



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 04/25/2023

REQUESTER: Joseph Hill, Streets Program Manager

PRESENTER: Shawn O'Leary, Director of Public Works

TITLE: CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CHANGE ORDER NO. TWO TO CONTRACT K-2122-89: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND PARATHON CONSTRUCTION COMPANY DECREASING THE CONTRACT AMOUNT BY \$10,118.36 FOR A REVISED AMOUNT OF \$321,972.14 FOR THE MCCULLOUGH STREET AND ALLEY RECONSTRUCTION PROJECT, FINAL ACCEPTANCE OF THE PROJECT, AND FINAL PAYMENT IN THE AMOUNT OF \$19,661.12.

BACKGROUND:

On Tuesday, April 6, 2021, Norman residents voted to approve the issuance of \$27 million in bonds to fund the resurfacing, rehabilitation and reconstruction of neighborhood streets as part of a 5-year, 5-category program. The five categories include (1) Urban Asphalt Street Rehabilitation, (2) Urban Concrete Street Rehabilitation, (3) Urban Road Reconstruction, (4) Rural Road Rehabilitation, and (5) Preventive Maintenance. Prior to the election, the City provided a list of all streets included in the program based upon pavement condition data from the City's Pavement Management System. The following is the list of Road Reconstruction projects included in the program:

- 2021 - Grover Lane – Berry Road to Hall Avenue
- 2021 - McCullough Street – Monnett Avenue to Front Street
- 2022 - Juniper Lane – Chautauqua Avenue to Lahoma Avenue
- 2022 - Fairfield Drive – McCall Drive to Willow Lane
- 2023 - Oakbrook Drive – Pickard Avenue to Fairfield Drive
- 2023 - Pickard Avenue – Imhoff Road to Lakewood Drive
- 2024 - North Base Avenue – Main Street to Kansas Street
- 2025 - Sherry Avenue – Main Street to Holiday Street
- 2025 - Danfield Lane – Danfield Drive to Brookhaven Boulevard

McCullough Street and Alley is located in an established residential neighborhood. The roadway was constructed of concrete pavement with curb and gutter. The concrete pavement was in poor condition and the substructure had failed in several locations prior to reconstruction. The reconstruction project involved removal of the existing pavement, curb and gutter, stabilizing the

subgrade and placing new concrete panels. The McCullough Alley reconstructed with concrete pavement. Additionally, a new alley was constructed at the east end, linking the street and alley.

Council awarded the contract to Parathon Construction Company in the amount of \$315,863.50 at the April 26, 2022 meeting. Change Order No. 1 increased the contract amount to \$332,090.50. The project was completed within the 145-day contract period, plus weather days and a delay to redesign the east alley due to right of way issues, for \$321,972.14.

DISCUSSION:

Construction projects are awarded to the lowest responsible bidder. Contractor bids are determined using estimated plan quantities multiplied by the contractor's unit prices for all bid items of the contract. The total of all of these costs represents the contractor's bid. During construction, each quantity is verified in the field and the contractor is to be reimbursed based on the actual quantity of materials and/or labor used.

Of the sixty-five (65) bid items, forty-two (42) items had a quantity change. Fifteen (15) quantity changes resulted in increased cost, while twenty-seven (27) quantity changes resulted in decreased cost for an overall contract decrease of \$10,118.36 or 3%. The contract decreased from \$332,090.50 to \$321,972.14 (please see the attached Change Order 2 for a complete list of bid item cost increases and decreases).

The final payment amount owed to Parathon Construction Company is \$19,661.12, which includes the full 5% retainage.

This contract is funded by the McCullough Front Alley Project, Construction (Account 50593369-46101; Project SC0728).

RECOMMENDATION 1:

Staff recommends that Change Order No. 2 decreasing Contract K-2122-89 for the McCullough Street and Alley Reconstruction project with Parathon Construction Company by \$10,118.36 from \$332,090.50 to \$321,972.14 be approved.

RECOMMENDATION 2:

Staff further recommends the McCullough Street and Alley Reconstruction project be accepted and final payment to Parathon Construction Company be approved in the amount of \$19,661.12.