



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 01/24/2023

**REQUESTER:** Jason Murphy, Stormwater Program Manager

**PRESENTER:** Shawn O'Leary, Public Works Director

**ITEM TITLE:** CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CHANGE ORDER NO. 1 TO CONTRACT K-2223-31 BY AND BETWEEN THE CITY OF NORMAN AND CIMARRON CONSTRUCTION COMPANY INCREASING THE CONTRACT AMOUNT BY \$87,683.63 FOR THE BUTLER DRIVE DRAINAGE IMPROVEMENT PROJECT AND FINAL ACCEPTANCE AND PAYMENT IN THE AMOUNT OF \$157,329.68.

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### **BACKGROUND:**

The Stormwater Division sets aside funds each year to address drainage problems around the City. Specific locations are identified during each annual budget process. For FYE 2023, Butler Drive was identified. Several houses along Butler Drive have reported instances of flooding during rain events. In response, staff solicited services from Parkhill to design a solution to mitigate the flooding. The current stormwater infrastructure consists of grass lined channels on both the north and south sides of Butler Drive. The original proposal from Parkhill involved the installation of new area inlets and a new underground storm sewer. Due to extensive utility conflicts, staff, in conjunction with Parkhill, determined the most cost effective solution to be re-grading the existing grass channels and raising the driveway approaches in the affected area to create culvert crossings (a map of the project area is attached to this staff report).

Bid documents and specifications for the Butler Drive Drainage Improvement Project were advertised on July 28, 2022 and August 4, 2022 in accordance with State Law. One (1) bid was received on August 18, 2022. The low bidder was Cimarron Construction Company of Oklahoma City in the amount of \$296,692.00 which was \$18,734.38 or 9.4% below the Engineer's Estimate of \$315,426.38. Council approved Contract K-2223-31 with Cimarron Construction Company on September 27, 2022.

As of December 18, 2022, all work has been completed on the Butler Drive Drainage Improvement Project.

### **DISCUSSION:**

Before a contractor begins work at a particular project site, the construction area is staked in accordance with designs. If any discrepancies and/or issues between the construction staking

and the designs are found, staff meets with the contractor to determine a proper resolution. During the construction staking process on the south side of Butler Drive, it was discovered that the limits of construction were inadequate to tie the new drive approaches into the existing driveways. Additional temporary construction easements were required necessitating additional concrete which equated to added labor and materials.

The work was underway at the time of the construction staking on the south side of Butler Drive when the issue with the drive approach tie-ins was discovered. Because the contractor was moving quickly through the project and the project budget had ample funds, it was determined that the best approach to minimize impact to the citizens was to continue working. It is the policy of Public Works to seek council approval before proceeding with change orders, but in this case, as construction was completed in 40 days, it would have required the contractor to stop work, demobilize, await council approval, remobilize, and continue working which would have ultimately increased the cost to City.

Of the nineteen (19) bid items, eight (8) items had a quantity change. Three (3) quantity changes resulted in decreased costs, while five (5) quantity changes resulted in increased unit-priced costs for an overall increase of \$87,683.63 or 29.5%. The overall contract increased from \$296,692.00 to \$384,375.63. Please see the attached Change Order No. 1 for a complete list of bid item unit cost increases and decreases.

Because the bids for this project came in \$303,308 less than the budget, funds are still available in the project account for this change order. If approved, the change order will be funded from FYE23 Butler Drive Drainage, Construction (Account 50599967-46101; Project DR0026).

The final payment amount owed to Cimarron Construction Company is \$157,329.68, which includes the full 5% retainage.

#### **RECOMMENDATION 1:**

Staff recommends that Change Order No. 1, increasing Contract K-2223-31 for the Butler Drive Drainage Improvement Project with Cimarron Construction Company by \$87,683.63 be approved.

#### **RECOMMENDATION 2:**

Staff further recommends final acceptance of the Butler Drive Drainage Improvement Project, Contract K-2223-31, and final payment to Cimarron Construction Company be approved in the amount of \$157,329.68.