



# City of Norman, OK

Municipal Building Council  
Chambers  
201 West Gray Street  
Norman, OK 73069

## Text File

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### Title

AMENDMENT NO. ONE TO CONTRACT K-0708-142: BY AND BETWEEN THE NORMAN TAX INCREMENT FINANCE AUTHORITY AND HOWARD-FAIRBAIRN SITE DESIGN, INC., INCREASING THE CONTRACT AMOUNT BY \$164,068 FOR CONSTRUCTION OVERSIGHT AND REPORTING AND MATERIALS TESTING SERVICES FOR THE LEGACY PARK PROJECT AND BUDGET APPROPRIATION.

### Body

**BACKGROUND:** A separately identified component of the Project Plan for the University North Park Tax Increment Finance District (UNP TIF) adopted in May of 2006 was the development of Legacy Park. On October 23, 2007, the City of Norman and the Norman Tax Increment Finance Authority approved contract K-0708-76, "Development Agreement No. Three for the Development of Legacy Park", with University Town Center, LLC and University North Park, LLC (DA#3). On April 22, 2008, The Norman Tax Increment Finance Authority entered into Contract No. K-0708-142 with Howard-Fairbairn Site Design, Inc., for the design of the Legacy Park Project, located on land in the University North Park (UNP) area. On June 23, 2009, the Norman Tax Increment Finance Authority (NTIFA) authorized the issuance of its Series 2009 Tax Increment Revenue Notes (Resolution No. R-0809-161). Among other things, the 2009 NTIFA Notes authorized up to \$5,100,000 to finance the construction of Legacy Park. Release of funds for the construction of Legacy Park was conditioned on the parties reaching an agreement on Development Agreement No. 5.

The Howard-Fairbairn design of Legacy Park was presented to the TIF Oversight Committee and the City Council in the fall of 2009. Bid documents were prepared and construction bids were accepted for Legacy Park in December of 2009. The base bids with all add alternates exceeded the amount set aside for park construction. In addition, there continued to be an issue regarding ownership of the land for the park site not being conveyed to the City of Norman and consequently, the construction contract was not awarded, and the original bids allowed to lapse in 2010.

On May 8, 2012, the City of Norman and the Norman Tax Increment Finance Authority approved Contract No. K-1112-125 (also known as Development Agreement #5), "An Agreement Setting Forth Obligations Related to the Development of the Norman University North Park Project", with University North Park, LLC, University Town Center, LLC, and UNP Realty Investors, LLC. Among other things, this agreement made available additional funding from the 2009 NTIFA Notes, up to \$7.99 million, for the construction of Legacy Park and associated roadway improvements. This additional funding was made available by recognizing savings realized during the construction of the Rock Creek Overpass and the lender's commitment to loan the full amount authorized under the 2009 Revenue Notes by allowing funding originally identified for Rock Creek Overpass construction to be drawn and utilized for Legacy Park and associated roadway improvement construction.

On July 24, 2012, the City of Norman approved the final plat for University North Park Addition Section IX and acceptance of public dedication of Parkland for Legacy Park. Once the final plat for University North Park Addition Section IX was filed, the City of Norman obtained full ownership of the site to be developed as Legacy Park. Having resolved both the park land ownership issue and strengthened the NTIFA's position for the construction funding of Legacy Park, Howard-Fairbairn was asked to update construction bid documents and rebid the project.

On October 19 and 26, 2012, Bid No. 1213-39 for the Legacy Park Construction Project was advertised in the *Norman Transcript*, *Bid News/i-squarefoot*, *e-plan* and *Dodge Report*. Bid packets were obtained

by ten general contractors, five of whom responded with complete bids. The Bid Packet included a base bid for construction and twelve add-alternates, which are listed in an attachment. Bids were publicly opened by the Purchasing Division on November 20, 2012. The Bids were presented to the Council on December 11, 2012, to the TIF Development Oversight Committee on December 18, 2012, and discussed again with the Council on January 8, 2013. In accordance with the feedback from the TIF Oversight Committee and the Council, Contract K-1213-67 is being presented to Council for formal consideration in a companion item. Should that item be approved, then this item amends the Howard Fairbairn contract to primarily to add construction supervision services for the Legacy Park Construction Project.

**DISCUSSION:** Bids for the construction of Legacy Park were publicly opened by the Purchasing Division on November 20, 2012. The lowest and best-qualified bid was submitted by CGC, LLC in the Base Bid amount of \$5,525,900. Parks and Recreation Department staff presented this base bid amount, as well as the add-alternates for the project to the City Council and the TIF Development Oversight Committee. Considering input from those meetings, a contract in the amount of \$5,897,900 for the Legacy Park Construction Project with CGC, LLC will be recommended to the Council/NTIFA.

The original contract amount with Howard-Fairbairn was in the amount of \$303,200. An unpaid balance of \$39,120 remains on this contract. This amount is to be paid to Howard-Fairbairn for the originally-planned construction-phase project observation and management role their firm is to fulfill. Since the 2009 bid opening, there have been some updates and revisions in the project design, project estimates, and project management proposal that were required to re-bid the project.

Discussed with the City Council and TIF Oversight Committee was the proposal from Howard-Fairbairn to provide additional construction observation services for this project, beyond those in the 2008 contract. The total amendment amount proposed is \$164,068. This includes \$30,073 for rebidding costs; \$93,875 for additional on-site construction observation and reporting; and \$40,120 for estimated materials testing throughout the project. Details of the additional work include: all project plans and specification updates; re-issuance of bid documents and responses to bidder questions; participation in pre-bid, bid opening and contractor selection and negotiation; participation in pre-construction conferences; construction observation meetings; preparation of field reports and project documentation; responses to contractor requests for information; project progress meetings and reporting; expanded on-site observation (10-12 hours per week for an estimated 58 weeks); coordination of activities of The McKinney Partnership (TMP), Architects, as field liaison for the design team; site observations required by each consultant; communication with the City of Norman regarding project status and requests for information or action; project logs of all site activities and observation in order to document the results of the expanded on-site services for Howard-Fairbairn and the City of Norman; and construction testing services required by the City of Norman for materials installed throughout the project.

**RECOMMENDATION NO. 1:** Staff recommends amending Contract No. K-0708-142 with Howard-Fairbairn Site Design, Inc., in the additional amount of \$164,068.

**RECOMMENDATION NO. 2:** It is further recommended upon approval of Amendment No. One to Contract No. K-0708-142 that \$164,068 be appropriated from the University North Park TIF Fund Balance (057-0000-253.20-00) to Project No. UT0098, Legacy Park and Trail Project, Design (057-9518-431.62-01).