



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 10/25/2022

REQUESTER: Joseph Hill, Streets Program Manager

PRESENTER: Shawn O'Leary, Director of Public Works

ITEM TITLE: CONSIDERATION OF AWARDING, ACCEPTANCE, APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF BID 2223-21 AND CONTRACT K-2223-6: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND SILVER STAR CONSTRUCTION COMPANY, INC. IN THE AMOUNT OF \$1,455,000 FOR THE ASPHALT PAVEMENT PROJECT, FYE 2023 LOCATIONS, PERFORMANCE BOND B-2223-7; STATUTORY BOND B-2223-8; MAINTENANCE BOND MB-2223-4, AND RESOLUTION R-2223-4 GRANTING TAX-EXEMPT STATUS

BACKGROUND:

On Tuesday, April 6, 2021, Norman residents voted to approve the 2021-2026 Street Maintenance Bond Program, which includes the issuance of \$27 million in bonds to fund the resurfacing, rehabilitation and reconstruction of neighborhood streets. The five categories of street maintenance include (1) Urban Asphalt Pavement Street Rehabilitation, (2) Urban Concrete Street Rehabilitation, (3) Urban Road Reconstruction, (4) Rural Road Rehabilitation, and (5) Preventive Maintenance. The FYE 2023 Asphalt Pavement locations are shown on the attached map.

The roadways included in this project are located in established residential neighborhoods with one roadway located in a rural area. The current roadways are constructed of asphalt pavement which is in poor condition. This project involves rehabilitation of the existing pavement including milling, deep patching, and overlaying with new asphalt. The project includes 3.1 miles of roadway.

DISCUSSION:

The FYE 2023 Asphalt Pavement Project was originally advertised on June 2, 2022 and June 9, 2022. Three contractors attended a pre-bid conference on June 9, 2022. Three bids were submitted and opened on July 7, 2022. The price of asphalt was very high and volatile at the time of that bid opening. This resulted in all of the bids exceeding available funding. All of the bids were rejected.

The project was again advertised on September 15, 2022 and September 22, 2022. Four contractors attended a pre-bid conference on September 19, 2022. Four bids were submitted and opened on September 29, 2022

Tabulation of Bid Results

Contractor	Total
First Water Contracting	\$1,470,056.50
Silver Star Construction Co.	\$1,455,000.00
Haskell Lemon Construction	\$1,766,582.50
Rudy Construction Co.	\$1,681,620.00
Engineer's Estimate	\$1,386,840.05

Silver Star Construction Company, Inc. of Moore, Oklahoma submitted the low bid in the amount of \$1,455,000, which is \$68,159.95 or 4.9% more than the engineer's estimate.

Silver Star Construction Company is a responsible bidder. They have successfully performed similar work for the City of Norman in the past. Due to corrections in asphalt market, the described bid is within the adopted budget to complete the identified locations.

This project will be funded as follows:

Project	Number and Account	Amount
Normandy Acres First	BP0524 ACCT# 50594401-46101	\$300,000.00
Classen-Miller Addition	BP0525 ACCT# 50594401-46101	\$78,840.00
Norman Old Town	BP0526 ACCT# 50594401-46101	\$146,000.00
Campus Addition	BP0527 ACCT# 50594401-46101	\$96,360.00
Eagle Cliff Addition	BP0528 ACCT# 50594401-46101	\$385,440.00
Rural	BP0540 ACCT #50593376-46101	\$448,360.00
Total:		\$1,455,000.00

If approved, construction of the Street Maintenance Bond Program –Asphalt Pavement - FYE 2023 Locations Project will begin on or around November 14, 2022. The construction time for this project is 240 days with an estimated completion in July 2023.

RECOMMENDATION NO. 1:

Staff recommends the approval of Contract K-2223-6 with Silver Star Construction Company, Inc. in the amount of \$1,455,000 for construction of the Street Maintenance Bond Program –Asphalt Pavement - FYE 2023 Locations Project.

RECOMMENDATION NO. 2:

Staff further recommends that, the following bonds be approved:

Performance Bond B-2223-7

Statutory Bond B-2223-8

Maintenance Bond MB-2223-4

RECOMMENDATION NO. 3:

Staff further recommends that Silver Star Construction Company, Inc. be authorized as Project Agent via Resolution R-2223-4 to avoid the payment of sales tax on materials purchases related to the project.