

TEXAS TRANSPORTATION COMMISSION

DALLAS County

MINUTE ORDER

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Texas Transportation Code, Chapter 223, Subchapter F, prescribes the process by which the Texas Department of Transportation (department) may enter into a design-build agreement (DBA) with a private entity that provides for the design, construction, expansion, extension, related capital maintenance, rehabilitation, alteration, or repair of a highway project on the state highway system.

On April 28, 2016, by Minute Order 114563, the Texas Transportation Commission (commission) authorized and directed the department to issue a request for qualifications (RFQ) to design, develop, construct, and potentially maintain the Southern Gateway Project in Dallas County, consisting of improvements to I-35E from south of the I-35E/US 67 interchange to Colorado Boulevard, with transition work extending north to Reunion Boulevard, and improvements to US 67 from the I-35E/US 67 interchange to I-20 (the Southern Gateway Project).

The department issued the RFQ on May 13, 2016, and subsequently determined that three of the five 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 design, develop, construct, and potentially maintain the project.

Texas Transportation Code §223.246 and Title 43 Texas Administrative Code (TAC) §9.153 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 July 28, 2016, by Minute Order 114649, the commission authorized and directed the department to issue an RFP requesting detailed proposals from the short-listed teams for the design, development, construction, and potential maintenance of the Southern Gateway Project, and authorized a payment for work product for each proposer that submitted a responsive, but unsuccessful, proposal of up to a maximum amount per proposer of 0.25% of the successful proposer's price for all work under the DBA. On November 10, 2016, the department issued the RFP, which also included options for a local enhancement work package to provide portions of a structural cap over the I-35E main lanes, non-tolled express lanes, and adjacent ramps that will support the City of Dallas's future plans for a deck plaza from Marsalis Avenue to Ewing Avenue.

On March 23, 2017, technical proposals were received from AGL Constructors 2, Pegasus Link Constructors, and SouthGate Corridor Constructors. On April 10, 2017, financial and price proposals were received from AGL Constructors 2, Pegasus Link Constructors, and SouthGate Corridor Constructors. From March 27, 2017, until April 21, 2017, the department evaluated technical, financial, and price proposals from the proposers.

The proposals were evaluated in the following categories: (1) pass/fail and responsiveness; (2) technical score; and (3) price score. The proposals were first evaluated on the basis of certain pass/fail criteria set forth in the RFP, and reviewed for responsiveness to the submittal requirements in the RFP. The technical proposals were then evaluated and scored in accordance with the requirements of the RFP, which included performance evaluations prepared by the department in accordance with 43 TAC §9.152 and §27.3, and other performance evaluations as deemed relevant by the department. The price proposals were then evaluated and scored, also in accordance with the requirements of the RFP. The technical score points assigned to the technical proposals were then added to the price score points to determine the total number of points received by each proposal. The responsive proposal with the highest score was determined to provide the apparent best value.

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The evaluation and scoring of each proposal under the technical score and price score categories resulted in the proposals being ranked as follows: Pegasus Link Constructors; SouthGate Corridor Constructors; AGL Constructors 2. 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 DBA and the associated capital maintenance agreement (CMA) to design, develop, construct, and potentially maintain the Southern Gateway Project in Dallas County, and to modify the DBA and CMA as necessary as a result of such negotiations.

IT IS FURTHER ORDERED that the DBA and the associated CMA are awarded to Pegasus Link Constructors subject to, and effective upon the occurrence of, all of the following: (1) the successful conclusion of negotiations, including satisfaction of conditions to final award specifically identified by the department in its letter notice of conditional award to the proposer; (2) the issuance of a Notice of Intent to Award by the department; (3) applicable Federal Highway Administration approvals as identified by the department; and (4) the mutual execution and delivery of the DBA and CMA by the executive director of the department and the design-build contractor.

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 SouthGate Corridor Constructors, 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, Project Finance, Debt and
Strategic Contracts Division

Recommended by:



Executive Director

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