



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: K-1718-99

File ID: K-1718-99

Type: Contract

Status: ATS Review

Version: 1

Reference: Item 13

In Control: City Council

Department: Public Works
Department

Cost: \$1,204,000.00

File Created: 02/26/2018

File Name: Contract for CDBG-DR Project Nos. 4 & 7

Final Action:

Title: CONSIDERATION OF AWARDING BID 1718-44; APPROVAL OF CONTRACT K-1718-99 WITH SILVER STAR CONSTRUCTION COMPANY, INC., IN THE AMOUNT OF \$1,204,000; PERFORMANCE BOND B-1718-63; STATUTORY BOND B-1718-64, AND MAINTENANCE BOND MB-1718-46, AND RESOLUTION R-1718-85 GRANTING TAX EXEMPT STATUS FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RECOVERY (CDBG-DR) ROADWAY IMPROVEMENT PROJECT NOS. 4 & 7.

Notes: ACTION NEEDED: Motion to accept or reject all bids meeting specifications; and, if accepted, award the bid in the amount of \$1,204,000 to Silver Star Construction Company, Inc., as the lowest and best bidder meeting specifications; approve Contract K-1718-99 and the performance, statutory, and maintenance bonds; authorize execution of the contract and bonds; and direct the filing of the bonds.

ACTION TAKEN: _____

Agenda Date: 03/13/2018

Agenda Number: 13

Attachments: Text File, Location Map, Letter of Recommendation, Bid Tab, K-1718-99, Perf B-1718-63, Statutory Bond B-1718-64, MB-1718-46, R-1718-85, Projects 1-7, Projects 8 and 9, 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-1718-99

Body

BACKGROUND: The City of Norman and Cleveland County both received damages to roads after the natural disasters, including a May 19, 2013 tornado and multiple (six or more) wildfires in August of 2012. These disasters were all located in the same general area of eastern Norman/Cleveland County. Damages to these roads with thin pavement sections were caused by heavy equipment providing aid during the disaster and recovery phases of the responses.

In June 2014, the U.S. Department of Housing & Urban Development (HUD) released its allocations and program requirements for the CDBG-DR 2013 Program. After learning that this aid was available to repair damages from the two previous natural disasters, both the City of Norman and Cleveland County completed applications to receive funding. On January 26, 2015, the City of Norman was notified by the Oklahoma Department of Commerce (ODOC) that they received a total of \$12,054,090 to fully fund engineering, right-of-way, administration and construction for seven separate projects totaling approximately 11.5 miles in length, as shown for reference in the attached Projects 1-7 Summary. Cleveland County received \$10,774,160 in grant funds for nine road repair projects that are currently being administered by the County.

On August 10, 2015 City Council Awarded Contract K-1516-44 with Atkins North America in the amount of \$690,400 for the design and administration of CDBG-DR Projects 1 through 7.

In November 2015, the City of Norman applied for a second round of CDBG-DR 2013 Program funds made available from the U.S. Department of Housing & Urban Development (HUD). These additional funds were a surplus that HUD had available for this program after the first round of funds were allocated to cities and counties. On January 25, 2016, the City of Norman was notified by the Oklahoma Department of Commerce (ODOC) that they received an additional \$5,004,821 to fully fund engineering, administration and construction for two more projects totaling approximately five miles in length, as shown for reference in the attached Projects 8 and 9 Summary.

Between these two HUD allocations the City of Norman will receive a total of \$17,058,911 to repair approximately 16.5 miles of roads. The above-mentioned nine projects and Cleveland County's nine projects included in this CDBG-DR current program are illustrated in the attached map labeled City and County Disaster Relief Project Locations.

On April 12, 2016, City Council accepted Contract K-1516-129 by and between the City of Norman and ODOC for a portion of the first round, Tranche Two CDBG-DR 2013 Program funds. There is a twenty-four month timeline attached to these funds beginning from the time of acceptance. These funds are for five of the seven first round projects (1, 2, 3, 5, and 6) in the amount of \$10,293,600 for construction and construction monitoring and \$308,808 for City administration funds, for a combined total award of \$10,602,408.

On April 12, 2016, City Council also accepted Amendment No. 1 to Contract K-1516-44 with Atkins North America in the amount of \$1,542,232 for the design and administration of the two new CDBG-DR Projects 8 and 9. This amendment also included construction management services for all nine CDBG-DR projects.

On May 24, 2016, City Council awarded contract K-1516-145 (Projects 3, 5, and 6) and Contract K-1516-146 (Projects 1 and 2) to Silver Star Construction Company, Inc. for a total amount of \$7,797,350.85, including Change Order No. 1 to increase the pavement thickness from 4 inches to 6 inches.

On August 22, 2017, City Council Awarded contract K-1718-40 (Projects 8 and 9) to Silver Star Construction Company, Inc. for a total amount of \$2,226,480.45.

On September 26, 2017, City Council accepted thirteen (13) easements from CDBG-DR Projects #4 (one easement), #7 (eight easements), and #8 (four easements).

On February 13, 2018, City Council accepted three (3) easements from CDBG-DR Project #2.

Also, on February 13, 2018 City Council approved Amendment No. 2 to Contract K-1516-44, with Atkins North America in the amount of \$291,900 for drainage design and right-of-way acquisition services on CDBG-DR Projects 2, 4, 7 and 8.

In a companion agenda item tonight, City Council is being asked to approve Change Order No. 2 on CDBG-DR Project Nos. 1 and 2, increasing Contract K-1516-146 with Silver Star Construction Company, Inc., by \$830,400 for a revised contract amount of \$4,851,509.40.

DISCUSSION: Tonight's agenda item is for City Council's consideration of awarding a construction contract for Projects 4 and 7. These are the last two (2) of nine (9) projects from the 2013 CDBG-DR Program.

Bid documents and specifications for constructing two projects (4 and 7) were advertised according to State Law. Four (4) potential bidders attended the mandatory pre-bid meeting On February 5, 2018 and two (2) bids were received for the project group on February 22, 2018.

The low bidder was Silver Star Construction Company, Inc. of Moore, Oklahoma in the amount of \$1,204,000, or \$54,000 less than the next lowest bidder. The Engineer's Estimate for the project is \$1,359,916.60, which is at \$155,916.60 or 12.9% over the low bid amount.

The City's project design consultant, Atkins North America of Norman, did a comparative analysis of the bids and believes this bid is competitive and a fair bid. The contract time for constructing this roadway project is 60 days for Project 4 and 100 days for Project 7. AT&T is in the process of relocating underground telephone lines that are in conflict with the proposed project improvements. Based on information provided by AT&T, the relocations will be complete by the end of March. Therefore, staff anticipates being able to issue the Notice to Proceed to Silver Star on or about Monday, April 2, 2018 for both projects.

The anticipated project construction schedule is as follows:

Award Contract- March 13, 2018
Pre-Construction Conference- March 20, 2018
Construction (Project 4)- April 2018 to June 2018
Construction (Project 7)- April 2018 to August 2018

Adequate funds are available in project GC0066, account number 021-4000-463.61-01 (Project 4) and Project GC0064, account number 021-4000-463.61-01 (Project 7) to cover this contract.

The group of these nine (9) CDBG-DR projects is continuing to stay under the total budget so there will be no cost to the City to award Projects 4 and 7. After tonight's contract award and Change Order No. 2 on Project No. 2 in a separate Council Item, a balance of approximately \$690,400 is available within the projects to cover any unforeseen cost overruns.

RECOMMENDATION NO. 1: The project team has reviewed the bids and recommends that Bid 1718-44 for the 2013 Community Development Block Grant - Disaster Relief (CDBG-DR) Roadway Improvement Projects (4 and 7) be awarded to the low bidder, Silver Star Construction Company, Inc. of Moore, Oklahoma, Oklahoma, for \$1,204,000.

RECOMMENDATION NO. 2: Staff further recommends that, upon approval of Bid 1718-44, the following contract and bonds be approved:

Contract K-1718-99
Performance Bond B-1718-63
Statutory Bond B-1718-64
Maintenance Bond MB-1718-46

RECOMMENDATION No. 3: Staff further recommends that, upon approval of Contract No. 1718-99, Resolution R-1718-85 be adopted, authorizing Silver Star Construction Company, Inc. as project agent.