



18-1028

**TITLE:** Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Contract with Freese and Nichols, Inc. for Construction Inspection Services for Public Infrastructure in the Trinity Falls Municipal Utility District Development and Related TCEQ Bond Inspections

**COUNCIL GOAL:** Operational Excellence  
(2B: Balance available resources to accommodate the growth and maintenance needs of the city)

**MEETING DATE:** December 4, 2018

**DEPARTMENT:** Development Services / Engineering

**CONTACT:** Gary Graham, PE, PTOE - Director of Engineering

**RECOMMENDED CITY COUNCIL ACTION:**

- Approval of Resolution.

**ITEM SUMMARY:**

- This Resolution authorizes a contract with Freese and Nichols, Inc. to provide for Construction Inspection Services for Public Infrastructure in the Trinity Falls Municipal Utility District Development and Related TCEQ Bond Inspections ("Inspection Agreement") for an amount not to exceed \$440,000.

**BACKGROUND INFORMATION:**

- Trinity Falls Holdings LP ("Trinity Falls"), an entity controlled by The Johnson Development Corp., is the assignee and successor-in-interest to CH-B Trinity Falls, LP, and is developing property pursuant to the 2012 Development Agreement, as currently amended, between CH-B Trinity Falls, LP and the City of McKinney, Texas ("City") with the original effective date of December 4, 2012 ("Development Agreement").
- Section 3.7 of the Second Amendment of the Development Agreement requires the City to engage one or more "Certified Inspectors," as defined therein, to inspect the construction or installation of all Public Infrastructure in accordance with the approved plans and specifications and the Governing Regulations and

to provide Texas Commission on Environmental Quality (“TCEQ”) bond submittal reports prepared in accordance with procedures to be adopted by McKinney Municipal Utility District No. 1 (“MUD #1”) and McKinney Municipal Utility District No. 2 (“MUD #2”) and TCEQ’s bond submittal requirements (the “Inspection Services”).

- Per the terms of the Development Agreement, the cost of Certified Inspectors is to be paid by Trinity Falls.
- Freese and Nichols, Inc. (“FNI”) submitted a response to RFQ 17-58 for Miscellaneous Construction Inspection services. They were selected as the most qualified firm by City Council on August 15, 2017.
- FNI will provide two Certified Inspectors to perform the Inspection Services for a term of one year from the effective date of the Inspection Agreement.
- Freese and Nichols has submitted a proposal for their professional services in the amount of \$440,000 for the term of the Inspection Agreement.
- Trinity Falls has submitted payment in the full amount of \$440,000 for the Inspection Agreement and those funds have been placed into the City’s general fund.
- Payment for Inspection Services provided by FNI will be made by the City from the general fund based on actual hourly billings in an amount not to exceed the estimated proposal amount.
- The City will provide Trinity Falls a minimum 30-day notice prior to the end of this one-year Inspection Agreement for the terms of a subsequent annual contract for Inspection Services per the requirements of the Development Agreement.

**FINANCIAL SUMMARY:**

- The Resolution authorizes a contract with Freese and Nichols, Inc. for an amount not to exceed \$440,000.00.
- Funding in the amount of \$440,000.00 for these services has been received from Trinity Falls and placed in the City’s general fund and designated for this purpose (Account #001-0000-220.33-00).

**BOARD OR COMMISSION RECOMMENDATION:**

- N/A

**SUPPORTING MATERIALS:**

[Resolution](#)