



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 08/09/2022

REQUESTER: Ken Giannone, PE

PRESENTER: Ken Giannone, PE, Capital Projects Engineer

ITEM TITLE: CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT AND/OR POSTPONEMENT OF CHANGE ORDER NO. ONE TO CONTRACT K-2122-92: BY AND BETWEEN THE NORMAN MUNICIPAL AUTHORITY AND CROSSLAND CONSTRUCTION COMPANY, INC. INCREASING THE CONTRACT AMOUNT BY \$27,226.38 FOR A REVISED CONTRACT AMOUNT OF \$2,809,226.38 AND ADDING ONE (1) CALENDAR DAY TO THE CONTRACT FOR THE SANITATION OFFICE BUILDING PROJECT.

BACKGROUND:

The Sanitation Department has outgrown their current office space. Because their existing facility cannot be readily expanded and because it is not laid out in a way that would allow renovations to create a more efficient workspace, a new facility must be constructed. On January 12, 2021, Norman Municipal Authority (NMA) approved a design contract with The McKinney Partnership Architects PC (TMP) to design this new facility, and design commenced immediately thereafter. TMP completed Design Development level plans and specifications in April 2021 and final plans and specifications in January 2022.

Project was advertised on February 10 and 17, 2022 and bids were be opened on March 3, 2022. TCS Construction was the apparent low bidder, but a review of their bid package revealed several flaws including an inability to meet experience requirements and a failure to provide an irrevocable guarantee from their surety. For these reasons, NUA has deemed the second low bidder, Crossland Construction Company (Crossland), to be Lowest and Best Bidder in accordance with City of Norman regulations and the State of Oklahoma Competitive Bidding Act. Contract Award was approved by City Council on April 26, 2022 and Notice to Proceed was issued on April 29, 2022.

DISCUSSION:

During the first two months of the project, Crossland completed all of its subcontracts, potholed all utilities and submitted and has had approved the majority of their shop drawings for the project. During the course of these activities, several issues arose that will result in extra cost:

1. There was excessive cost escalation between bid date and contract award date in the cost of steel (which rose more than \$100/ton in that period) and in fuel cost for concrete supplier (which rose 70% in that period) and therefore, these suppliers were unable to hold their bid prices. This will result in a total extra cost of \$15,814.00 and no time delay.
2. While investigating requirements for gas service, Crossland learned that the service would have to be run from an existing gas main on the north side of Goddard rather than from the City of Norman's adjacent natural gas pumps as per the contract, and the water service would also have to be slightly adjusted to avoid conflict with the new gas service and to minimize permit fees. This will result in a total extra cost of \$9,511.43 and a one (1) calendar day delay in the project.
3. During shop drawing review process, it was noted that restroom windows were specified as clear glass, but NMA requested that a frosted glass be furnished instead. Revising to frosted glass will result in a total extra cost of \$402.50 and no time delay.
4. Trench drains were specified as unfinished as is standard in most industrial-type buildings. However, during shop drawing review process, NMA determined that a coating would both increase the life of the drain and would better match the look of the rest of the new facility. Adding the coating will result in an extra cost of \$1,150.00 and no time delay.
5. Bathroom mirrors were specified with standard glass, but, during shop drawing review process, NMA determined that, given the wear and tear the mirrors were likely to experience in this application, a tempered glass mirror would be safer and more durable. Revising mirrors to tempered glass will result in an extra cost of \$348.45 and no time delay.

The total extra cost for these five (5) items is \$27,226.38 and total time extension for these five (5) items is one Calendar-Day. The Architect for the project, The McKinney Partnership (TMP) has approved this change order.

Funding for Change Order No. One (1) would come from within the SA0021 – New Sanitation Facility (Org 33999975 – Object 46101) account which has an unencumbered balance of \$147,775.25.

RECOMMENDATION:

Staff recommends that Change Order No. One (1) in the amount of \$27,226.38 and adding one calendar day be approved.