



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 10/14/2025

REQUESTER: Jason Murphy, Stormwater Program Manager

PRESENTER: Scott Sturtz, Director of Public Works

TITLE: CONSIDERATION OF AWARDING, APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CONTRACT K-2526-32; BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND C-P INTEGRATED SERVICES INC., IN THE AMOUNT OF \$580,672.50 FOR THE MISTY LAKE DAM REPAIR PROJECT, CHANGE ORDER ONE, IN THE AMOUNT OF \$169,927.50; PERFORMANCE BOND B-2526-17; STATUTORY BOND B-2526-18; MAINTENANCE BOND MB-2526-14, AND ADOPTION OF RESOLUTION R-2526-17 GRANTING TAX-EXEMPT STATUS.

BACKGROUND:

On March 16, 2011, the Oklahoma Water Resources Board (OWRB) reclassified Misty Lake Dam as a “high hazard” dam due to potential downstream impacts on Alameda Street and nearby residences in the event of failure. On March 20, 2015, OWRB issued an emergency order, followed by a hearing on April 14, 2015, and a Consent Order issued on July 8, 2015. The Consent Order required the Summit Lakes Property Owners Association (POA), the owners of the Dam and Lake, to lower the lake level three feet below the emergency spillway and maintain it at that level until repairs were completed. The POA was also required to submit engineering plans. The estimated cost of repairs ranged between \$595,000 and \$700,000. Cardinal Engineering completed the required engineering plans on May 3, 2019.

Due to the high cost, the POA could not fund the repairs alone and reached out to the Developer and the City of Norman. The issue was discussed by City Council during a Study Session on December 6, 2016, and in Executive Sessions on January 24, 2017; May 9, 2017; and June 13, 2017.

On June 27, 2017, City Council approved Contract K-1617-137, a participation agreement with Summit Lakes, L.L.C. (Developer), Summit Lakes Property Owners Association (POA), and the Summit Lake Villas POA for engineering repairs to the Misty Lake Dam, located within the Summit Lakes and Summit Villas Additions between 24th Avenue SE and 36th Avenue SE on Alameda Street. The agreement was structured as a public-private partnership, where all parties contributed funds and effort to the project, which was ultimately aimed to result in necessary

infrastructure improvements promoting the safety and welfare of Norman residents. At the time of City Council's approval of the original agreement, Summit Lakes Addition included 10 sections with 542 lots, and Summit Villas included 66 lots. An additional proposed Section 11 in Summit Lakes Addition was to include 69 lots. The Lake and Dam infrastructure was found on common areas owned and maintained by the two POAs.

On January 1, 2021, City Council approved Amendment 1 to the original Participation Agreement (Contract K-1617-137). Under the terms of the Agreement, the POAs transferred necessary funds as well as donated drainage and access easements to the City. These easements will be limited to dam maintenance and inspection purposes and will not allow public recreational access. The City will use the easements for required OWRB inspections, annual reporting, vegetation control, and other necessary structural maintenance. The POAs will remain responsible for mowing, sidewalks, litter control, and non-structural improvements.

In line with the amended Participation Agreement, the City issued Request for Qualifications (RFQ 2122-11) on July 2, 2021, to select a Construction Manager at Risk (CmaR) for the project. On July 29, 2021, only Downey Contracting, LLC submitted a proposal. Following evaluation by a review panel—comprising representatives from the Developer, Summit Lakes POA, and Villas POA—the City sent notice on August 26, 2021, to begin negotiations.

On September 7, 2021, Downey Contracting submitted a proposal that included a bid administration fee of \$10,000 and a CMAr fee of eight percent (8%) of the total construction cost. City staff determined this proposal was fair and consistent with industry standards. On October 12, 2021, City Council approved Contract K-2122-67 with Downey Contracting. Downey Contracting administered the bidding process and bids were opened on December 9, 2021. The total Guaranteed Maximum Price submitted by Downey Contracting was \$1,085,088.90. This price was rejected, as it greatly exceeded the budget for this project.

In March of 2024, the City pursued a High Hazard Potential Dam ("HHPD") Grant opportunity as a Subrecipient of the Oklahoma Water Resources Board ("OWRB"), a recipient of a federal grant award for HHPD projects from the Federal Emergency Management Agency (FEMA). In order to pursue the HHPD Grant, the Parties to the Participation Agreement executed Amendment 2 to Contract K-2122-67, and Memorandum of Understanding (MOU) and the City Council approved Resolution R-2324-134 on March 26, 2024.

In June of 2025, the City was informed that the Federal Emergency Management Agency (FEMA) had awarded the HHPD Grant for the Misty Lake Dam Repair Project, with a 65/35 split on federal/local funding, for a total amount of \$1.15 million. Under this award, there is minimum local match of \$402,500, which shall be funded by the funds already in the City's possession for construction of the Project, in a total amount of \$593,478.95.

On June 24, 2025, City Council accepted contract K-2425-137 accepting this grant and appropriating funds as needed.

DISCUSSION:

Bid documents and specifications for the Misty Lake Dam Repair Project were advertised on July 30, 2025, and August 6, 2025, in accordance with State Law. In addition to advertising bids, staff sent bid documents to forty-three (43) contractors directly. Four (4) bids were received on

August 21, 2025.

The low bidder is C-P Integrated Services (C-PI), Inc., of Edmond, Oklahoma in the amount of \$580,672.50. This bid is \$473,027.50 or 44.9% below the Engineer's Estimate of \$1,053,700.00. Staff has carefully reviewed this bid and verified references for the contractor and believes the bid to be competitive, represents a fair price and that C-PI is a responsible bidder. The tabulation of Bid Results is below:

Tabulation of Bid Results

Contractor	Total
Downey Contracting LLC	\$1,544,602.00
Redlands Contracting	\$802,505.00
Hook Construction LLC	\$799,460.00
C-P Integrated Services INC	\$580,672.50
Engineer's Estimate	\$1,053,700.00

After receiving and accepting bids, the OWRB provided the City with grant-specific bid documents and information regarding the particular federal laws applicable to the grant finding, including: the Build America Buy America Act (BABAA), the Davis-Bacon (Prevailing Wage) Act, and the Disadvantaged Business Enterprise (DBE) program requirements. The federal grant requirements had undergone updates since the original grant agreement was entered into by the City, Contract K-2425-137. Since OWRB provided the updated information, OWRB Staff and City staff have worked closely to proceed in a manner complying with state and federal laws. All federal compliance matters were determined to be a matter of increased, not decreased cost, thus the need to rebid would arise if compliance raised the low bid by an unacceptable amount. C-P Integrated Services has experience working on federal grant projects and confirmed ability and willingness to comply; however, compliance results in a bid price increase of \$169,927.50., for a new contract total of \$750,600. This total is still nearly \$50,000 lower than the next lowest bid. This total contract amount is still significantly lower than the budgeted amount and does not prompt the need for additional funding by the POAs or the City. City staff have kept the POAs informed during and following the bidding process and they have expressed agreement with this approach.

If approved, repair of the Misty Lake Dam will begin on or after October 13, 2025, and is estimated to be completed in 90 days. The intention is to appoint C-P Integrated Services, Inc. as Project Agent to avoid the payment of sales tax on materials purchases related to the project and the resulting construction of what will ultimately be publicly maintained infrastructure.

Funds for this project, including Change Order 1, exist in the Capital Sales Tax Fund and the Special Grants Fund, Misty Lake Dam Repair Project, Construction (Accounts 50596666-46101 and 22596666-46101; Project DR0065).

RECOMMENDATION 1:

Staff recommends that Contract K-2526-32 with C-P Integrated Services, Inc., for the Misty Lake

Dam Repair Project, in the amount of \$580,672.50 be approved.

RECOMMENDATION 2:

Staff further recommends that Change Order 1, in the amount of \$169,927.50, be approved for a new contract total of \$750,600.

RECOMMENDATION 3:

Staff further recommends that, upon approval of Contract K-2526-32, the following bonds be approved:

Performance Bond: B-2526-17

Statutory Bond: B-2526-18

Maintenance Bond: MB-2526-14

RECOMMENDATION 4:

Staff further recommends that, upon approval of Contract K-2526-32, C-P Integrated Services, Inc., be authorized as Project Agent via Resolution R-2526-17 so that materials purchases for this public project will not be subject to sales tax.