

## MEMORANDUM

**TO:** Claire Powell, City Manager

**VIA:** James Proce, Assistant City Manager

**FROM:** David Salmon, P.E., City Engineer

**DATE:** December 4, 2023

**SUBJECT:** **Approval of a Bid Award for North Mill Street Paving, Utilities and Drainage Improvements to DDM Construction Corporation of Addison, Texas, in the Amount of \$6,484,529.63 and Authorization for the City Manager, or Her Designee, to Execute the Agreement.**

### **BACKGROUND**

Bids were received on November 14, 2023, for the construction of the North Mill Street Paving, Utilities, and Drainage Improvements project. The scope of work for the project consists of constructing roughly 3,500 feet of two-lane undivided roadway along North Mill Street including bicycle lanes on both sides from Tennie Drive to just south of Hedgerow Lane. The project also includes replacing approximately 4000 linear feet of water lines, 2,800 feet of 12-inch sanitary sewer, 500 feet of 4-inch sanitary sewer force main, regrading existing roadside drainage ditches, and installation of storm sewer, driveway culverts, and associated structures. DDM Construction was the lowest qualified bidder with a base bid of \$6,175,742.50.

### **ANALYSIS**

Staff recommends the contract be awarded to DDM Construction Corporation. Their base bid is \$6,175,742.50, plus a 5 percent contingency of \$308,787.13 for a total amount of \$6,484,529.63. The engineer's estimate for the project was \$7,772,528. All five bids received were within close range indicating that that DDM's bid is reasonable. DDM completed the Timberbrook neighborhood rehabilitation project earlier this year. Although there were some time delays, most were Covid-19, weather, and supply chain, related. In addition, there were cost overruns due to unexpected underground conditions and residents wanting short retaining walls rather than sloping their yards. The final Timberbrook product meets the City's specifications and expectations. The North Mill Street project is roughly half the size of the Timberbrook project, so DDM Construction is equipped to manage the project. DDM Construction Corporation provided, and staff verified references that indicate they have successfully completed similar projects for other municipalities.

Funding is available in the Mill Street Capital Project. The contract time is 380 calendar days and liquidated damages are \$1,000 per day. The project is anticipated to start in late January 2024 after a public meeting is held to introduce the construction team.

**CITY STAFF'S RECOMMENDATION**

That City Council approve the bid award and authorize the City Manager, or her designee, to execute the contract as set forth in the caption above.