



## CITY OF NORMAN, OK STAFF REPORT

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**MEETING DATE:** 8/13/2024

**REQUESTER:** Jason Murphy, Stormwater Program Manager

**PRESENTER:** Scott Sturtz, Interim Director of Public Works

**TITLE:** CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CONTRACT K-2425-7: A CONTRACT BY AND BETWEEN THE CITY OF NORMAN AND RUDY CONSTRUCTION CO. IN THE AMOUNT OF \$655,256.40 FOR THE DRAINAGE REHABILITATION PROJECT, PERFORMANCE BOND B-2425-9; STATUTORY BOND B-2425-10; MAINTENANCE BOND MB-2425-5; CHANGE ORDER ONE; RESOLUTION R-2425-5 AND APPROVAL OF AN APPROPRIATION AS OUTLINED IN THE STAFF REPORT.

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### **BACKGROUND:**

The City of Norman's Stormwater Division is responsible for the maintenance of a vast network of stormwater inlets, flumes, vegetated channels, and storm sewer lines. Many of the City's inlets are decades old and built of brick and mortar. Over time, the brick and mortar inlets have demanded an outsized maintenance effort.

Intent on reducing the maintenance burden and building off of the success of FYE 2023 Inlet Rehabilitation Project, staff has continued to add locations to the list of inlets and other drainage infrastructure in most need of replacement, citywide. This project will also construct a concrete flume in the vicinity of Rowena Lane where homeowners have experienced excessive standing water due to the poor drainage conditions that are present currently.

The Drainage Rehabilitation Project will eventually affect all wards in the City. Construction activities include removal of old brick and mortar inlet structures and construction of new concrete inlet structures, removal and replacement of sidewalk, and construction of a new "Flexamat"-lined channel and flume. Such construction activities are necessary to improve the condition of the City's stormwater infrastructure and decrease the required maintenance intervals.

### **DISCUSSION:**

While staff has continued to curate the list of inlets and other drainage infrastructure in most need of replacement, conditions at any given location can change rapidly, warranting an equally rapid response. With the intention to provide staff adequate flexibility and minimum response time to address drainage maintenance issues city-wide, the Drainage Rehabilitation Project bid

was circulated as a unit price contract modeled after other municipal unit price maintenance programs. Staff compiled a list of the most common pay items, referenced ODOT’s average price index, and referenced the City’s prior year bid prices to formulate a representative engineer’s estimate. Contractors were asked to submit bids based on the pay items and quantities listed. This is an annual contract set to expire on June 30, 2025 with an optional renewal for a maximum of three years based on contractor performance.

The Drainage Rehabilitation Project was bid with an add alternate to incorporate the Rowena Lane Drainage Improvement Project with the intention to make both the base bid and add alternate more attractive to bidders.

Bid documents and specifications for the Drainage Rehabilitation Project were advertised on June 7, 2024 and June 14, 2024 in accordance with State Law. Three (3) bids were received on June 27, 2024.

The lowest bid amount was received from Nash Construction, of Oklahoma City, Oklahoma. However, in reviewing the bid documents, Nash Construction’s bid was found to be non-compliant with the instructions provided in the bid documents and therefore, in accordance with State law, Nash Construction’s bid was necessarily rejected. Rudy Construction, of Oklahoma City, Oklahoma, having the second lowest bid, is the winner in the amount of \$472,393.20 for the base bid and \$182,863.20 for the add alternate for a total bid price of \$655,256.40. This bid is \$80,949.43 or 14.1% above the total Engineer’s Estimate of \$574,306.97. Staff performed a comparative analysis of these bids, and believes the bid to be competitive and represents a fair price. The bid tabulation is in the table below:

	<b>Engineers Est.</b>	<b>Cimarron Const.</b>	<b>Nash Const.</b>	<b>Rudy Const.</b>
<b>Base Bid</b>	\$446,337.34	\$1,025,426.00	\$487,214.00	\$472,393.20
<b>Add Alternate</b>	\$127,969.63	\$211,445.34	\$141,424.50	\$182,863.20
<b>Total Bid</b>	\$574,306.97	\$1,236,871.34	\$628,638.50	\$655,256.40

Following receipt of bids, it was discovered that maintenance bonding was required in larger amounts than requested in the bid in order to fully comply with state law. Thus, Nash was requested, and agreed to, increase its Maintenance Bond amount and Change Order No. 1 in the amount of \$328 is hereby submitted with this item to account for the cost of this bonding increase. Even with this minor increase, Rudy Construction is still the clear low bidder.

This project will be funded from two sources: Drainage Rehabilitation Project, Construction (Account 50599967-46101; Project DR0034) and the Rowena Lane Drainage Improvement Project, Construction (Account 50599966-46101; Project DR0024). The Rowena Lane add alternate bid price exceeds the current project allocation by \$82,863.20. Funds exist to cover this shortfall in the Drainage Rehabilitation Project account. Therefore, staff is requesting funds be transferred from the Drainage Rehabilitation Project (DR0034) to the Rowena Lane Drainage Improvement Project (DR0024) in the amount of \$82,863.20.

If approved, construction of the Drainage Rehabilitation Project will begin on August 26, 2024, with a completion of June 30, 2025.

Funds are available for Change Order 1 in the Drainage Rehabilitation Project.

**RECOMMENDATION 1:**

Staff has reviewed the bids and recommends Bid 2425-6 for the Drainage Rehabilitation Project be awarded to the successful bidder, Rudy Construction Co. of Oklahoma City, Oklahoma, for \$655,256.40.

**RECOMMENDATION 2:**

Staff further recommends that, upon approval of Bid No. 2425-6, Rudy Construction be authorized and appointed as Project Agent via Resolution R-2425-5 to avoid the need to remit sales tax on materials purchases related to the public project, and that the following contract and bonds be approved:

Contract K-2425-7  
Performance Bond B-2425-9  
Statutory Bond B-2425-10  
Maintenance Bond MB-2425-5

**RECOMMENDATION 3:**

Staff further recommends the transfer of \$82,863.20 from the Drainage Rehabilitation Project to the Rowena Lane Drainage Improvement Project be approved.

**RECOMMENDATION 4:**

Staff further recommends that Change Order 1, increasing Contract K-2425-7 for the Drainage Rehabilitation Project by \$328, be approved.