



CITY OF NORMAN, OK STAFF REPORT

MEETING DATE: 11/14/2023

REQUESTER: Steve Guizzo, Engineering Assistant

PRESENTER: Shawn O'Leary, Public Works Director

ITEM TITLE: CONSIDERATION OF APPROVAL, ACCEPTANCE, REJECTION, AMENDMENT, AND/OR POSTPONEMENT OF CHANGE ORDER NO. TWO TO CONTRACT K-2324-2: BY AND BETWEEN THE CITY OF NORMAN, OKLAHOMA, AND ARROYO'S CONCRETE LLC. INCREASING THE CONTRACT AMOUNT BY \$196,357 FOR A REVISED CONTRACT AMOUNT OF \$535,044.50 FOR THE ADDITION OF 54 BUS STOPS TO THE FYE 2023 SIDEWALK CONCRETE PROJECTS AND BUDGET APPROPRIATION AS OUTLINED IN THE STAFF REPORT.

BACKGROUND:

The FYE 2024 Sidewalk Concrete Projects consisted of removal and replacement of sidewalks and ramps as needed at various locations throughout the City of Norman.

The FYE 2024 Sidewalk Concrete Projects (K-2324-2) bids were opened on June 15, 2023 with Arroyo's Concrete LLC, submitting the winning bid of \$330,885.50. Change order 1 for \$7,802 was included as part of the original contract to provide additional funding throughout the year to complete necessary repairs in the Citywide 50/50 Program. The contract was approved by City Council on July 25, 2023. Work began on August 21, 2023 and is currently under construction.

An Invitation to Bid was advertised for the installation of 74 bus stops in June of 2023 and two bids were received. These new bus stops are needed to accommodate the 2023 route changes recently implemented by Embark Norman. After evaluation of the bids it was determined that both bids exceeded the engineer's estimate of \$160,668. The bids received were \$310,915 and \$427,810. Both bids were rejected. Evaluation showed that the actual work required to construct the bus stops to meet all applicable ADA requirements was more than initially expected. This is mostly due to the need to lower existing sidewalks to meet maximum slopes from the curb. In addition, there have significant cost increases in materials and labor for concrete work.

DISCUSSION:

Staff reviewed current contracts and determined that this work was consistent with the unit priced items being completed for the FYE 2024 Sidewalk Concrete Projects contract K-2324-2. It was determined that all work would fit into the bid unit price items and would constitute a unit price overrun that could be addressed through a change order. Arroyo's Concrete, LLC was contacted to determine their willingness to complete the installation of 54 bus stops under their current contract. Following the rejected bids, the bus stop project was reevaluated and 20 stops were removed or modified. Arroyo's Concrete, LLC submitted a cost of \$196,357 to construct or modify the 54 bus stops based on anticipated quantities. This cost exceeded the engineer's estimate of \$160,668 by \$35,689 or 22.2%. As discussed above, this cost utilized the current FYE 2023 Sidewalk Concrete Projects bid items in contract K-2324-2. If approved, this change order of \$196,357 is a 58% increase to the FYE 2024 Sidewalk Concrete Projects contract for a total contract value of \$535,044.50.

FISCAL IMPACT:

Change Order 2 is for the installation and or modification of 54 bus stops at various locations throughout the City of Norman.

\$160,000 is available for this project in the FYE 2024 Capital Budget. The project received \$120,000 in federal funds through the Association of Central Oklahoma Governments (ACOG) and that funding is available in the Special Grants Fund, Fleet Conversion Grant, Construction (Account Number 22550480-46101; Project BG0085). The City match for the ACOG grant is \$39,936 and it is available in the Capital Projects Fund, Transit Projects, Construction (Account Number 50593379-46101; Project BG0085). If approved, the remaining \$36,421 is proposed to be appropriated from the City's FYE 2024 Capital Fund Balance.

The original date to begin the new bus routes was August 2023, but this was moved due to delays on the transit center. It was moved to October 1, 2023, and was later extended to October 16, 2023. This left a very short timeframe to complete the bus stops to meet the route change deadlines.

RECOMMENDATION 1:

Staff recommends a appropriation of \$36,421 from the FYE 2023 Capital Fund Balance (account 50-29000) to the Bus Stops Project, Construction (account 50593379-46101; Project BG0085).

RECOMMENDATION 2:

Staff recommends that Change Order 2 increasing Contract K-2324-2 with Arroyo's Concrete LLC, by \$196,357 for the installation of 54 bus stops be approved.

Reviewed by: Scott Sturtz, City Engineer
 Shawn O'Leary, Director of Public Works
 Clint Mercer, Chief Accountant
 Kathryn Walker, City Attorney

Darrel Pyle, City Manager