1,959,864.53
Requested new funds:	\$7,931,684.69

Project Timeline & Next Steps:

The updated Schedule includes approximately 18 months to complete the project from notice to proceed. Estimated Completion is expected Q4 2026.

PRIOR ACTION/REVIEW (COUNCIL, BOARDS, COMMISSIONS)

On May 3, 2022, City Council approved a contract with Mario Sinacola & Sons Excavating, Inc., in the not-to-exceed contract amount of \$52,022,433.88 (Ordinance 22-911).

On December 17, 2024, City Council approved a Highway Overpass Widening Agreement with Kansas City Southern Railroad Company d/b/a CPKC (Ordinance 24-2399).

On March 24, 2023, Purchasing approved Change Order No. 1 with Mario Sinacola & Sons Excavating, Inc., to add items to the scope of work.

RECOMMENDATION

Award Change Order No. 2 with Mario Sinacola & Sons Excavating, Inc., for the construction of Hickory Creek Road Phase 3 for the Capital Projects Department, in a not-to-exceed amount of \$7,931,684.69, for a total amended contract amount \$59,954,118.57.

PRINCIPAL PLACE OF BUSINESS

Mario Sinacola & Sons Excavating, Inc.
Frisco, TX

ESTIMATED SCHEDULE OF PROJECT

The project is expected to be completed in Q4 2026, approximately 18 months from the proposed notice to proceed date of May 12, 2025.

FISCAL INFORMATION

These services will be funded from a combination of the following accounts:

2019 GO Bond Election	250120473.1360.40100	\$1,885,261.00
Roadway Impact Fees Fund	250120472.1360.40100	449,754.00
Streets/Traffic - GO	250081467.1360.40100	1,306,534.22
Streets/Traffic - CO	250081402.1360.40100	6,250,000.00

Purchase Order #201057 will be revised to include the second change order total amount of \$9,891,549.22. The total amended amount of this contract is \$59,954,118.57.

EXHIBITS

Exhibit 1: Agenda Information Sheet

Exhibit 2: Original Ordinance, Contract, and Change Order No. 1

Exhibit 3: Presentation

Exhibit 4: Ordinance and Change Order No. 2

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

For information concerning this acquisition, contact: Tracy L. Beck, 940-349-8925.

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