



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: K-1819-1 CO #3

File ID: K-1819-1 CO #3	Type: Contract	Status: Consent Item
Version: 1	Reference: Item 23	In Control: City Council
Department: Public Works Department	Cost:	File Created: 10/21/2020
File Name: Change Order No. 3 to FYE 2019 Street Maintenance Bond - Urban Concrete Pavement		Final Action:

Title: CHANGE ORDER NO. THREE TO CONTRACT K-1819-1: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND CENTRAL CONTRACTING SERVICES, INC., DECREASING THE CONTRACT AMOUNT BY \$3,603.53 FOR A REVISED CONTRACT AMOUNT OF \$1,560,265.94 FOR THE STREET MAINTENANCE BOND - URBAN CONCRETE PAVEMENT, FYE 2019 LOCATIONS AND FINAL ACCEPTANCE OF THE PROJECT.

Notes: ACTION NEEDED: Motion to approve or reject Change Order No. Three to Contract K-1819-1 with Central Contracting Services, Inc., decreasing the contract amount by \$3,603,53 for a revised contract amount of \$1,560,265.94 and if approved, authorize the execution thereof, accept the project, direct final payment in the amount of \$72,395.58 to Central Contracting Services, Inc.

ACTION TAKEN: _____

Agenda Date: 11/10/2020

Agenda Number: 23

Attachments: K-1819-1 Change Order No. 3, Cost Summary Table, Final Invoice, List of locations and maps

Project Manager: Jason Spencer, Capital Projects Engineer

Entered by: brenda.gomez@normanok.gov

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:

Text of Legislative File K-1819-1 CO #3

Body

BACKGROUND: In the Norman General Obligation Bond Election of 2016, voters approved

the Street Maintenance Bond Program, a 5-year, 4-phase program to address maintenance needs on neighborhood streets. The four categories include (1) Urban Asphalt Street Rehabilitation, (2) Urban Concrete Street Rehabilitation, (3) Urban Road Reconstruction and (4) Rural Road Rehabilitation. Prior to the election, the City provided a list of all streets included in the program based upon the pavement condition data from the City's current Pavement Management System. Seven (7) neighborhood additions with 17 locations on urban concrete streets were identified for the third year (FYE 2019) of the program. A list of the locations and the associated maps are attached.

Bid specifications and documents for the Street Maintenance Bond - Urban Concrete Pavement, FYE 2019 Locations project were advertised on May 24, 2018 and May 31, 2018 in accordance with state law. Seven (7) potential bidders acquired plans and specifications. Three (3) contractors submitted bids. The lowest bid, in the amount of \$1,401,464 was submitted by RDNJ, LLC dba A-Tech Paving of Edmond, OK. The next low bidder was Central Contracting Services, Inc. of Norman, OK, in the amount of \$1,451,515. All bids received were less than the engineer's estimate of \$1,778,400.

The State Competitive Bidding Act (Act) requires that the contract be awarded to the "lowest responsible bidder". However, the Act does not define lowest responsible bidder. Section 8-204 of the City Code states that "Acceptance will be made of that bid most advantageous to the City, considering price, quality, date of delivery, and other pertinent factors." Although price is important, other factors can and should be considered to determine whether the bid represents the best value for the City. Typically these factors include the bidder's financial or pecuniary ability to complete the contract, integrity and trustworthiness, skill, judgment, ability to perform faithful and conscientious work, promptness, experience, necessary facilities and equipment for doing the work, efficiency, previous performance of satisfactory work or other essential factors.

Staff carefully reviewed the bid packages. The lowest bidder, RDNJ, LLC dba A-Tech Paving, was working on five projects for the City of Norman. Most of these projects were incomplete and significantly behind schedule including the 2015 Main Street Pavement Repair Project, the 2017 Imhoff Creek Channel Repair Project, and the Lahoma Street Project. City Staff was informed that RDNJ was having similar problems in the City of Oklahoma City. This raised concerns that RDNJ, LLC dba A-Tech Paving would not have adequate personnel and equipment to complete the Urban Concrete contract in the required timeframe. This contractor has also been non-compliant with other contractual obligations. For the above mentioned reasons, City staff recommended that RDNJ, LLC, d/b/a A-Tech, not be considered the lowest responsible bidder on this project. Staff met with the Contractor to discuss corrective measures on the pending projects, and if completed satisfactorily, RDNJ will be considered for future City projects.

City staff reviewed the bids and documents submitted by the next low bidder, Central Contracting Services, Inc., and their current performance on projects with City of Norman. Staff found their documentation to be in compliance with City of Norman's Standard Specifications, and their current performance acceptable, and therefore considered as the lowest responsible bidder.

The project is funded in the Capital Fund, Urban Concrete Pavement Bond Program, Construction (account 50593393-46101; projects BP0405, BP0406, BP0407, BP0408, BP0409, BP0410, BP0411).

On July 24, 2018, City Council awarded Contract K-1819-1 for the Street Maintenance Bond Program - Urban Concrete Pavement, FYE 2019 Locations to Central Contracting Services, Inc. of Norman, Oklahoma in the amount of \$1,451,515.

Additionally, the Norman Utilities Authority (NUA) requested to utilize the favorable concrete prices to construct a paved area for the East Norman Recycling Drop Off Center. The drop off area was planned to be north of the East Norman Library on East Alameda Street. In addition to the concrete bid prices, NUA staff negotiated prices for retaining wall, curb and gutter, reinforcing steel, and mobilization.

Change Order No. 1, which was funded separately with Norman Utilities Authority funds, increased the contract amount by \$95,961 for a revised total of \$1,547,476. Sanitation Utility funds in the amount of \$129,500 were available in Sanitation Capital Projects, Construction (account 33999975-46101; project SA0010).

On July 24, 2018, City Council approved Change Order No. 1 to Contract K-1819-1 between the City of Norman and Central Contracting Services, Inc., increasing Contract K-1819-1 by \$95,961. This Change Order added the additional concrete work at the East Norman Recycling Center to the project scope.

The paved area for the recycling center is complete and a final inspection was performed on November 6, 2018 by NMA staff.

Change Order No. 2 to Contract K-1819-1 reconciled estimated project quantities to as-built quantities for the recycling center and added new items of work. On November 27, 2018, City Council approved Change Order No. 2 to Contract K-1819-1 between the City of Norman and Central Contracting Services, Inc., increasing Contract K-1819-1 by \$16,393.47. This Change Order addressed additional work at the East Norman Recycling Center.

DISCUSSION: Construction projects are awarded to the lowest responsible bidder. Contractor bids are determined using plan quantities multiplied by the contractor's unit prices for all bid items of the contract. The total of all of these costs represents the contractor's bid. During construction, each quantity is verified in the field and the contractor is to be reimbursed, based on the actual quantity used. On this project, several items underran the estimated quantities, including concrete for 6" pavement.

This Final Change Order No. 3 addresses the quantity changes, resulting in a decrease of \$3,603.53, decreasing the total contract amount from \$1,563,869.47 to \$1,560,265.94 or 0.23%.

RECOMMENDATION No. 1: Staff recommends approval of Change Order No. 3 to Contract K-1819-1 for the Street Maintenance Bond - Urban Concrete Pavement, FYE 2019 Locations, decreasing Contract K-1819-1 by \$3,603.53.

RECOMMENDATION No. 2: Staff further recommends final acceptance of the Street Maintenance Bond - Urban Concrete Pavement, FYE 2019 Locations, Contract K-1819-1 and final payment in the amount of \$72,395.58.