

TEXAS TRANSPORTATION COMMISSION

DALLAS County

MINUTE ORDER

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Subchapter F of Chapter 223, Transportation Code prescribes the process by which the Texas Department of Transportation (department) may enter into a design-build contract that provides for the design, construction, expansion, extension, related capital maintenance, rehabilitation, alteration, or repair of a highway project. Transportation Code, §223.242 authorizes the department to enter into, in each fiscal year, up to three design-build contracts for highway projects with a construction cost estimate of \$50 million or more.

On October 27, 2011, by Minute Order 112874, the Texas Transportation Commission (commission) authorized the department to issue a request for qualifications (RFQ) for the development, design, construction, and, potentially, maintenance of the Dallas Horseshoe Project on I-30 from Sylvan Avenue to west of I-45, and on I-35E from north of Eighth Street to north of I-30 in Dallas County (project). The department issued the RFQ on December 9, 2011, and subsequently determined that three of the seven teams submitting qualifications statements in response to the RFQ were qualified to be on the short list of teams that would be requested to submit detailed proposals to develop, design, construct, and, potentially, maintain the project.

Transportation Code, §223.246 and 43 TAC §9.153(d) provide that, if authorized by the commission, the department will issue a request for proposals (RFP) from all private entities qualified for the short-list. On June 28, 2012, by Minute Order 113157, the commission authorized and directed the department to issue an RFP for the project requesting detailed proposals from the short-listed teams. On July 3, 2012, the department issued the RFP.

On September 25, 2012 and October 9, 2012, technical and financial proposals were received from Dallas Horseshoe Solutions, NorthGate Horseshoe Constructors JV, and Pegasus Link Constructors. From September 26, 2012 until November 5, 2012, the department evaluated technical and financial proposals from the three proposers.

The proposals were evaluated in the following categories: (1) Pass/Fail and Responsiveness; (2) Technical Score; and (3) Price Score. The project development plans in the technical proposals were evaluated in the categories of technical solutions, project management plan, and quality management plan, using qualitative ratings of: meets minimum, fair, good, very good, and excellent. The technical proposals were assigned adjectival ratings and numerical scores in each category. The numerical scores were comprised of points assigned to the technical proposals based on the qualitative ratings and the weightings of the individual evaluation criteria, and were added together and multiplied by a percentage defined in the RFP to arrive at the Technical Score.

The Price Score was determined using a formula that divided the lowest price value submitted by a proposer by the price value of the proposal being evaluated, and multiplied that amount by a percentage defined in the RFP. The price value of each financial proposal was determined using a formula that is based on the proposer's price and schedule to construct the project. Each financial proposal's price value is determined based on the formula A-B+C, using three separate components: (A) the sum of the present value of the proposer's design-build price (excluding the Margaret McDermott bridges price), the present value of alternative technical concept (ATC) cost adjustments, and the present value of the maintenance price, minus (B) the road user price, a discount based upon the number of days the proposer commits to bringing the project, excluding the Margaret McDermott bridges, to substantial completion in advance of the department's last allowable date for substantial completion, plus (C) the present value of the proposer's price for the Margaret McDermott bridges.

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The Technical Score was then added to the Price Score to determine the total proposal score. The responsive proposal with the highest score was determined to provide the apparent best value.

The evaluation and scoring of each proposal under the Technical Score and Price Score categories resulted in the proposals being ranked as follows: (1) Pegasus Link Constructors, (2) Dallas Horseshoe Solutions and (3) NorthGate Horseshoe Constructors JV. The proposal submitted by Pegasus Link Constructors was accordingly determined to provide the apparent best value.

IT IS THEREFORE ORDERED by the commission that the determination that the proposal submitted by Pegasus Link Constructors provides the apparent best value to the department is approved, and the department is authorized and directed to commence and complete negotiations with Pegasus Link Constructors necessary to finalize the design-build contract to develop, design, construct, and, potentially, maintain the Dallas Horseshoe Project on I-30 from Sylvan Avenue to west of I-45, and on I-35E from north of Eighth Street to North of I-30 in Dallas County, and to modify the design-build contract as necessary as a result of such negotiations.

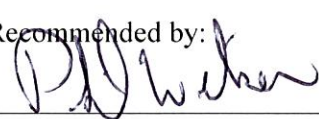
IT IS FURTHER ORDERED that the design-build contract is awarded to Pegasus Link Constructors subject to, and effective upon the occurrence of, all of the following: (1) the successful conclusion of negotiations; (2) applicable FHWA approvals as identified by the department; and (3) the mutual execution and delivery of the design-build contract by the executive director (or his designee) of the department and the proposer.

IT IS FURTHER ORDERED that if the executive director determines that the negotiations with Pegasus Link Constructors cannot be successfully completed, and that therefore the proposal submitted by Pegasus Link Constructors will not provide the apparent best value, the department is authorized to commence and complete discussions and negotiations with Dallas Horseshoe Solutions, the next highest ranked proposer, with award to the next highest ranked proposer subject to the terms and conditions in the immediately preceding paragraph of this order.

Submitted and reviewed by:


Director, Strategic Projects Division

Recommended by:


Executive Director

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