



## Legislation Text

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**File #:** K-1516-122 CO#2, **Version:** 1

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CHANGE ORDER NO. TWO TO CONTRACT K-1516-122 BY AND BETWEEN THE NORMAN UTILITIES AUTHORITY AND URBAN CONTRACTORS, L.L.C., INCREASING THE CONTRACT AMOUNT BY \$268,490 FOR A REVISED CONTRACT PRICE OF \$2,181,360 AND ADDING 90 CALENDAR DAYS TO THE CONTRACT FOR THE SEWER MAINTENANCE PROJECT FYE 2014, PHASE 1, AND BUDGET APPROPRIATION FROM THE SEWER MAINTENANCE FUND BALANCE.

**BACKGROUND:** In 2001, the citizens of Norman approved a five dollar per month sewer maintenance fee to provide for the systematic rehabilitation or replacement of aged and deteriorated sewer lines throughout our wastewater collection system. On April 12, 2016, the Norman Utilities Authority (NUA) approved Contract K-1516-122 with Urban Contractors, LLC (Urban) in the amount of \$1,784,680 to replace sewer lines and manholes for the Sewer Maintenance Project FYE 2014, Phase 1 (project WW0202). Construction began April 25, 2016, and is on schedule and within budget. On July 12, 2016, the NUA approved Change Order No. 1 (CO1) increasing the contract amount by \$128,190, to \$1,912,870. CO1 provided for supplementary pipe-bursting along Boyd Street.

**DESCRIPTION:** As the project neared completion, the Sewer Line Maintenance Division requested assistance to replace additional failing sewer lines and manholes. Proposed Change Order No. 2 (CO2) consists of about 3,000 feet of supplementary pipe-bursting in two (2) locations: 1) along Oklahoma Avenue near Enid Street; and 2) west of Biloxi Drive in the Colonial Estates Neighborhood (see attached map). NUA staff requested, and Urban agreed, to replace those lines and manholes at the contract unit prices.

The current contract bid prices create excellent value for supplementary work during the project. The estimated cost of sewer line replacement under this change order is about \$89 per foot. Typical sewer replacement costs in the past have approached \$100 per foot.

Proposed CO2 will increase the contract amount by \$268,490 from \$1,912,870 to \$2,181,360, or about fourteen percent (14%). Upon approval of CO2, the cumulative increase for both change orders to the project will be \$396,680, or about 22% of the original contract amount. Additional work at the contract unit pricing is not subject to the 10% change order cap under the Oklahoma Competitive Bidding Act. Also, Urban requested, and staff recommends, approval of a ninety (90) calendar day time extension for completion of the extra work.

The Fiscal Year Ending 2017 (FYE17) budget includes an unencumbered balance of \$0.61 in Sewer Maintenance Projects, FYE 2014, Construction (account 321-9338-432.61-01; project WW0202). Staff recommends a supplemental appropriation of \$269,000 from the Sewer Maintenance Fund Balance (account number 321-0000-253.00-00) to this Construction account.

**RECOMMENDATION:** Recommend the NUA approve Change Order No. 2 with Urban Contractors, L.L.C., increasing the contract amount by \$268,490 to \$2,181,360, and adding ninety (90) calendar days to the contract. Staff further recommends appropriation of \$269,000 from the Sewer Maintenance Fund Balance (account number 321-0000-253.00-00) to Sewer Maintenance Project FYE 2014, Construction (account 321-9338-432.61-01, project WW0202).