

June 12, 2013

Ms. Carla Easton, P.E.
City of McKinney
221 N. Tennessee St.
McKinney, TX 75069

Re: FM 543 REALIGNMENT AT US 75

Dear Ms. Easton,

Nathan D. Maier Consulting Engineers, Inc. (NDM) has reviewed the qualification information provided to us for both the low bidder, Pavecon, Ltd. (Pavecon), and the second low bidder, Tiseo Paving Company (Tiseo).

NDM has also made some general observations in reviewing Pavecon's submitted qualification information. For example, the project descriptions for the submitted reference projects do not appear to be roadway and infrastructure projects of a similar nature to the FM 543 project. In addition, the majority of the projects submitted have a total dollar value under \$500,000.00. This is well below Pavecon's bid of \$2,722,440.86 for this project. Further, on many of the projects, Pavecon appears to have served in a subcontractor capacity rather than as a Prime. Based on these general observations, NDM concurs with the City's conclusion that Pavecon has not provided adequate project experience to support their selection to complete this project.

NDM contacted the following references provided by Tiseo:

Gordon Scruggs with the City of The Colony confirmed that Tiseo was the prime contractor for several paving jobs in the City of The Colony ranging from residential streets to four-lane divided streets. On one particular residential street project, the phasing was very complicated. A phasing plan was provided with the construction plans, but Tiseo developed a more effective plan. In fact, Mr. Scruggs indicated the concept developed by Tiseo is now being used on other City projects. Tiseo has no safety issues of which Mr. Scruggs is aware. Tiseo has used sub-contractors for utility construction on City of the Colony projects. Mr. Scruggs said there have been no issues with subcontractors on Tiseo projects either. All projects have been completed on time and within budget. There were change orders, but Tiseo submitted fair pricing and handled the change orders with no incidents. Mr. Scruggs knows of no claims on projects performed for the City by Tiseo. Mr. Scruggs indicated that Tiseo does excellent work and he would work with them again.

Justin Brown with the City of Corinth indicated Tiseo has performed two paving projects for the City. One of the projects was a two-mile long connector road and the other a six-lane city street. Tiseo was the prime contractor on both jobs and performed all of the street and sidewalk construction. Tiseo had a sub-contractor do the utility work. Mr. Brown indicated Tiseo is very conscientious about their paving, has had no problems

on City projects. He also noted Tiseo has finished both City projects on time and within budget. There were change orders based on plan modifications requested by the City. Tiseo handled change orders fairly and in a timely manner. Mr. Brown stated there have been no claims and cleanup and closeout went smoothly. Mr. Brown said that Tiseo is a professional company and he would work with them again.

Lee Stimpson, Project Manager with the City of Plano, indicated Tiseo was the prime contractor for a new three-lane project and widening of an existing four-lane road. Mr. Stimpson indicated this was a Federally funded project and a great deal of paperwork was required. He reported that Tiseo handled this with no concerns. Tiseo used subcontractors for most of the utility work and for bridge construction. Mr. Stimpson said the project was completed on time and within the budget requirements of TxDOT and the City. There were change orders and Tiseo handled them fairly and with no problems. Cleanup and project closeout activities were completed with no problems. Mr. Stimpson said he would work with Tiseo again.

Stu Bowman with The City of Arlington confirmed Tiseo was the prime contractor for a street widening project. There were six railroad crossings on the project. Tiseo coordinated the rail crossings without concern. Tiseo performed all the paving on the project. A subcontractor performed utility work. Mr. Bowman did note that Tiseo hired the lowest bid subcontractors and the subcontractor work had to be monitored. He added that the overall quality of the work was good. The project was on budget but was not completed on time due to railroad coordination issues. There were change orders, but Mr. Bowman stated Tiseo was fair in the pricing and handled the required paperwork with no issues. There were no claims on project. Mr. Bowman said he would work with Tiseo again.

Rick O'Dell an inspector with City of Coppell said Tiseo has been the prime contractor on several paving projects for the City. Mr. O'Dell indicated that there have been no safety issues. He said Tiseo performed all the paving construction and subcontracted landscaping and utility work. Mr. O'Dell noted Tiseo's utility contractor was slow and had to be monitored, but there were no major issues on the projects. He added that Tiseo always finished very close to the project deadline, but was not late. Mr. O'Dell felt that Tiseo's pricing was a little high on change orders, and felt that Tiseo was only average on cleanup and closeout activities. Mr. O'Dell added that he would work with them again. Mr. O'Dell also stated he thinks Tiseo is an average contractor, but attributed the majority of issues on the projects with the utility subcontractor rather than with Tiseo's performance.

Mike McKay with The City of Carrollton indicated Tiseo was the prime contractor for the City's Old Denton Road project. This project had work restrictions that Tiseo handled with no problems. Mr. McKay noted that the first utility subcontractor on the project was a problem. The City asked Tiseo to address concerns with the utility contractor. Tiseo replaced the subcontractor and all went smoothly moving forward on the project. Mr. McKay said that Tiseo was on budget but was a little late completing the project. He indicated it was not Tiseo's fault. The City asked for changes to the project that caused the delay. Tiseo handled the changes without incident and offered fair pricing for change

orders. Mr. McKay said there were no claims and no issues with paper work. He said he would work with Tiseo again and noted he enjoyed working with Tiseo.

We also contacted Tiseo's bonding agent, Jeff Chandler, who is with the Valenti Trobec Chandler Agency. He has worked with Tiseo since June 22, 1989. Mr. Chandler indicated Tiseo has had no claims. Mr. Chandler also indicated Tiseo has a single project bonding capacity of \$75,000,000 and an aggregate bonding capacity of \$100,000,000. Mr. Chandler said there will be no problem bonding the FM 543 project. He added that Tiseo is an "elite company".

Based upon the information above, NDM has no objections to awarding the contract to Tiseo in the amount of their bid.

Sincerely,

NATHAN D. MAIER CONSULTING ENGINEERS, INC.

A handwritten signature in blue ink that reads "Brad Rusk". The signature is written in a cursive, slightly slanted style.

Brad Rusk
Construction Manager