CITY OF NORMAN, OK

STAFF REPORT

MEETING DATE: 7/22/2025

REQUESTER: Jason Murphy, Stormwater Program Manager

PRESENTER: Scott Sturtz, Director of Public Works

TITLE: CONSIDERATION OF ADOPTION, APPROVAL, ACCEPTANCE, AWARDING, AMENDMENT, REJECTION, AND/OR POSTPONEMENT OF BID 2425-40 AND CONTRACT K-2526-16: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA AND CIMARRON CONSTRUCTION COMPANY, IN THE AMOUNT OF $5,499,994 FOR THE LOWER IMHOFF CREEK STABILIZATION PROJECT; PERFORMANCE BOND B-2526-11; STATUTORY BOND B-2526-12; AND MAINTENANCE BOND MB-2526-6; RESOLUTION R-2526-9 GRANTING TAX-EXEMPT STATUS; AND BUDGET TRANSFERS AS OUTLINED IN THE STAFF REPORT.

BACKGROUND:

A Storm Water Master Plan (SWMP) was developed for the City of Norman by PBS&J and accepted by City Council in November 2009.The SWMP recommends design and installation of stream bank stabilization techniques along stream segments of Imhoff Creek. The identified problem in the SWMP for Imhoff Creek is "4,200 lineal feet (LF) of severe bank erosion along both banks beginning at the upstream face of Highway 9 to approximately 2,000 LF upstream of Imhoff Road. The erosion along the banks has caused property fences and trees to fall into the creek."

As Imhoff Creek adjusted to changing upstream conditions, down cutting and widening resulted in extreme bank and bed erosion, which are characteristic in this portion of Imhoff Creek. Continued development along the length of the stream has exacerbated the runoff problems leading to trees and fences falling into the creek, loss of property and threats to infrastructure, including the Imhoff Road Bridge. In July of 2021, a critical failure of this bridge due to increasing erosion problems, led to this road being closed until April of 2022 to complete emergency repairs, with a resulting cost of just under $2 million dollars.

On June 9, 2015, Council approved Contract K-1415-134 by and between the City of Norman and Meshek & Associates, LLC, in the amount of $143,000. The contract services included detailed data collection and modeling resulting in the Lower Imhoff Creek Study Final Report.
On August 8, 2017, Council approved Resolution R-1718-21 accepting the Lower Imhoff Creek Study Final Report. The Lower Imhoff Creek Study Final Report recommended implementation

of a 5-year Monitoring Plan to evaluate the rate of degradation to the channel; training to City maintenance staff to learn new techniques for maintaining more natural stream restoration devices such as gabion walls, cross vanes, and others; and design and construction of stream mitigation improvements. The improvements were proposed to the City in phases, with Phase I beginning at Imhoff Road and ending approximately 1200 feet (approximately ¼ mile) downstream of Imhoff Road, and Phase II upstream of Imhoff Road and terminating at the end of the existing improved channel.

Furthering the SWMP's recommendation to design and install stream bank stabilization techniques, Council approved Amendment 1 to Contract K-1415-134 with Meshek and Associates on August 27, 2021. The scope of K-1415-134 Amd. 1 included preparation of Federal Emergency Management Agency (FEMA) Grant Application materials, surveys, permitting, modeling and project planning and management for Phase I, the downstream portion. Council ultimately allocated $550,000 per year for seven years beginning with the fiscal year 2021-2022 budget to the Imhoff Creek Stormwater Project (DR0062). Funds for K-1415-134 Amendment 1 were used from Stormwater Project, Design in the amount of $383,647.

On June 28, 2022, Council approved Resolution R-2122-134 authorizing City Staff to apply for a Hazard Mitigation (HMGP) Grant for Phase I including construction costs and reimbursement of the funds spent from the Imhoff Creek Stabilization project for design.

In November 2023, Oklahoma Department of Emergency Management and Homeland Security, (ODEMHS) officially informed the City of the grant award in the amount of $383,647 for Design of Phase I cost as well as an additional $19,065 for sub-recipient management costs (MC) for a total of $402,712. In December 2023, Council approved contract K-2324-98 with the Oklahoma Department of Emergency Management and Homeland Security (ODEMHS) to accept a grant in the amount of $402,712 for reimbursement of the design portion of the Lower Imhoff Phase I project. Reimbursements ($270,551.19) were processed in fiscal year 2023-2024 (FYE 2024), deposited into Special Revenue Fund and subsequently transferred back to the Capital Fund.

On October 21, 2024, FEMA notified City officials funding for the construction phase of the Imhoff Creek project, Phase I, had been awarded. The grant award in the amount of $2,953,160, includes federal funds in the amount of $2,662,835 (90%) and $290,325 (10%) in local match. The construction phase is FEMA's "Phase II" funding stage.

On November 11, 2024, City Council approved Contract K-2425-66, relating to the City’s acceptance of FEMA’s funding of Phase II, between the City of Norman and the ODEMHS. Funds for both the local match and the reimbursable federal match were transferred from the Capital Improvement Projects Fund, Imhoff Creek Stabilization, Construction (Account 50595531-46101; Project DR0062) to the Special Revenue Fund, Construction (Account 22595531-46101; Project DR0062).

DISCUSSION:
The project was publicly advertised on February 27, 2025, and March 6, 2025. Five contractors attended a pre-bid conference on February 28, 2025. Four bids were submitted and opened on April 10, 2025.

Tabulation of Bid Results

Contractor	Total
Tri-City Seal Co.	$4,955,490.40
Cimarron Construction Co	$5,499,994.00
Silver Star Construction Co. Inc.	$8,870,000.00
Downey Contracting	$9,884,565.40
Engineer's Estimate	**$3,414,129.75**

The low bid was submitted by Tri-City Seal Company, of Tuttle, Oklahoma in the amount of $4,955,490.40, which is $1,541,361.10, or 45.1%, more than the engineer's estimate. The Oklahoma Competitive Bidding Act (61 O.S. §103) requires that public construction contracts exceeding $100,000 be awarded through a competitive bidding process to the "lowest responsible bidder". The City is not obligated to "blindly select the one solely from consideration that it is the lowest in price"; rather, the City is required to "select the bidder who, all things being considered, has ability to respond to the requirements of the contract having full regard of the subject-matter thereof." *Rollings Const. Inc. v. Tulsa Metropolitan Water Authority,* 745 P. 2d 1176 (1987), *citing Hannan v. Bd. Of Education,* 107 P. 646 (1909). After a thorough review of the Statement of Qualification submitted with Tri-City Seal Company's bid, they were determined not to be the lowest responsible bidder due to inexperience with a project of this magnitude and complexity. The second lowest bid was submitted by Cimarron Construction Company of Oklahoma City in the amount of $5,499,994, which is $2,085,864.25 or 61.1% more than the engineer's estimate. Due to the complexity of this project, bid prices exceeding the engineer's estimate are acceptable. The two lowest bids were tightly spaced indicating the bids are realistic.

Cimarron Construction Company is a responsible bidder. They have successfully performed similar work in the past and have successfully completed many projects in the City of Norman.

Up-front funding for this project (before grant funds are received) is proposed to be funded as follows:

Project	Number and Account	Amount
Imhoff Creek Stabilization	DR0062 Acct# 50595531-46101	$1,323,395.61
Imhoff Creek Stabilization	DR0062 Acct# 50595531-46001	$278,352.00
Imhoff Creek Stabilization	DR0062 Acct# 22595531-46101	$2,662,835.00
Findlay Drive Drainage Design	DR0027 Acct# 50599968-46101	$593,010.72

Drainage Rehabilitation Annual Project	DR0034 Acct# 50599967-46101	$392,400.67
Boyd Street Pipe Replacement FY24	DR0036 Acct# 50599968-46101	$250,000.00
Total:		**$5,499,994.00**

Due to the significant difference in the cost of construction and what was awarded by the grant, staff is recommending that funds be re-allocated (transferred) from other stormwater accounts be used to fully fund this project. Consequently, future Council items will be submitted to transfer the reimbursement funds from the grant to either the account that the funds are being borrowed from or to be placed back into the Imhoff Phase II balance.

If approved, construction of the Lower Imhoff Bank Stabilization Project will begin on or around August 1, 2025. The construction time for this project is 548 days excluding weather delays with an estimated completion in February 2027.

RECOMMENDATION 1:
Staff recommends the approval of Contract K-2526-16 with Cimarron Construction Company in the amount of $5,499,994 for construction of the Lower Imhoff Bank Stabilization Project.

RECOMMENDATION 2:
Staff further recommends that, upon approval of Contract K-2526-16, the following bonds be approved:

Performance Bond B-2526-11
Statutory Bond B-2526-12
Maintenance Bond MB-2526-6

RECOMMENDATION 3:
Staff further recommends that, upon approval of Contract K-2526-16, Cimarron Construction Company be authorized as Project Agent via Resolution R-2526-9.

RECOMMENDATION 4:
Staff further recommends $593,010.72 be transferred from Findlay Drive Drainage Design, Construction (Account 50599968-46101; Project DR0027) to Imhoff Creek Stabilization, Construction (Account 50595531-46101; Project DR0062).

RECOMMENDATION 5:
Staff further recommends $392,400.67 be transferred from Drainage Rehabilitation Annual Project, Construction (Account 50599967-46101; Project DR0034) to Imhoff Creek Stabilization, Construction (Account 50595531-46101; Project DR0062).

RECOMMENDATION 6:
Staff further recommends $250,000 be transferred from Boyd Street Pipe Replacement FYE24, Construction (Account 50599968-46101; Project DR0036) to Imhoff Creek Stabilization, Construction (Account 50595531-46101; Project DR0062).

RECOMMENDATION 7:
Staff further recommends $278,352 be transferred from Imhoff Creek Stabilization, Land (Account 50595531-46001) to Imhoff Creek Stabilization, Construction (Account 50595531-46101; Project DR0062).