



23-0757

TITLE: Consider/Discuss/Act on a Resolution Authorizing the City Manager to Execute a Change Order to the Construction Manager at Risk (CMAR) Services Contract with Lexon Insurance Company (Surety) for Additional Work Related to the Design and Construction of the TKI Executive Terminal located at 1508 Industrial Blvd, at the McKinney National Airport, McKinney Texas

COUNCIL GOAL: Maximize the Development Potential of McKinney National Airport (3D: Continually Maintain National Recognition for Excellence In Fixed-Base Operations)

MEETING DATE: September 19, 2023

DEPARTMENT: McKinney National Airport
Facilities Construction Department

CONTACT: Kenneth Carley, Director of Airport
Patricia L. Jackson, PE - Facilities Construction Manager

RECOMMENDED CITY COUNCIL ACTION: Approval of the Resolution

ITEM SUMMARY:

- This Resolution authorizes an amendment to the existing CMAR services contract now held by Lexon Insurance Company (Lexon or Surety) with work being performed by Nicholson Management Company, Inc. (NMC) to provide the construction services required for a fully functional facility that were not a part of the bonded scope of work when McRight-Smith Construction, LLC filed for bankruptcy.
- A takeover agreement to complete the project was executed between the City of McKinney and the Surety on October 24, 2022.

BACKGROUND INFORMATION:

- Lexon and Nicholson Management Consulting previously submitted Change Order 001 that was funded by contract included owner's contingency resulting in a zero dollar change order that was executed on July 12, 2023.
- Lexon and NMC have now submitted a proposal to provided additional CMAR services for the amount of \$299,450.72.

- With City council approval, Lexon and NMC will be notified and will begin work immediately upon approval.

FINANCIAL SUMMARY:

- The Resolution authorizes the City Manager to execute an amendment to the existing CMAR services with Lexon for an additional amount of \$299,450.72.
- Upon approval of this item, \$518,550.05 will remain in AI2068.

BOARD OR COMMISSION RECOMMENDATION: N/A

SUPPORTING MATERIALS:

[Resolution](#)

[Proposal](#)