



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: K-1819-128 AMD#1

File ID: K-1819-128 AMD#1	Type: Contract	Status: Consent Item
Version: 1	Reference: Item 18	In Control: City Council
Department: Public Works Department	Cost:	File Created: 08/21/2019
File Name: Amendment No. 1 to Contract for 24th Avenue East Widening from Lindsey to Alameda, Phase 1		Final Action:

Title: AMENDMENT NO. ONE TO CONTRACT K-1819-128: A PROJECT AGREEMENT BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND THE OKLAHOMA DEPARTMENT OF TRANSPORTATION INCREASING THE CONTRACT AMOUNT BY \$94,304,60 FOR A REVISED CONTRACT AMOUNT OF \$974,304.60 FOR THE CITY'S LOCAL SHARE FOR PROJECT STP-214B(068), STATE JOB 29300(04) FOR THE CONSTRUCTION OF 24TH AVENUE FROM LINDSEY STREET TO ALAMEDA STREET, PHASE 1, (2 TO 4 LANES) WITH SIGNALS AND ADOPTION OF RESOLUTION R-1920-29.

Notes: ACTION NEEDED: Motion to approve or reject Amendment No. One to Contract K-1819-128 with ODOT increasing the contract amount by \$94,304,60 for a revised contract amount of \$974,304.60 for the City's share; and, if approved, adopt Resolution R-1920-29 and authorize the execution of the contract and resolution.

ACTION TAKEN: _____

Agenda Date: 09/10/2019

Agenda Number: 18

Attachments: Location Map, Contract Amendment #1 (Revised Cap), CONSTRUCTION Invoice(Revised from Bid), R-1920-29, Requisition

Project Manager: Tim Miles, Capital Projects Engineer

Entered by: rachel.warila@normanok.gov

Effective Date:

History of Legislative File

Ver- sion:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
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Text of Legislative File K-1819-128 AMD#1

Body

BACKGROUND: On November 22, 2011, the Norman City Council approved Programming Resolution R-1112-62, requesting federal funds for the 24th Avenue East Bond Project. This resolution states the City's commitment to adhere to the terms and conditions of a federally funded project including engineering design, acquisition of all necessary rights-of-way and relocation of utilities and encroachments at 100% the City's cost. In return, the Association of Central Oklahoma Governments (ACOG), through the Oklahoma Department of Transportation (ODOT), agrees to provide 80% of the construction cost and administration of the construction with the matching share from the City of Norman.

On August 28, 2012, the citizens of Norman voted in favor of a Bond Issue to finance the local share of eight transportation/stormwater improvement projects. One of the eight 2012 bond projects is the 24th Avenue East Bond Project (please see the attached location map showing the project boundaries). The total estimated project cost including design, utility relocations, right-of-way, construction and construction management is \$15,388,000. The City's share is estimated to be \$7,518,000.

Proposed improvements for the 24th Avenue East Bond Project include:

- Widen two miles of roadway from two lanes to four lanes;
- Intersection improvements at 24th Avenue East/Meadowood Boulevard and 24th Avenue East /Robinson Street;
- Interconnect traffic signals on 24th Avenue East from Lindsey Street to Robinson Street;
- Continuous sidewalks and accessibility;
- Stormwater improvements;
- On-street bike lanes.

On March 12, 2013, City Council approved engineering services Contract K-1213-169 with Atkins North America, Inc., for the design of the 24th Avenue East Bond Project between Lindsey Street and Robinson Street in the amount of \$875,266.50.

On January 23, 2018, City Council approved Contract K-1718-63 in the amount of \$45,413 with Oklahoma Natural Gas (ONG) for Phase 1 (Lindsey to Alameda) utility relocations within private easements.

On January 23, 2018, City Council approved the allocation of \$74,200 for acquisition services under On-Call Contract K-1314-103 with Pinnacle Consulting Management Group.

On February 27, 2018, City Council approved Amendment No. 1 to Contract K-1213-169 with Atkins North America in the amount of \$133,455 for additional engineering design services.

On April 10, 2018, City Council approved Resolution R-1718-102 creating a Recoupment District for the 24th Avenue East Bond Project.

On June 26, 2018, City Council accepted eight (8) easements from six (6) parcels along the 24th Avenue East Project.

On August 28, 2018, City Council approved Contract K-1819-8 in the amount of \$1,583,150.50 for the 24th Avenue East Water Line Relocation Project: Phase 1, with W.E.B. Construction.

On September 11, 2018, City Council accepted one (1) easement from one (1) parcel along the 24th Avenue East Project.

On October 23, 2018, City Council accepted eight (8) easements and two (2) Warranty Deeds from four (4) parcels along the 24th Avenue East Project.

On November 13, 2018, City Council accepted ten (10) easements from three (3) parcels along the 24th Avenue East Project.

On February 12, 2019, City Council approved Contract K-1819-97 in the amount of \$2,330,500 for the 24th Avenue East Water Line Relocation Project: Phase 2, with H&H Plumbing and Utilities, Inc.

On February 26, 2019, City Council accepted three (3) easements from one (1) parcel along the 24th Avenue East Project.

On April 9, 2019, City Council approved the following items:

- 24th Avenue East Phase 1: ODOT Funding Agreement
- 24th Avenue East Phase 2: ODOT Funding Agreement
- 24th Avenue East Phase 1: ODOT Right-of-Way and Utility Agreement
- 24th Avenue East Phase 2: ODOT Right-of-Way and Utility Agreement
- 24th Avenue East Deferral Fund Appropriations

On June 20, 2019, ODOT conducted the bid opening for Phases 1 and 2 of the 24th Avenue East Widening Projects. Silver Star Construction Company had the low bid in the amount of \$9,437,000 for the two combined projects. On July 1, 2019 the Transportation Commission awarded this project to Silver Star Construction Company. Based on recent discussions with Silver Star Construction Company, they intend to start work in mid-September of this year. Construction is anticipated to be complete by late summer 2020.

On August 13, 2019, City Council approved Change Order No. 1 with W.E.B. Construction on the Phase 1 Water Line Project, decreasing the contract amount by \$1,530.12 for a new contract amount of \$1,581,620.38. Final acceptance of the project was also approved.

DISCUSSION: In an effort to get the lowest possible bid for Phases 1 and 2 of the 24th Avenue East Widening Projects, ODOT tied the bids of these two projects together, which means contractors were required to bid on both projects. By tying these projects, the combined bid item quantities are larger, which tends to result in lower unit prices and an overall lower bid.

ODOT went one-step farther and combined some of the common lump sum bid items into only

the Phase 1 Project bid to reduce redundancy costs between the two projects. These bid items include *Mobilization, Storm Water Prevention Plan Documentation and Management, and Construction Staking Level II*. However, by doing this, ODOT shifted more of the combined project costs to the Phase 1 project. As a result, the federal cap on Phase 1 will likely be exceeded if left unadjusted. Once the federal cap is exceeded, the City then pays 100% of the construction cost instead of the current 20% participation rate.

City staff discussed the federal cap issue with ACOG, who controls the federal funds. They then met with ODOT and mutually agreed that the best way to remedy this unintended issue was to adjust the federal cap to more evenly balance the capped amounts between the two projects.

Amendment No. 1 to Contract K-1819-128 with the Oklahoma Department of Transportation is to be considered by City Council. The only change from the original document is the new federal cap amount for Phase 1. In a companion agenda item, the federal cap amount for Phase 2 is also adjusted. The total federal funds for the combined projects is set at \$8,842,344 and is not changing; however, ACOG was able to better balance the federal funds between the two projects by shifting \$300,000 to the Phase 1 cap from the Phase 2 cap amount. The new Phase 1 cap amount is \$4,256,024 and the new Phase 2 cap amount is \$4,586,320. The purpose of these changes is to allow the City to stay under the federal cap on both projects and maximize the local share.

This ODOT contract amendment was accompanied by a second ODOT invoice that reflects the updated local share amount based on the actual construction bid. Silver Star Construction Company's low bid came in 9.1% over ODOT's preliminary estimate that the original ODOT invoice to the City was based on. ODOT's final estimate taking into account the most recent bid unit prices at the time of the bid was 3% below the low bid. Silver Star Construction Company's low bid is within the City's budget for construction on this project. The additional local share for Phase 1 is \$94,304.60 for a new Phase 1 total of \$974,304.60.

Funds are available within the 24th Avenue East Widening Project to pay this invoice. \$90,289.75 will be paid from 24th Avenue East Widening, Construction (account 050-9552-431.61-01; project TC0277) and \$4,014.85 will be paid from 24th Avenue East Widening, Construction (account 050-9552-431.61-01; project BP0192).

RECOMMENDATION No. 1: Staff recommends approval of Amendment No. 1 to Contract K-1819-128 with the Oklahoma Department of Transportation.

RECOMMENDATION No. 2: Staff further recommends adoption of Resolution R-1920-29 adopting Amendment No. 1 to the ODOT Project Agreement (Contract K-1819-128).