



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** June 23, 2025

SUBJECT: Consider Change Order No. 1 for the Main Street Project (ST2212) in the amount of \$147,883.46 to XIT Paving and Construction, Inc., and authorize the City Manager to execute the related change order.

PRESENTER: Nathan Frohman, City Engineer

SUMMARY:

The City Council is being asked to approve a change order in the amount of \$147,883.46 for the Main Street Project (ST2212) with XIT Paving and Construction, Inc., and authorize the City Manager to execute the related change order.

GENERAL DESCRIPTION:

On July 22, 2024, the City Council awarded RFB No. 24-023 to XIT Paving and Construction, Inc., in the amount of \$2,395,472.75 for the construction of the Main Street Project (ST2212), from Amundson Drive to Amundson Road. The scope of the Main Street Bond project includes reconstructing the existing roadway with reinforced concrete, including the addition of pedestrian facilities. The project also includes basic wet utility replacement as needed to ensure subsurface infrastructure has an expected life span that exceeds the proposed pavement work. At the time of the award, the Council elected to award the base bid and the alternate bid, which allowed for a full roadway closure of Main Street during construction. The alternate bid selection saved the city approximately \$33,820.00 and reduced the construction timeline by four months.

Despite the project being awarded, construction has been delayed by approximately ten months due to franchise utility conflicts. Specifically, ATMOS Energy's gas line relocation work was required within the DART Right-of-Way, which required a DART Licensing Agreement. That agreement process took roughly eight months to finalize.

ATMOS has now completed their relocation work, and the Main Street Project is ready to proceed. However, due to market changes and inflation over the past ten months, XIT Paving and Construction, Inc. has requested a price escalation of \$147,883.46, which represents a 6% increase to the original contract amount. This request brings the revised project total to \$2,543,356.21.

Staff has reviewed the request and finds it reasonable, as it reflects material and labor cost increases that are consistent with those seen on the City's most recent street reconstruction projects, including Ruth Road. Approving the price escalation avoids the



need to rebid the project, which could potentially result in even higher pricing and further delays. Furthermore, XIT Paving and Construction, Inc. already has an approved DART permit in place, which would save the City from restarting the DART licensing process with a potentially new contractor.

Funding for this project was included in the FY 2024-25 Adopted Capital Projects Budget in the Main Street Project (ST2212).

RECOMMENDATION:

Approve Change Order No. 1 in the amount of \$147,883.46 to XIT Paving and Construction, Inc., for the Main Street Project (ST2212), from Amundson Drive to Amundson Road, and authorize the City Manager to execute the related change order.