



Legislation Text

File #: K-1516-146 CO#2, **Version:** 1

CHANGE ORDER NO. TWO TO CONTRACT K-1516-146: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA AND SILVER STAR CONSTRUCTION COMPANY, LLC. INCREASING THE CONTRACT AMOUNT BY \$832,200 FOR A REVISED CONTRACT AMOUNT OF \$4,853,309.40 FOR THE COMMUNITY DEVELOPMENT BLOCK GRANT DISASTER RELIEF (CDBG-DR) ROADWAY IMPROVEMENT PROJECTS 1 & 2.

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 the current CDBG-DR 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 in 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 increasing the contract amount by \$525,970.50 for a revised contract amount of \$4,021,109.40 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 award Contract K-1718-99 to Silver Star Construction Company, Inc. of Moore, Oklahoma for the construction of CDBG-DR Project Nos. 4 and 7 in the amount of \$1,204,000.00. These are the last two (2) of nine (9) projects from the 2013 CDBG-DR Program.

DISCUSSION: This Council action is for Change Order No. 2 on CDBG-DR Project No. 2 with Silver Star Construction Company, LLC to address one major proposed culvert replacement on 120th Avenue SE.

Generally, all cross drains are being replaced within the limits of these CDBG-DR projects, with only a few exceptions. Per City requirements, any time a culvert is replaced, a hydrology and hydraulic analysis is performed so that the replacement culvert can be properly sized to meet current City of Norman drainage requirements. At this specific location on 120th Avenue SE, the properly sized culvert was so large (9 cell- 10'x8' reinforced concrete box) that staff did not think the project budgets would allow us to complete this culvert replacement with 100% federal funds. However, after favorable bids were received and an inspection of the existing 4-36" corrugated metal pipes showed significant signs of corrosion; staff had Atkins revisit the replacement of this culvert. Atkins determined that the cost of this culvert replacement could be completed within the original CDBG-DR budgets via change order, utilizing existing bid items (primarily unit price) in the contract. ODOC confirmed that the City can utilize the project funds for this culvert replacement. The total cost of Change Order No. 2 for the proposed road crossing (culvert replacement) is \$832,200.

Adequate funds are available in project GC0065, account number 021-4000-463.61-01 (Project 2) to cover this change order.

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 for this Change Order. After tonight's Change Order and the Contract K-1718-99 Award 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: Staff further recommends approval of Change Order No. 2, increasing Contract K-1516-146 with Silver Star Construction Company, LLC by \$832,200.00 be approved for a revised contract amount of \$4,853,309.40.