



City of Norman, OK

Municipal Building
Council Chambers
201 West Gray
Norman, OK 73069

Master

File Number: K-1718-40 CO#1

File ID: K-1718-40 CO#1 **Type:** Contract **Status:** Consent Item

Version: 1 **Reference:** Item 18 **In Control:** City Council

Department: Public Works Department **Cost:** \$193,310.40 **File Created:** 11/01/2017

File Name: Change Order No. 1 to add Dakota and Iowa improvements **Final Action:**

Title: CHANGE ORDER NO. ONE TO CONTRACT K-1718-40: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND SILVER STAR CONSTRUCTION COMPANY, INC., INCREASING THE CONTRACT AMOUNT BY \$193,310.40 FOR A REVISED CONTRACT AMOUNT OF \$2,420,843.85 TO ADD THE COMPLETION OF DAKOTA STREET, PHASE II, FROM BERRY ROAD TO FLOOD AVENUE AND IOWA STREET, PHASE III, FROM FLOOD AVENUE TO UNIVERSITY BOULEVARD TO THE EXISTING CONTRACT.

Notes: ACTION NEEDED: Motion to approve or reject Change Order No. One to Contract K-1718-40 with Silver Star Construction Company, Inc., increasing the contract amount by \$193,310.40 for a revised contract amount of \$2,420,843.85; authorize the execution thereof, and transfer \$193,310.40 from Project BP0239, 2010 Street Maintenance Bond Program, Construction (050-9385-431.61-01) to Project GC0067, CDBG-DR 2013, Program, Construction (021-4000-463.61-01).

ACTION TAKEN: _____

Agenda Date: 11/14/2017

Agenda Number: 18

Attachments: Text File CO, Iowa Projects Locations Map, Change Order, Requisition

Project Manager: Scott Sturtz, City 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:

Text of Legislative File K-1718-40 CO#1

Body

BACKGROUND: In the Norman General Obligation Bond Election of March 2, 2010, voters approved a 5-year, 4-phase program of Street Maintenance on neighborhood streets. The four phases include (1) Urban Asphalt Streets, (2) Urban Concrete Streets, (3) Rural Roads and (4) Road Reconstruction. Over 308 streets have been improved through this program. All specified street maintenance projects have been completed except two Road Reconstruction projects in core Norman. The final two projects in the "Road Reconstruction" category on Iowa and Dakota Streets required outside engineering design services, due to the complexity of the stormwater facility

improvements. Those two projects involve eleven (11) residential blocks of total road reconstruction (please see attached map).

On March 31, 2016, a bid opening was held for these projects and only one bid was received. The Engineer's Estimate was \$3,053,824. A-Tech Paving submitted the sole bid of \$3,201,241, which was \$147,417 over the estimate. City staff determined that other contractors did not bid on this project because the schedule was too aggressive. Since the only bid that was submitted was over the Engineer's Estimate, the bid was rejected and the project was re-bid. City staff also recommended splitting the project into three separate phases to make the schedule less aggressive. The proposed project splits are as follows (see attached map for locations):

- Phase I - Iowa Street- Berry Road to Pickard Avenue
- Phase II - Dakota Street- Berry Road to Flood Avenue
- Phase III - Dakota and Iowa Streets- Flood Avenue to University Boulevard

Another strategy to control the costs on the projects included using City forces to perform most of the work. To accommodate that approach, the phases were further split into three parts as listed below:

- Part A: Upgrade water system (performed by Norman Utility Authority staff)
- Part B: Road subgrade preparation, asphalt pavement and stormwater system (performed by City Public Works staff)
- Part C: Concrete pavement, curb and gutter and driveways (performed by private contractor)

This approach provided significant cost savings, however, staff recognized that the project would take longer to complete due to limited staff resources.

The bid opening for Phase IC, concrete pavement, curb and gutter and driveways for Iowa Street from Berry Road to Pickard Avenue (2 blocks), was conducted on February 23, 2017, and the project was awarded on March 9, 2017 to RDNJ, LLC. dba A-Tech Paving of Edmond, OK with the low bid of \$184,269.

City Council, on August 8, 2017, approved Change Order No. 1 to the contract with RDNJ, LLC. dba A-Tech Paving to complete the curb and gutter and driveways for Phases II and III, increasing the contract amount by \$377,600.15, for a revised contract amount of \$561,869.

Also on August 8, 2017, City Council approved Resolution R-1617-127 appropriating \$995,274.25 from various 2010 Street Maintenance Bond Issue accounts to the 2010 Bond Reconstruction accounts for all three phases of Iowa and Dakota Streets projects, for a revised balance of \$2,203,661. The appropriation was necessary to have the funds available to complete the reconstruction of all three projects.

DISCUSSION: The reconstruction of all three phases of Iowa Street and Dakota Street has been progressing since the March 9, 2017 award of the contract. Phase I on Iowa Street from Berry Road to Pickard Avenue (3 blocks) is substantially complete. Phase III on Dakota Street from Flood Avenue to University Boulevard (2 blocks) was completed on November 10, 2017. The desired schedule for the completion of the remaining project is as follows:

- Phase II - Dakota Street - Berry Road to Flood Avenue (4 blocks) by the end of December 2017
- Phase III - Iowa Street - Flood Avenue to University Boulevard (2 blocks) by the end of December 2017

The timeline for the remaining phases of the project cannot be met under the current work plan. The installation of the stormwater pipelines and the road subgrade preparation has been difficult for Public Works crews to complete while addressing other roadway and stormwater issues throughout Norman. Due to the slow construction progress of these final projects, the residents along these streets have been impacted by the reconstruction for an extended period of time. Staff has evaluated options to increase productivity. After several options were considered and/or tried, staff has determined that the best course of action is to utilize a private contractor to complete the stormwater pipelines and road subgrade preparation on Iowa Street from Flood Avenue to University Boulevard (2 blocks). Phase II Dakota Street from Berry Road to Flood Avenue (4 blocks) is

currently being completed by City crews (see attached map for locations of work to be performed).

The options available to get a private contractor under contract for this work are the conventional bid process or to issue a change order to an existing contract. The bid process would have required staff to produce a new set of bid documents for this portion of the work, followed by an advertisement period and an award period. It is estimated that this process would take two to three months to complete; issuing a change order involves a much shorter timeframe. Staff chose to negotiate a change order based upon the limited time available in this construction season before winter weather sets in.

Silver Star Construction is currently under contract to construct Community Development Block Grant Disaster Relief (CDBG-DR) Project Numbers 8 and 9 in rural east Norman. The scope of work for the CDBG-DR contract contains many of the same bid items needed on Iowa Street and a change order can be achieved within the limits set forth by the Oklahoma Competitive Bidding Act.

The attached change order includes an additional \$109,019.65 for existing bid items and \$84,290.75 in new items, for a total change order amount of \$193,310.40. All unit prices are competitive in comparison to recent bids. These expenses will be billed separately and not submitted to the Oklahoma Department of Commerce (ODOC) to avoid confusion with that federal grant program.

With this change order, Silver Star's contract will be extended to include the installation of the stormwater systems and the road subgrade preparation for portions of Phase III of Iowa Street from Flood Avenue to University Boulevard (2 blocks). The change order amount is \$193,310.40. If approved, the revised contract amount for the CDBG-DR Projects 8 and 9 will be \$2,420,843.85, increasing the original contract amount from \$2,227,533.45.

Funding for the change order is currently available in the 2010 Street Maintenance Bond Program, Road Reconstruction category. The amount spent to date for Iowa Street and Dakota Street is \$1,196,738.61. The remaining expenses for the project, including this change order, are estimated to be \$699,110.71, which includes material such as asphalt, stormwater pipeline, concrete and sod. The Bond Program budget including all eleven (11) blocks of Iowa and Dakota Streets was \$2,203,661. If the change order is approved, the Iowa Street and Dakota Street projects will have a total cost of \$1,895,849.32, and would still come in under budget by \$307,811.68. More importantly, the projects will, weather permitting, be completed by the end of the calendar year as planned. Silver Star Construction is ready to start work immediately if the change order is approved.

RECOMMENDATION: Staff recommends approval of Change Order No. 1 increasing Contract K-1718-40, between the City of Norman and Silver Star Construction by \$193,310.40. The funds for this change order are available in the 2010 Road Reconstruction Bond Program, Construction (account number 050-9385-431.61-01; projects BP0239, BP-0245, and BP0353).