

Midway Road Reconstruction Project Update

City Council

April 28, 2020

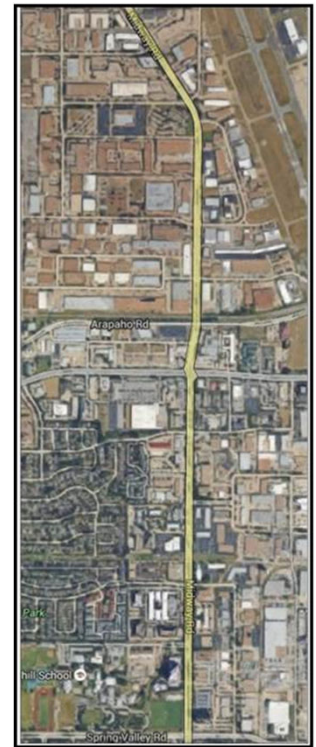
The logo for the City of Addison, featuring a blue square with a white circle in the center. The word "ADDISON" is written in blue capital letters inside the white circle. The square has dark gray triangular corners.

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Project Scope, Timeline, and Cost Estimate

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- Reconstruction of Midway Road from Spring Valley Road to Keller Springs Road
 - Paving improvements
 - Drainage, water, and sanitary sewer line improvements
 - Traffic signal and lighting upgrades
 - 10' sidepath on westside from Spring Valley to Belt Line Road
 - Connection to Cotton Belt Trail at Wheeler Bridge at Arapaho Road
- Final plans received November 25, 2019
- Total project budget - \$41 million



Project Funds

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- 2012 Bond Program
 - \$16,000,000 approved
- November 2018
 - Council gave direction to the City Manager to pursue the issuance of \$25M in Certificates of Obligation.
- July 2019
 - Council gave notice of their intention to issue \$15M in Certificates of Obligation.
- Dallas County Trail Grant \$2,781,873.50
- Major Expenditures as of April 28, 2020:

■ Design Management	\$543,816
■ Design	\$2,935,359
■ Geotechnical analysis	\$46,985

Property Acquisition

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- 25 parcels are to be acquired – fee simple and easement acquisitions
 - Ranging from 100 square feet to 7,734 square feet
- All appraisals have been completed and received by staff
- Negotiations with property owners are on-going
- Acquisition status as of April 21, 2020:
 - Closed: 6
 - Documents Signed: 6
 - In Negotiation: 6
 - Eminent Domain: 7
- Current estimated cost is \$3.8M. Will vary some based upon negotiations.

Procurement Options Activities

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- Under the State of Texas purchasing requirements, for most projects over \$50,000 cities must procure goods and services through a competitive bid process.
- Municipalities may procure goods and services in cooperation with another governmental entity that has procured that good or service through the competitive process.
- Addison could use DART's contractor for the reconstruction of Midway Road using an Interlocal Agreement with DART.
- Addison could independently procure the construction services through a traditional bid process.

Procurement Options Activities

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- Final 100% design plans were sent to DART for a price proposal from Archer Western Herzog (AWH).
- AWH submitted a price for the reconstruction of the roadway not in line with Addison's Engineer's Opinion of Probable Cost (OPC) or DART's independent review.
 - AWH \$37M construction cost
 - DART/RSMMeans \$42M construction cost
- Initiated a validation process on the items with largest disparity.
 - Mobilization, Paving and Paving Removal
- Resulted in an increased estimated construction cost from Engineers OPC of \$26.6M to \$28.5M.

Procurement Options Activities

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- Teague Nall and Perkins (TNP) analyzed the cost and schedule implications of splitting the project into two bidding packages.
 - Single Phase:
 - Estimated construction duration 36 months
 - Construction cost estimate \$28.5M
 - Two Phase:
 - Estimated construction duration 42 months
 - Construction cost estimate \$29.5M
- Due to the increase in total cost and construction time, recommend bidding the project as single package.

Procurement Options Activities

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- Two Main Bidding Processes
 - Traditional
 - Project awarded mostly based upon low bid.
 - Competitive Sealed Proposal (CSP)
 - Utilizes the following factors to determine best value.
 - Construction time
 - Price
 - Experience of company and key personnel
- CSP provides the benefits of low pricing coupled with the ability to evaluate other parameters.

Construction Management

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- Originally conceived as outsourced and estimated at \$3M
- In reviewing the needs of this and other bond funded projects, costs were evaluated to perform these duties in-house.
- Three full time positions are needed for Public Works & Engineering Department managed bond projects
 - Project Manager
 - Contracts Administrator
 - Inspector
- Estimated 3-year cost \$1.5M
 - This includes all salary and benefits, equipment and other ancillary costs

Available Funding vs. Total Project Costs

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Authorized / Available Funding	
2012 Bonds	\$16,000,000
2019 Bonds	\$25,000,000
Dallas County Trails Grant	\$2,700,000

Authorized / Expended To Date	
	\$3,526,160

Estimated Total Project Costs	
Project Costs Expended / Committed to Date	\$3,526,160
Construction OPCC	\$28,510,000
Construction Contingency (5%)	\$1,500,000
Materials Testing	\$400,000
Right-of-Way Acquisition	\$3,800,000
Construction Management	\$1,500,000
Construction Administration	\$900,000
	\$39,216,489

Project Budget	\$41,000,000	\$40,136,160
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Path Forward

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- Staff recommends bidding the project as one package utilizing CSP after the lifting of the shelter-in-place order and material availability is confirmed.
 - Currently anticipated sometime this summer
- Staff recommends hiring the project management team beginning with the Project Manager.

Questions / Discussion

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