



MEMO TO CITY COUNCIL

Request to Include Topic on the City Council Workshop Agenda

From:	Laurelei McVey, Public Works	Meeting Date:	February 10, 2026
Presenter:	Laurelei McVey, Public Works	Estimated Time:	10 minutes
Topic:	APPROVAL OF TOLL BROTHERS BID RESULTS FOR THE PUBLIC PRIVATE PARTNERSHIP AGREEMENT DATED DECEMBER 2, 2025.		

Recommended Council Action:

Public Works is seeking approval to move forward with written acceptance of the low bid and award of construction contract per the executed agreement with Toll Brothers.

Summary:

The City and Toll Brothers (a private developer) entered into a Public Private Partnership (PPP) agreement that accelerates the construction of the first portion of the McDermott Sewer Trunk Line project. The PPP agreement between City of Meridian and Toll Brothers was approved by City Council on December 2nd, 2025. Under this agreement, the developer will construct and fund the project with the City of Meridian being responsible to reimburse the developer 50% of the project costs, with some caveats. The contract included several important elements including limiting the City's responsibility for change orders to 5% of the bid. Anything over that value is the sole responsibility of the developer.

This partnership accelerates planned City installed sewer infrastructure by approximately 2 years; however, it saves the City 50% of the cost of this planned infrastructure and has no negative financial impact as the funding is not required to be accelerated ahead of the City's planned timeframe. The City will reimburse the developer when the City planned to fund the project in its CFP in 2028.

Bid Results:

In the agreement, Toll Brothers was required to bid out the project using the City standards for bidding and accept the lowest responsive bidder. The bids were opened on January 23rd. They received 4 bids, with one being deemed incomplete. Responsive bids ranged from \$7.3M to \$15.6M.

The low bid is \$7,253,979 which is approximately 10% above the engineer's estimate for the project. The contract does give the City the ability to cancel the contract if the bid exceeded \$6,564,398.

Public Works recommends accepting the low bid. The project partnership saves the City millions of dollars on infrastructure that the City has planned to install and solely fund as soon as 2028.