



Legislation Text

File #: K-1819-112, **Version:** 2

CONSIDERATION OF AWARDING BID 1819-51, APPROVAL OF CONTRACT K-1819-112 WITH SAC SERVICES, INC IN THE AMOUNT OF \$1,059,440; PERFORMANCE BOND B-1819-63, STATUTORY BOND B-1819-64, AND MAINTENANCE BOND MB-1819-49 FOR THE URBAN CONCRETE PAVEMENT REHABILITATION CAPITAL IMPROVEMENT PROJECT (FYE 2014-2019) AND RESOLUTION R-1819-77 GRANTING TAX EXEMPT STATUS.

BACKGROUND: The City of Norman funds a portion of its annual asphalt street repairs through the City's Capital Improvement Program Budget. Other asphalt street repairs are also conducted in Norman using funds from the Street Maintenance Bond Program and the City's General Fund. Locations are chosen using the City's Pavement Management System (PMS) and visual inspections. Repairs are made by both City of Norman employees and qualified paving contractors.

This project is funded in Concrete Pavement Maintenance, Materials (account 050-9718-431.63-01; projects SC0565, SC0591, SC0608, SC0609, SC0610, SC0610, SC0627, SC0628, SC0650, SC0651, and SC0652) with a total of \$1,187,000. Bid specifications and documents were advertised on March 7, 2019 and March 14, 2019.

DISCUSSION: The project involves concrete street pavement panel repairs and replacement. All locations will also have pavement markings reapplied upon completion of the paving if pavement markings existed beforehand.

In order to complete the projects in a timely manner and get back on regular the budget schedule, it was determined necessary to complete these projects using private contract services. These projects were originally intended to be completed using City forces. The delay in completing these projects is due to staff turn-over and inadequate staffing in the Street Maintenance Division.

The locations included in this project are:

Morningside Drive: Alameda Street - Schulze Drive (2014; project SC0565)
Reed Avenue and Schulze Drive (2016; project SC0591)
Morningside Drive: Alameda Street - Schulze Drive (2017; project SC0608)
Reed Ave: Schulze Drive - Sherwood Drive (2017; project SC0609)
Schulze Drive: Morningside Drive - End (2017; project SC0610)
Stubbeman Avenue at Norman North High School (2018; project SC0627)
University Boulevard at Hughbert Street (2018; project SC0628)
Brooks Street: Pickard Avenue - Flood Avenue (2019; project SC0650)
Woodslawn Industrial Tract (2019; project SC0651)
Pickard Ave: Timberdell Road - Whispering Pines Drive (2019; project SC0652)

Bid specifications and documents were advertised on March 7, 2019 and March 14, 2019 in accordance with State Law. The bid opening was conducted on March 28, 2019 and five (5) contractors submitted bids. The Engineer's Estimate is \$1,187,000. The lowest bid in the amount of \$976,150 was submitted by RDNJ, LLC dba A-Tech Paving of Edmond, OK. The next low bidder is SAC Services, Inc. of Oklahoma City, OK, in the amount of \$1,059,440. All the bids received are less than the engineer's estimate of \$1,187,000. Staff has done a comparative analysis of these bids and believes the bids to be competitive and represent a fair price. The bid tabulation is attached.

RDNJ, LLC dba A-Tech Paving is currently working on multiple projects for the City of Norman. Several of these projects are incomplete and are behind schedule. This contractor has also been non-compliant with some items in City Standard Specifications as outlined in the attached letter to RDNJ.

For the above mentioned reasons, the City of Norman has determined that RDNJ, LLC, d/b/a A-Tech, is not considered the lowest responsible bidder on this project.

City staff has also reviewed the bids and documents submitted by the next low bidder, SAC Services, Inc. in the amount of \$1,059,440 and their current performance on projects with City of Norman. Staff has found their documentation to be in compliance with City of Norman's Standard Specifications, their current performances acceptable, and therefore is considered the lowest responsible bidder. The bid submitted by SAC Services, Inc. is \$127,560 or 10.75% percent below the engineer's estimate.

If approved, construction will begin on these projects in May 2019 and will be completed in phases prior to November 2019.

RECOMMENDATION NO 1: Staff has reviewed the bids and recommends that Bid 1819-51 for the CIP Urban Concrete Pavement Rehabilitation (FYE 2014-2019), be awarded to the lowest responsible bidder, SAC Services, Inc. in the amount of \$1,059,440.

RECOMMENDATION NO 2: Staff further recommends that, upon approval of Bid 1819-51, the following contract and bonds be approved:

Contract K-1819-112
Performance Bond B-1819-63
Statutory Bond B-1819-64
Maintenance Bond MB-1819-49

RECOMMENDATION NO 3: Staff further recommends that, upon approval of Contract K-1819-112, Resolution R-1819-77 be adopted authorizing SAC Services, Inc. as project agent to avoid the payment of sales tax on materials purchases related to the project.