



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 03/28/2023

REQUESTER: Katherine Coffin

PRESENTER: David Riesland, Transportation Engineer

ITEM TITLE: CONSIDERATION OF AWARDING, ACCEPTANCE, APPROVAL, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF BID-2223-49 AND CONTRACT K-2223-114: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND RUDY CONSTRUCTION COMPANY IN THE AMOUNT OF \$2,023,453.65 AND CHANGE ORDER ONE INCREASING THE CONTRACT BY \$14,900 FOR A REVISED CONTRACT AMOUNT OF \$2,038,353.65 FOR THE 12TH AVENUE N.E. AT HIGH MEADOWS DRIVE INTERSECTION IMPROVEMENT PROJECT; PERFORMANCE BOND B-2223-56; STATUTORY BOND B-2223-57; MAINTENANCE BOND MB-2223-47; RESOLUTION R-2223-93 GRANTING TAX-EXEMPT STATUS; AND BUDGET APPROPRIATION AS OUTLINED IN THE STAFF REPORT.

BACKGROUND:

The intersection of 12th Avenue NE and High Meadows Drive is a “three-legged” intersection that was signalized in 1993, but without roadway improvements to provide a southbound left turn on 12th Avenue NE onto eastbound High Meadows Drive. The intersection is located north of Robinson Street, with High Meadows Drive providing access to Eisenhower Elementary School and surrounding residential neighborhoods. The ever-increasing volume of traffic and the resulting increase of collisions have exposed the need for a dedicated turn lane and new traffic signals at this intersection.

Installing the southbound left turn lane requires widening of the existing four-lane section at the intersection. This project also provides the opportunity for the City to upgrade the signal interconnect system along 12th Avenue NE with fiber optic cable between Robinson Street and Rock Creek Road (a map of what the proposed intersection would look like is attached).

This section of 12th Avenue NE in Norman also serves as U.S. Highway 77. The Oklahoma Department of Transportation (ODOT) maintains jurisdiction over maintenance and improvements to the highway; however, 12th Avenue NE also serves as a major arterial street in Norman and intersects with many other city streets. While the City is responsible for the design of intersection signalization projects on 12th Avenue NE, construction must be coordinated with ODOT.

On August 1, 2017, City Council held a study session to discuss the Griffin Park Sports Complex Master Plan, which includes additional improvements to the adjacent transportation network (a copy of a proposed site plan for Griffin Park is included as an attachment).

DISCUSSION:

One of the transportation network improvements recommended in the Griffin Park Sports Complex Master Plan calls for a new access point off of 12th Avenue NE (see attachment). This new access affects the on-going design of the improvements at the High Meadows intersection.

Following numerous discussions with ODOT, it was determined that the City of Norman would be responsible for bidding the project, utility relocation, acquisition of any right-of-way to construct the project, and the construction administration. The City of Norman is to invoice ODOT for 80% of the construction costs.

Bids were opened for the construction project on March 2, 2023. The bid package, 2223-29, included Contract K-2223-114, Performance Bond B-2223-56, Statutory Bond B-2223-57, and Maintenance Bond MB-2223-47. With a bid of \$2,023,453.65, Rudy Construction Co., of Oklahoma City, was the apparent low bidder, as noted on the attached bid tabulation. Rudy Construction Company is a responsible bidder. They have successfully performed similar work for the City of Norman in the past.

During review of the contract documents, it was discovered that the maintenance bond included in the bid documents had the incorrect term. Change Order #1 was negotiated to extend the maintenance term from two years to five years, which is the City standard for capital projects. Staff feels that the amount of Change Order #1 is consistent with the increased liability the contractor will incur. The negotiated cost for Change Order #1 was \$14,900 (see attached copy). This amount, when added to the original Rudy Construction Co. low bid of \$2,023,453.65 results in a revised bid of \$2,038,353.65, which still results in Rudy Construction Co. being the low bidder. Based upon this low bid, staff will prepare an invoice in the amount of \$1,630,682.92 to be sent to ODOT representing 80% of their share of the construction cost. This makes the City of Norman share, or 20% of the construction cost, \$407,670.73.

Funds totaling \$373,233 are available in the Construction, Land, and Utilities Objects of the project budget (project TR0051). This covers the majority of the 20% local share. However, with higher than anticipated construction costs, City project funds are \$34,437.73 short. This shortfall is recommended to be appropriated from Capital Fund balance (account 50-29000) 12th Avenue and High Meadows Drive Intersection, Construction (account 50590079-46101; Project TR0051).

The ODOT share of \$1,630,682.92 will be recorded to the Special Grants Fund, State Grant Revenue (account 225-331380) when received and will need to be appropriated from that account to 12th Ave NE & High Meadows Drive Intersection, Construction (account 22590079-46101; Project TR0051).

A Notice to Proceed will be issued to Rudy Construction Co. following Council approval of the project. A pre-construction meeting is anticipated in early April with construction beginning in

mid to late April. A total of 180-day construction time is anticipated resulting in completion in October 2023.

RECOMMENDATION NO. 1:

Staff recommends approval of Contract K-2223-114, associated bonds, and Change Order #1 with Rudy Construction Co. in the total amount of \$2,038,353.65 for construction services associated with the modifications to 12th Avenue NE intersection with and High Meadows Drive.

RECOMMENDATION NO. 2:

Staff recommends the appropriation of funds from Capital Fund Balance (account 50-29000) in the amount of \$34,437.73 to the 12th Ave NE & High Meadows Drive Intersection, Construction account to pay for the shortage in the required 20% local match.

Staff further recommends that the total of \$1,630,682.92 in ODOT funding be appropriated from State Grant Revenue to the 12th Ave NE & High Meadows Drive Intersection project.

RECOMMENDATION NO. 3:

Staff recommends adoption of Resolution R-2223-93 granting tax-exempt status to Rudy Construction Company to avoid payment of sales tax on materials purchases related to the project.